

Virgin Island Lottery- Request for Proposal November 6, 2020 Initial Questions Submission by Collins Consulting

Thank you for your consideration in responding to our questions.

- 1) Collins Consulting was founded in 1992 and carries a \$1m limit claims-made professional liability policy. It is not occurrence based as required by the RFP. Professional liability coverage in the US is predominately sold on a claims-made basis and therefore we are unable to meet this requirement. Will we be disqualified?

No, we are drafting an addendum removing that provision.

- 2) Does the Virgin Island Lottery (“VIL”) purchase any type of coverage for its prizes? If so, will we be provided with the coverage documents and any prior analysis conducted to support the purchase?

The VIL does not.

- 3) How will the communications between the VIL and the winner of the contract work? Will we be allowed access to people directly or will we have a single point of contact?

The winning vendor will have access to any personnel needed to facilitate the goal of improving the Virgin Islands Lottery Game.

- 4) Will the recipient be required to have a knowledge of the Virgin Island lottery laws when making our recommendations? Or is it acceptable to provide a disclaimer that our recommendations are based on our actuarial driven models that may or may not be in compliance with all US laws governing lottery games?

No, information regarding the VIL will be provided once the winning bidder is announced. The winning vendor will work in tandem with the consultant and staff of the VIL to achieve the goal of improving the Virgin Islands Lottery game. The staff will provide any institutional knowledge necessary to the winning vendor.

- 5) Does the VIL conduct regular studies to determine if changing the price or the type of prize has any impact on revenue generation. If so, will we be provided with the prior studies and any subsequent analysis that looked at actual results based on the previous assumptions made in the study?

No studies have been conducted. VIL has done non-scientific verbal surveys of customers and dealers who have consistently indicated that they would like to see an increase in the top 4 prizes which would encourage them to play more. A survey likely needs to be conducted to better understand players/dealers

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opinions related to this. VIL recommends using a scientific study, focus groups and also a local survey of our dealers and customers.

- 6) How does VIL currently decide what price structure, dollar value of prizes, and which types of lottery games to promote?

Price structure and dollar values are determined by the prospectus. The bonus prizes for the Extra Ordinary drawings are determined by the marketing team and the Executive Director.

- 7) Will VIL provide the underlying data to support the information provided in Attachment A of the RFP? If so, will it be in Excel or a similar format?

Yes. VIL will provide to the winner bidder in any format requested.

- 8) Will we have access to underlying data for VIL further back in time than the 3 years shown in Attachment A? If so, how far back is that data available?

Yes, the overall total in sales is available as far back as seven years.

- 9) Will we have access to historical data for each of the lottery games being reviewed i.e., Powerball®, Mega Millions®, Super Lotto, Pick 3, Pick 4, Lucky Pick, Caribbean Keno and Express Cash as well as instant tickets? If so, how far back is that data available?

Yes, the VIL has seven years of sales data

- 10) Will we be provided with the financial records to support the costs to run each of the different types of lotteries, i.e. machine, scratch card, demographics of player etc.?

Yes, the winning bidder will have access to all data that VIL has.

- 11) Does VIL have a robust financial reporting system that allows for queries or reports to be run which isolate revenue and expenses by lottery game type?

The accounting system provides financials but not by lottery game type.

- 12) Can the historical details provided in the RFP be tied to financial statements or any type of internal financial reports by type of lottery game that can be aggregated to tie to the financials? Are there historical reports with the revenues and costs by type of lottery?

Yes, the winning bidder will have access to all data that VIL has.