



S.C. Education Lottery  
Finance Department  
Attn: SCEL Procurement  
1333 Main St., 4<sup>th</sup> Floor  
Columbia, SC 29201  
Phone (803) 737-2002/ Fax (803) 737-0047/Email: Procurement@sclot.com

**REQUEST FOR QUOTATION** (This is not an order)

Date Posted: **Wednesday, 09/09/2015**

Inquiries/Questions must be received by: **Wednesday, 09/16/2015, at 11:00 a.m. ET**

**All Answers will be posted on SCEL's website by: Thursday, 09/17/2015**

<http://www.sceducationlottery.com/lottery/procurement.aspx>

Quotation/Samples must be received by: **Wednesday, 09/23/2015, at 4 p.m. ET**

**Late bids/quotes/samples NOT accepted.**

Send Quotations/ Samples/Inquiries/Questions to above address, email, or fax to:

**Attention: SCEL Procurement**

**Procurement@sclot.com / Phone (803) 737-2002 /Fax (803) 737-0047**

Solicitation number (write on outside of envelope): **Pencils FY16 RFQ**

Commodities: **1,002,240 Sharpened Hex-shaped, Small "Golf" Style Pencils (501,120 in PMS 286 blue; 501,120 in PMS 361 green). Pencil lead must be bonded. No rainforest wood to be used.**

**Inquiries/Questions must be received by: Wednesday, September 16, 2015, at 11 a.m. ET**

**Quote/Sample Due Date: Wednesday, September 23, 2015, at 4 p.m. ET.**

**Late bids/samples will NOT be considered.**

**Award Issued: Friday, September 25, 2015.**

**Final Delivery Due Date: Week of Jan. 4, no later than noon ET on Friday, Jan. 8, 2016.**

Note: See attached sheets for preference clauses and provisions, certification and authorization, special conditions, and specifications and bidding schedule.

This section must be completed by the vendor.

Vendor Name:

Area Code/Telephone Number/Fax:

Mailing Address:

City:

State:

Zip Code:

FEIN/SSN:

## **New Clause for Part IIA**

### **IRAN DIVESTMENT ACT OF 2014**

On January 5, 2015, the Budget and Control Board, pursuant to S.C. Code Ann. 11-57-310(A)(1), published a list of persons engaged in investment activities in Iran. The list is available at the following URL: [http://procurement.sc.gov/PS/PS-iran-divestment.phtm\(.\)](http://procurement.sc.gov/PS/PS-iran-divestment.phtm(.))

Section 11-57-310(B) declares that any person identified on the Iran Divestment Act List is ineligible to contract with the State. Section 11-57-310(C) provides "Any contract entered into with a person that is ineligible to contract with the State shall be void ab initio." Section 11-57-330(A) provides:

A state agency or entity shall require a person that attempts to contract with the State, including a contract renewal or assumption, to certify, at the time the bid is submitted or the contract is entered into, renewed, or assigned, that the person or the assignee is not identified on a list created pursuant to Section 11-57-310. A state agency shall include certification information in the procurement record.

Section 11-57-330(B) prohibits any State contractor from utilizing any subcontractor identified on the Iran Divestment Act List. You may read the entire act at the following URL:

[http://www.scstatehouse.gov/code/t11c057.php\(.\)](http://www.scstatehouse.gov/code/t11c057.php(.))

The new clause below creates the bidder's certification he/she is not on the list. It is part of instructions to offerors, and must be added to Section IIA in all solicitations. The clause reads:

IRAN DIVESTMENT ACT - CERTIFICATION (JAN 2015): (a) The Iran Divestment Act List is a list published by the Board pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: [http://procurement.sc.gov/PS/PS-iran-divestment.phtm\(.\)](http://procurement.sc.gov/PS/PS-iran-divestment.phtm(.)) Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to award a contract to you. (b) By signing your Offer, you certify that, as of the date you sign, you are not on the then-current version of the Iran Divestment Act List. (c) You must notify the Procurement Officer immediately if, at any time before posting of a final statement of award, you are added to the Iran Divestment Act List. [02-2A077-1]

This is to alert you to the requirements of Act No. 63 of 2015. Effective June 4, 2015, it revises the Iran Divestment Act and creates Article 23 of the Consolidated Procurement Code.

The Iran Divestment Act certification is now required only for contracts over \$10,000. The new law includes exceptions for inter-governmental contracts and cooperative purchasing agreements sponsored by public procurement units. It also makes clear that failure to comply with the Iran Divestment Act is not grounds for a protest.

The contractor is required to execute the following certification prior to award:

**CERTIFICATION FOR  
IRAN DIVESTMENT ACT OF 2014  
(S.C. Code Ann. §§ 11-57-10, et seq.)**

*The Iran Divestment Act List is a list published by the South Carolina Budget and Control Board pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: [http://procurement.sc.gov/PS/PS-iran-divestment.phtm\(.\)](http://procurement.sc.gov/PS/PS-iran-divestment.phtm(.)) Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to award a contract to you.*

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I, the official named below, certify I am duly authorized to execute this certification on behalf of the vendor identified below, and, as of the date of my signature, the vendor identified below is not on the current Iran Divestment Act List. I further certify that I will notify the Procurement Officer immediately if, at any time before award of a contract, the vendor identified below is added to the Iran Divestment Act List.

<i>Vendor Name (Printed)</i>	<i>State Vendor No.</i>
<i>By (Authorized Signature)</i>	<i>Date Executed</i>
<i>Printed Name and Title of Person Signing</i>	<i>(Not Used)</i>

## **Additional New Clause for Part IIA**

### **2015 OPEN TRADE CLAUSES**

This is to alert you to the requirements of Act No. 63 of 2015. Effective June 4, 2015, it revises the Iran Divestment Act and creates Article 23 of the Consolidated Procurement Code.

New Code Section 11-35-5300 prohibits contracting with discriminatory businesses. It requires a pre-award representation from a contractor that the business is not currently engaged in, and an agreement that the business will not engage in, the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in the statute. It does not apply to contracts under \$10,000, nor to inter-governmental contracts or cooperative purchasing agreements sponsored by public procurement units. Failure to comply with Section 11-35-5300 is not grounds for a protest.

We have developed two new solicitation clauses in response to Section 11-35-5300.

The first new clause is the bidder's representation she is not engaged in a prohibited boycott. It is part of the instructions to offerors and should be added by amendment to Section IIA in all solicitations that have not yet been opened. The clause reads:

OPEN TRADE REPRESENTATION (JUN 2015): By submitting an Offer, Offeror represents that Offeror is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [02-2A083-1]

The second new clause is the contractor's agreement not to engage in a prohibited boycott during the term of the contract. It must be added to all open solicitations by amendment; and to solicitations that have been opened but have not yet been awarded and to any current contracts that have renewable option terms remaining, by change order or directive. It is part of the performance requirements of the contract, and appears in Section VIIA. The clause reads:

OPEN TRADE (JUN 2015): During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [07-7A053-1]

The contractor is required to execute the following certification prior to award:

**CERTIFICATION FOR  
OPEN TRADE REPRESENTATION**  
(S.C. Code Ann. §§ 11-35-5300)

*The following representation, which is required by Section 11-35-5300(A), is a material inducement for the State to award a contract to you.*

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I, the official named below, certify I am duly authorized to execute this certification on behalf of the vendor identified below, and, as of the date of my signature, the vendor identified below is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300.

<i>Vendor Name (Printed)</i>	<i>State Vendor No.</i>
<i>By (Authorized Signature)</i>	<i>Date Executed</i>
<i>Printed Name and Title of Person Signing</i>	<i>[Not used]</i>

**SOUTH CAROLINA PROCUREMENT PREFERENCES  
CLAUSES & PROVISIONS TO IMPLEMENT 2009 Act No. 72**

[Clause numbers have not yet been assigned.]

**New Clauses for Part IIB**

PREFERENCES - **A NOTICE TO VENDORS** (SEP. 2009): On June 16, 2009, the South Carolina General Assembly rewrote the law governing preferences available to in-state vendors, vendors using in-state subcontractors, and vendors selling in-state or US end products. This law appears in Section 11-35-1524 of the South Carolina Code of Laws. A summary of the new preferences is available at [www.procurement.sc.gov/preferences](http://www.procurement.sc.gov/preferences). **ALL THE PREFERENCES MUST BE CLAIMED AND ARE APPLIED BY LINE ITEM, REGARDLESS OF WHETHER AWARD IS MADE BY ITEM OR LOT. VENDORS ARE CAUTIONED TO CAREFULLY REVIEW THE STATUTE BEFORE CLAIMING ANY PREFERENCES. THE REQUIREMENTS TO QUALIFY HAVE CHANGED. IF YOU REQUEST A PREFERENCE, YOU ARE CERTIFYING THAT YOUR OFFER QUALIFIES FOR THE PREFERENCE YOU'VE CLAIMED. IMPROPERLY REQUESTING A PREFERENCE CAN HAVE SERIOUS CONSEQUENCES.** [11-35-1524(E)(4)&(6)] [02-2B111-1]

PREFERENCES - **RESIDENT VENDOR PREFERENCE** (SEP 2009): To qualify for the RVP, you must maintain an office in this state. An office is a nonmobile place for the regular transaction of business or performance of a particular service which has been operated as such by the bidder for at least one year before the bid opening and during that year the place has been staffed for at least fifty weeks by at least two employees for at least thirty five hours a week each. In addition, you must either: (1) maintain at a location in South Carolina at the time of the bid an inventory of expendable items which are representative of the general type of commodities for which the award will be made and which have a minimum total value, based on the bid price, equal to the lesser of fifty thousand dollars [\$50,000] or the annual amount of the contract; or (2) be a manufacturer headquartered and having an annual payroll of at least one million dollars in South Carolina and the end product being sold is either made or processed from raw materials into a finished end product by that manufacturer or its affiliate (as defined in Section 1563 of the Internal Revenue Code). [02-2B114-1]

**Please check the appropriate box below.**

**South Carolina (In-State) Resident Vendor**

**In-State Office Address (If different from vendor mailing address on page 1)**

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**Non-Resident Vendor**

**SOUTH CAROLINA PROCUREMENT PREFERENCES (CONTINUED)**  
**CLAUSES & PROVISIONS TO IMPLEMENT 2009 Act No. 72**

**New Clauses for Part IIB**

PREFERENCES - **SC/US END-PRODUCT** (SEP 2009): Section 11-35-1524 provides a preference to vendors offering South Carolina end-products or US end-products, if those products are made, manufactured, or grown in SC or the US, respectively. An end-product is the tangible project identified for acquisition in this solicitation, including all component parts in final form and ready for the use intended. The terms "made," "manufactured," and "grown" are defined by Section 11-35-1524(A). By signing your offer and checking the appropriate space(s) provided and identified on the bid schedule, you certify that the end-product(s) is either made, manufactured or grown in South Carolina, or other states of the United States, as applicable. Preference will be applied as required by law. Post award substitutions are prohibited. See "Substitutions Prohibited - End Product Preferences (Sep 2009)" provision. [02-2B112-1]

**Please check the appropriate box below if it applies.**

- South Carolina End-Product**
- U.S. End-Product**
- SC/US End-Product DOES NOT APPLY**

**Please review the following requirements explained below before checking either of the boxes above.**

SCEL's Procurement Office has determined that bidders **must provide** the following **documentation** that establishes the bidder's qualifications for **SC/US END-PRODUCT** preferences sought for SCEL's Pencils FY16 RFQ. **A bidder's failure to provide this information promptly is grounds to deny the preference.** The information requested in the following paragraph is necessary for **each of the items** for which a bidder is requesting a preference. To qualify for the SCEPP or USEPP, a bidder must demonstrate compliance with Section 11-35-1524 of the South Carolina Procurement Code of Laws which may be found in its entirety on the link below. In particular, see Section 11-35-1524 (B) (1) (2) (3) and (5). A substantial portion of the price of the end product must be derived from this process as applicable to the final cost.

<http://www.scstatehouse.gov/code/t11c035.php>

**ALL documentation requested by SCEL's Procurement Office for SC/US End-Product preferences must include the manufacturer's contact information including: a contact name, phone number, and email address in order to verify the information below.**

1. **Bidder's Raw Unit Cost per Item** (i.e. documentation of the unit cost for each item the bidder must pay the manufacturer)
2. **Unit Cost for Finishing the Item to Complete the Product** (i.e. documentation of the unit cost for finishing the item that the bidder must pay to the manufacturer located in South Carolina or the United States that is performing the imprinting process, etc.)
3. **Where will the raw product be processed into the finished product to complete the product?** Please include name of the manufacturer and the city, state, and country in which the manufacturer is located. For example, if the final step in the finishing process for the imprint will be completed by a company in the United States, include the city, state, and country this will occur.
4. Bidders may include any **shipping cost** associated with the SC/US END-PRODUCT preference sought if any portion of the shipping is performed in South Carolina or the United States.

**The requested documentation must be submitted to the SCEL Procurement Office no later than Wednesday, September 23, 2015, at 4 P.M. EST with the requested Bids/Samples.** Failure to do so, will result in a denial of the preference sought. SCEL will **not** disclose these cost components to any third party.

## CERTIFICATION AND AUTHORIZATION

I certify that this bid is made without prior understanding, agreement or connection with any corporation, firm or person submitting a bid for the same materials, supplies or equipment and is in all respects fair and without collusion or fraud. I agree to abide by all conditions of this bid and certify that I am authorized to sign this bid for the bidder. I agree, if this quotation is accepted within 60 days from date of closing, to furnish any and all items/services at the price quoted.

<i>Vendor Name (Printed)</i>	<i>State Vendor No.</i>
<i>By (Authorized Signature)</i>	<i>Date Executed</i>
<i>Printed Name and Title of Person Signing</i>	<i>[Not used]</i>



**SOUTH CAROLINA EDUCATION LOTTERY  
SOLICITATION NUMBER: Pencils FY16 RFQ**

**Purpose and Scope of Work:**

**Special Conditions**

1. **Award:** The Contract will be awarded to the lowest responsible and responsive bidder.

2. **Shipping for Requested Samples Below to :**

S.C. Education Lottery  
Attn: Teresa Brock  
1333 Main Street, Suite 400  
Columbia, SC 29201

- **Delivery for bid/quote/sample** when sending in golf pencil samples that are closely matched to each requested PMS color [**1 blue (PMS 286) and 1 green (PMS 361)**]. Each sample should be clearly marked with the name of the Vendor. **The samples submitted with bids must have imprints but NOT necessarily SCEL imprints.** Total of two (2) samples requested;
- **Delivery for Actual Pre-Production Proof** (2 Total Pre-Production Proof Samples to include: **1 Blue Proof Sample in PMS 286 blue and 1 Green Proof Sample in PMS 361 green**). Substitutions in colors will **NOT** be accepted. SCEL artwork **must** also be on the actual pre-production proofs; **and**
- **10 Final Samples** (Includes **5 Final Blue Samples in PMS 286 blue and 5 Final Green Samples in PMS 361 green**). Substitutions in colors will **NOT** be accepted. SCEL artwork **must** also be on the final samples.

**Delivery for Final Production for Drop shipment of 348 Cartons to:**

S.C. Education Lottery  
c/o Scientific Games International  
Attn: Dan Dyar (803) 237-9746  
120 North Point Court  
Blythewood, SC 29016

**Packaging**

**Total of 348 cartons** (174 cartons of blue pencils; 174 cartons of green pencils)

**Blue Pencils:** 174 cartons of blue (PMS 286) pencils; bundled in 144 pencils per box; @ 20 boxes (2,880 pencils) per carton.

**Green Pencils:** 174 cartons of green (PMS 361) pencils; bundled in 144 pencils per box; @ 20 boxes (2,880 pencils) per carton.

**Packaging Box Style/Material (for the bundled 144 pencils per box noted above):**

**Box Style:** “Snap-Bottom” Lock Box also known as an “Auto-Bottom” Lock Box with a “Tuck-In Top”

**Box Material:** Paperboard with a minimum 14 point thickness

Please Note: *Warehouse staff is only available to accept deliveries every other week.* The preferred pallet sizes are: 4'W x 4'L x 4'H; 40"x48"; or 30"x40". Please ensure delivery will be on one of the above sized pallets. With few exceptions, items should be boxed as specified and delivered on pallets. For inventory purposes, boxes should contain the same number of items and should be labeled with their contents.

Warehouse Staff reports delivery of a few orders that do not include packing slips. Please make sure all orders have packing slips detailing what and how many are being delivered in addition to the specifics as to how the order is bundled, grouped, and/or boxed.

As the Blythewood warehouse is approximately 16 miles from the Columbia Office, final samples must be sent to the Main Street address. Receiving final samples provides Procurement Staff the opportunity to view and approve the solicited items quickly, which in turn ensures the invoice will be approved expediently.

3. **Invoicing:** The invoice must be itemized. Please email the invoice to [Accounts.Payable@sclot.com](mailto:Accounts.Payable@sclot.com) or send to the address on page one (1) of this RFQ.

4. **Contact:** All questions must be submitted in writing to the Senior Procurement Specialist. Questions may be emailed to [Procurement@sclot.com](mailto:Procurement@sclot.com) or faxed to (803) 737-0047; **Attention: SCEL Procurement.**

*In order to ensure all vendors receive the same information, vendors may not call the Lottery to ask questions. Questions are only accepted in writing and a written amendment will be posted on the SCEL Procurement Webpage. When vendors send in their quotes, each vendor needs to acknowledge he or she has read any posted amendments. Please carefully read the FAQ on pages 16 through 22 of this document as it contains answers to the most common Frequently Asked Questions.*

5. **Sample Request:** SCEL requests **2 samples to be sent in with bid/quotes**. Two samples closely matching each requested PMS color [**1 blue (PMS 286) and 1 green (PMS 361)**]. **The samples submitted with bids must have imprints but NOT necessarily SCEL imprints.** Each sample should be clearly marked with the name of the Vendor.

**Actual Pre-Production Proof** with a **total of 2 Pre-Production Proof Samples** to include **1 Blue Proof Sample** in PMS 286 blue and **1 Green Proof Sample** in PMS 361 green); and **10 Final Production Samples** to include **5 Final Blue Samples** in PMS 286 blue and **5 Final Green Samples** in PMS 361 green.

Any bid received without the samples requested above will be found unresponsive. All samples **must** be labeled with the bidder's name. **Substitutions** in colors for the actual pre-production proofs and final samples will **NOT** be **accepted**. SCEL artwork **must** also be on the actual pre-production proof and final samples. Actual Product **Samples** must be **approved by SCEL before the job is awarded**. **Actual Pre-production Proofs** of each color with white imprint on an actual Sharpened, Hex-shaped, Small "Golf" Style Pencil without Eraser **must be reviewed and approved by SCEL before production can begin**.

6. **Pre-Production Proof:** An actual pre-production proof is required prior to the order being processed for production. The **Actual Pre-Production Proof must include** a total of **2 Pre-Production Proof Samples: 1 Blue Proof Sample in PMS 286 blue and 1 Green Proof Sample in PMS 361 green**. If there will be a charge for the press time necessary to produce the pre-production proof, please specify the charge in the bidding schedule. **Actual Pre-production Proofs** of each color with white imprint on an actual Sharpened, Hex-shaped, Small "Golf" Style Pencil without Eraser **must be reviewed and approved by SCEL before production can begin**.

7. **Artwork:** SCEL will provide final artwork to the winning bidder in one of the following Adobe file formats based on the vendor's request: PDF, Illustrator, InDesign, Photoshop or EPS Vector. SCEL artwork **must** also be on the actual pre-production proof and final samples.

**8. Setup, Die, Proof and Delivery Charges:** In preparing a bid for return to the South Carolina Education Lottery, SCEL requests that each vendor provide the following price information: 1) a price of production without tax; 2) any other charges, such as a set-up charge, a die charge, or a pre-production proof charge; 3) shipping/delivery charges; and 4) total charges without taxes.

**9. Overruns/Underruns:** *Overruns or underruns will be based on the quantity ordered and shall not exceed 2.5%. SCEL will only pay for overruns up to 2.5%.*

**10. Performance Time Frame:** Requested delivery time is listed in the specifications and bidding schedule.

**11. New Clause for Part IIA**

**IRAN DIVESTMENT ACT OF 2014 - CERTIFICATION (JAN 2015):** (a) The Iran Divestment Act List is a list published by the Board pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: <http://procurement.sc.gov/PS/PS-iran-divestment.phtm>(.) Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to award a contract to you. (b) By signing your Offer, you certify that, as of the date you sign, you are not on the then-current version of the Iran Divestment Act List. (c) You must notify the Procurement Officer immediately if, at any time before posting of a final statement of award, you are added to the Iran Divestment Act List. [02-2A077-1]

**12. New Clause for Part IIA**

**OPEN TRADE REPRESENTATION (JUN 2015):** By submitting an Offer, Offeror represents that Offeror is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [02-2A083-1]

**OPEN TRADE (JUN 2015):** During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [07-7A053-1]

**13. New Clause for Part IIB**

**SUBSTITUTIONS PROHIBITED - END PRODUCT PREFERENCES (SEP 2009):** If you receive the award as a result of the South Carolina end product or United States end product preference, you may not substitute a non-qualifying end product for a qualified end product. If you violate this provision, the State may terminate your contract for cause and you may be debarred. In addition, you shall pay to the State an amount equal to twice the difference between the price paid by the State and your evaluated price for the item for which you delivered a substitute. [11-35-1534(B)(4)]

**14. DEFAULT – SHORT FORM (JAN 2006):** The state may terminate this contract, or any part hereof, for cause in the event of any default by the contractor, or if the contractor fails to comply with any contract terms and conditions, or fails to provide the state, upon request, with adequate assurances of future performance. In the event of termination for cause, the state shall not be liable to the contractor for any amount for supplies or services not accepted, and the contractor shall be liable to the state for any and all rights and remedies provided by law. If it is determined that the state improperly terminated this contract for default, such termination shall be deemed a termination for convenience. [07-7B080-1]

**SOUTH CAROLINA EDUCATION LOTTERY  
SOLICITATION NUMBER: Pencils FY16 RFQ**

**SPECIFICATIONS AND BIDDING SCHEDULE**

**Project: Pencils FY16 RFQ**

**(Sharpened, Hex-shaped, Small “Golf” Style Pencils without Erasers. Pencil lead must be bonded. No rainforest wood to be used.)**

**Please quote the following and send a golf pencil sample closely matching each requested PMS color [blue (PMS 286) and green (PMS 361)] when sending in bid/quote. Each sample should be clearly marked with the name of the Vendor. Total of two (2) samples requested:**

**Description:** Sharpened, Hex-shaped, Small “Golf” Style Pencils without Erasers. **Pencil lead must be bonded. No rainforest wood to be used.**

**Quantity:** 1,002,240 Sharpened, Hex-shaped, Small “Golf” Style Pencils without Erasers (501,120 in PMS 286 blue; 501,120 in PMS 361 green). **Pencil lead must be bonded. No rainforest wood to be used.**

**Colors:** 501,120 in blue (PMS 286); 501,120 in green (PMS 361).  
Please note: **Substitutions** in colors will **NOT** be **accepted**.

**Imprint:** White Imprint: **SCEDUCATIONLOTTERY.COM**  
Font must be a Sanserif font (Helvetica or similar)  
Image area of imprint must be 1 7/8”L x 1/8”H

**Artwork:** SCEL will provide final artwork to the winning bidder in one of the following Adobe file formats based on the printer’s request: PDF, Illustrator, InDesign, Photoshop, or EPS Vector format.

**Packaging:** Total of 348 cartons (174 cartons of blue pencils; 174 cartons of green pencils)  
**Blue Pencils:** 174 cartons of blue (PMS 286) pencils; bundled in 144 pencils per box; @ 20 boxes (2,880 pencils) per carton.  
**Green Pencils:** 174 cartons of green (PMS 361) pencils; bundled in 144 pencils per box; @ 20 boxes (2,880 pencils) per carton.

**Packaging Box Style/Material (for the bundled 144 pencils per box noted above):**

**Box Style:** “Snap-Bottom” Lock Box also known as an “Auto-Bottom” Lock Box with a “Tuck-In Top”

**Box Material:** Paperboard with a minimum 14 point thickness

**Shipping Method:** Drop ship 348 Cartons to 1 location to Blythewood Warehouse (See Page 9) & 5 Final Samples of Each Color (Total of 10 Final Samples) to Columbia Office (See Page 9)

**Proof:** Actual Product Samples closely matching each color (Two Product Samples: one PMS 286 blue; one PMS 361 green) must be clearly marked with the vendor’s name and submitted with the quote. Actual Product Samples must be approved by SCEL **before the job is awarded**. Actual Pre-production Proofs of each color with white imprint on an actual Sharpened, Hex-shaped, Small “Golf” Style Pencil without Eraser must be reviewed and approved by SCEL before production can begin. Pencil samples must contain bonded lead and no rainforest wood.

**SOUTH CAROLINA EDUCATION LOTTERY  
SOLICITATION NUMBER: Pencils FY16 RFQ**

**SPECIFICATIONS AND BIDDING SCHEDULE**

**Project: Pencils FY16 RFQ**

**(Sharpened, Hex-shaped, Small “Golf” Style Pencils without Erasers. Pencil lead must be bonded. No rainforest wood to be used.)**

**Inquiries/Questions must be received by: Wednesday, September 16, 2015, at 11 a.m. ET**  
**Quote/Sample Due Date: Wednesday, September 23, 2015, at 4 p.m. ET.**  
**Late bids/samples will NOT be considered.**  
**Award Issued: Friday, September 25, 2015.**  
**Final Delivery Due Date: Week of Jan. 4, no later than noon ET on Friday, Jan. 8, 2016.**

The State of South Carolina provides for a Tax Credit for Agencies that use vendors certified by the Governor’s Office of Small and Minority Business Assistance (OSMBA). If your company is OSMBA certified in the State of South Carolina, please check the box below.

Vendor: \_\_\_\_\_; Contact: \_\_\_\_\_; Phone: \_\_\_\_\_; OSMBA Certified: Y\_\_N\_\_

**Production Price:** \$ \_\_\_\_\_  
**Set-up/Proof/Other Charge:** \$ \_\_\_\_\_  
**Subtotal:** \$ \_\_\_\_\_  
**Shipping:** \$ \_\_\_\_\_  
**Quote Total:** \$ \_\_\_\_\_

**Delivery Days ARO (After Receipt of Order) \_\_\_\_\_ days**

**Overruns/Underruns:** Unless otherwise stated in the specifications, overruns or underruns will be based on the quantity ordered and shall not exceed 2.5% for up to 499,999 each; 1% for 500,000 each and more. The State will only pay for overruns up to 2.5% for 0 to 499,999 each; 1% for 500,000 each and more.

**NOTE: Partial deliveries will not be accepted.**

**ACKNOWLEDGMENT OF AMENDMENTS:**

Offeror acknowledges receipt of amendments by indicating amendment number and its date of issue.

Amendment No.	Amendment Issue Date:	Amendment No.	Amendment Issue Date:	Amendment No.	Amendment Issue Date:	Amendment No.	Amendment Issue Date:

Should you have additional questions, please send them in writing to:  
[Procurement@scot.com](mailto:Procurement@scot.com)

Questions will be answered and posted on the SCEL Procurement webpage:  
<http://www.sceducationlottery.com/lottery/procurement.aspx>

## SCEL SHIPPING INFORMATION

### **Shipping for Requested Samples Below to:**

S.C. Education Lottery  
Attn: Teresa Brock  
1333 Main Street, Suite 400  
Columbia, SC 29201

- **Delivery for bid/quote/sample** when sending in golf pencil samples closely matching each requested PMS color [**1 blue (PMS 286) and 1 green (PMS 361)**]. Each sample should be clearly marked with the name of the Vendor. **The samples submitted with bids must have imprints but NOT necessarily SCEL imprints. Total of two (2) samples requested;**
- **Delivery for Actual Pre-Production Proof** (2 Total Pre-Production Proof Samples to include: **1 Blue Proof Sample in PMS 286 blue and 1 Green Proof Sample in PMS 361 green**). Substitutions in colors will **NOT** be accepted. SCEL artwork must also be on the actual pre-production proofs; and
- **10 Final Samples** (Includes **5 Final Blue Samples in PMS 286 blue and 5 Final Green Samples in PMS 361 green**). Substitutions in colors will **NOT** be accepted. SCEL artwork must also be on the final samples.

### **Delivery for Final Production for Drop shipment of 348 Cartons to:**

S.C. Education Lottery  
c/o Scientific Games International  
Attn: Dan Dyar (803) 237-9746  
120 North Point Court  
Blythewood, SC 29016

### **Packaging**

**Total of 348 cartons** (174 cartons of blue pencils; 174 cartons of green pencils)

**Blue Pencils:** 174 cartons of blue (PMS 286) pencils; bundled in 144 pencils per box; @ 20 boxes (2,880 pencils) per carton.

**Green Pencils:** 174 cartons of green (PMS 361) pencils; bundled in 144 pencils per box; @ 20 boxes (2,880 pencils) per carton.

**Packaging Box Style/Material (for the bundled 144 pencils per box noted above):**

**Box Style:** “Snap-Bottom” Lock Box also known as an “Auto-Bottom” Lock Box with a “Tuck-In Top”

**Box Material:** Paperboard with a minimum 14 point thickness

### **NOTE: Partial deliveries will not be accepted.**

Please Note: *Warehouse staff is only available to accept deliveries every other week.* The preferred pallet sizes are: 4'W x 4'L x 4'H; 40"x48"; or 30"x40". Please ensure delivery will be on one of the above sized

pallets. With few exceptions, items should be boxed as specified and delivered on pallets. For inventory purposes, boxes should contain the same number of items and should be labeled with their contents.

Warehouse Staff reports delivery of a few orders that do not include packing slips. Please make sure all orders have packing slips detailing what and how many are being delivered in addition to the specifics as to how the order is bundled, grouped, and/or boxed.

As the Blythewood warehouse is approximately 16 miles from the Columbia Office, final samples must be sent to the Main Street address. Receiving final samples provides Procurement Staff the opportunity to view and approve the solicited items quickly, which in turn ensures the invoice will be approved expediently.

**To view SCEL's Procurement webpage:**

<http://www.sceducationlottery.com/lottery/procurement.aspx>

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## FREQUENTLY ASKED QUESTIONS

### Question 1

**Q: The first page states: “Late bids NOT accepted.” How late can a quote be, to be accepted?**

**A: Pursuant to Regulation 19-445.2070(G), a bid received after the time requested MUST NOT be accepted:**

“G. Exceptions to Rejection Procedures.

Any bid received after the procurement officer of the governmental body or his designee has declared that the time set for bid opening has arrived, shall be rejected unless the bid had been delivered to the location specified in the solicitation or the governmental bodies' mail room which services that location prior to the bid opening.”

The South Carolina Code of Laws and Code of Regulations are available on the S.C. Legislature website: [www.SCStatehouse.gov](http://www.SCStatehouse.gov).

### Question 2

**Q: Will SCEL pay for an overage of 10 percent?**

**A: No.** According to the South Carolina Government Printing Services Manual, (<http://procurement.sc.gov/PS/agency/PS-agency-procurement-forms.phtm>), published by the Budget and Control Board's Office of General Services, on page 7, item number 11:

“Overruns/Underruns: Unless otherwise stated in the specifications, overruns or underruns will be based on the quantity ordered and shall not exceed 2.5% for up to 499,999 each; 1% for 500,000 each and more. The State will only pay for overruns up to 2.5% for 0 to 499,999 each; 1% for 500,000 each and more.”

### Question 3

**Q: Are samples of the items required with each bid or quote?**

**A: Yes,** samples of the two colors of pencils closely matching the correct PMS colors (PMS 286 blue and PMS 361 green) are requested with each vendor's quote. Each sample should be clearly labeled with the vendor's information. The items must have imprints but NOT necessarily SCEL imprints. There is no specific imprint color requested for the samples that are required with each bid. Each sample pencil must also contain bonded lead and no rainforest wood. **Actual Product Samples must be approved by SCEL before the job is awarded.**

### Question 4

**Q: If I cannot get a custom blue or green pencil sample delivered by the bid/sample due date, are virtual samples acceptable?**

**A: SCEL is not requesting actual samples with an exact custom PMS color match in either the blue or green to be submitted with bids at this time; however, SCEL is requesting an actual pencil sample which closely matches the PMS 286 blue and/or PMS 361 green.**

Virtual samples in the requested PMS colors will only be ACCEPTABLE due to the following conditions. A vendor may only submit a pencil sample that does not closely match the requested blue or green PMS colors if the supplier's stock color is not a close match and



will have to be painted. Only then will a virtual sample of the PMS 286 blue and/or the PMS 361 green be acceptable.

An actual sample is required with each bid and must include any/all virtual samples that are submitted. The actual sample must contain at least one actual, hex-shaped, “golf-style” pencil, without an eraser, to ensure the lead does not fall out. All pencil samples (actual and virtual) should be clearly labeled with the vendor’s information. Each sample pencil must also contain bonded lead and contain no rainforest wood. The items must have imprints but NOT necessarily SCEL imprints. There is no specific imprint color requested for the samples that are required with each bid. **Actual Product Samples must be approved by SCEL before the job is awarded.**

#### Question 5

**Q: Why are Pre-Production Proofs requested?**

**A:** Prior to production of any item, the winning vendor must produce an actual pre-production proof in each PMS color (PMS 286 blue and PMS 361 green) with the SCEL art on the actual item. **Substitutions** in colors will **NOT** be **accepted**. Receiving actual proofs will ensure SCEL staff the opportunity to view the quality of the art and the item. Each pre-production sample must also contain bonded lead and no rainforest wood. **Actual Pre-Production Proofs** in each color with a white imprint on an actual Sharpened, Hex-shaped, Small “Golf” Style Pencil without Eraser **must be reviewed and approved by SCEL before production can begin.**

#### Question 6

**Q: Why are “Final Production Samples” also requested?**

**A:** The Blythewood warehouse is approximately 16 miles from the Columbia Office, SCEL requests Final Production Samples at the time the delivery is made to Blythewood. Receiving the final samples allows the items to be approved by the end-user(s) at the Columbia Office and expedites paying the invoice. All final samples of pencils and all final production orders must also contain bonded lead and no rainforest wood. **Substitutions** in colors will **NOT** be **accepted**.

#### Question 7

**Q: For Pre-Production Proofs and Final Production Samples, will the Lottery accept a supplier’s stock colors that are closely matched to PMS 286 blue and PMS 361 green, or does this need to be a custom job with an exact PMS match?**

**A:** For Pre-Production Proofs and Final Production Samples, SCEL will accept a supplier’s stock color that is closely matched to the PMS 286 blue; however, the PMS 361 green **MUST** be a custom match that is exact. Substitutions in pencil colors will NOT be accepted. The requested SCEL artwork in a white imprint must also be on the actual pre-production proof and final production samples. All samples should be clearly labeled with the vendor’s information. Each sample pencil must also contain bonded lead and no rainforest wood. **Actual Pre-Production Proofs must be reviewed and approved by SCEL before production can begin.**

#### Question 8

**Q: Does the imprint on the Pre-Production Proofs and Final Production Samples have to be white?**

**A:** The imprint **must be white** on the actual pre- production proof and final production samples and contain the SCEL artwork, **SCEDUCATIONLOTTERY.COM**. The Font must be a Sanserif font (Helvetica or similar) and the image area of the imprint must be 1 7/8”L x 1/8”H. Substitutions in imprint colors and/or size of the image area will NOT be accepted. Each sample should be clearly labeled with the vendor’s information. Each sample pencil must also contain bonded lead and no rainforest wood. **Actual Pre-Production Proofs must be reviewed and approved by SCEL before production can begin.**

#### Question 9

**Q: What pages should be returned with the quote?**

**A: Vendors must return pages 1, 3, 5, 6, 7, and 8 to provide the necessary vendor information and to request any preferences. Vendors must also return page 13 with the pricing information and to acknowledge any Amendments posted.**

#### Question 10

**Q: When will the RFQ be awarded?**

**A:** Procurement Staff anticipates the award will be posted on the SCEL Procurement Webpage by **Friday, September 25, 2015.**

#### Question 11

**Q: Has SCEL procured these items before? If yes, how long ago, how many, and at what price?**

**A:** Yes, SCEL has procured these small golf pencils without erasers in the past. SCEL’s SCBO procurements since February 2011 are listed on the SCEL Procurement webpage: <http://www.sceducationlottery.com/lottery/procurement.aspx>.

The most recent procurement was advertised in the October 30, 2014 edition of SCBO. The solicitation was for 1,002,240 golf pencils. The winning quote was received from Red Hot Branding/IPROMOTEU, for \$24,765.10 including shipping, but without taxes. The delivery time was received on time ARO as requested.

#### Question 12

**Q: Was the last pencil order of this kind and quantity awarded as an exact PMS color match or was it awarded based on the supplier’s stock colors?**

**A:** The last pencil order awarded of this kind and quantity was based on the following. The blue pencil was from a supplier’s stock color that closely matched the PMS 286 blue and the green pencil was a custom match to PMS 361 that was an exact match.

#### Question 13

**Q: Was the last pencil order of this kind and quantity supplied domestically or overseas?**

**A:** The last pencil order awarded of this kind and quantity was supplied overseas. The delivery time was received on time ARO as requested.

#### Question 14

**Q: Why do the packaging specifications include a specific box style, “Snap-Bottom” Lock Box (a.k.a. “Auto-Bottom” Lock Box) with a “Tuck-In Top” and material for the pencils that are bundled 144 per box?**

**A:** SCEL is requesting that the pencils that are bundled 144 per box are packaged in a box style with a secure interlocking bottom with an easy top-load opening (i.e. “tuck-in top”). The box material for this style is most commonly made of paperboard. The thickness of most paperboard material ranges from a 14pt. to a 36pt. thickness. The Lottery is requesting the paperboard to be at a minimum of a 14 pt. thickness. The pencils must be bundled (144 per box) in boxes with a secure interlocking bottom, or “Snap-Bottom”/ “Auto-Bottom,” and a tuck-in top. SCEL is not requesting the pencils to be packaged in a custom-made box with custom specifications relating to the thickness of the material. The Lottery only wants to ensure the pencils are packaged with a secure interlocking bottom. Note that SCEL is not requiring a specific box-style and material for the total 348 cartons; however, it is requesting a specific box-style for the bundles of 144 pencils per box.

#### Question 15

**Q: How do I ask a question?**

**A:** All questions must be submitted in writing to the Senior Procurement Specialist. You may email questions to **Procurement@sclot.com** or you may Fax your question to **803-737-0047; Attention: Procurement.**

*In order to ensure all vendors receive the same information, vendors may not call the Lottery to ask questions. Questions are only accepted in writing and a written amendment will be posted on the SCEL Procurement Webpage in advance of when bids are due. When vendors send in their quotes, each vendor needs to acknowledge he or she has read any posted amendments.*

Should you need to confirm receipt of your questions or your bid with the Senior Procurement Specialist with the Finance Department, please call 803-737-2002, during regular business hours, 8:30 a.m. to 5 p.m. Eastern Time, Monday through Friday. SCEL is closed on certain state holidays. For the list of holidays see:

<http://www.sceducationlottery.com/lottery/contact/centers.asp>.

#### Question 16

**Q: What is the process for a vendor to submit a bid between \$10,000 and \$50,000 and above? Also, how does the South Carolina Education Lottery conduct its bid process?**

**A: The process for solicitations above \$10,000 up to \$50,000 is as follows:**

**First Week:** In order to encourage the most competition, the South Carolina Procurement Code requires solicitations with a value between \$10,000.01 up to and including \$50,000 to be advertised for a week on the South Carolina Business Opportunities (SCBO) website. The SCBO advertisement will link interested vendors to the Education Lottery’s Procurement Webpage to view the actual solicitation. During the first week, vendors may turn in questions **in writing** to the address specified. (**Procurement@sclot.com**) The solicitation will provide the date and time by which questions are due.

*In order to ensure all vendors receive the same information, vendors may not call the Lottery to ask questions. Questions are only accepted in writing and a written amendment will be posted on the SCEL Procurement Webpage.*

**After Questions are Due:** Procurement Staff will post the questions with answers in the form of an Amendment to the solicitation usually on the next business day on the SCEL Procurement webpage, <http://www.sceducationlottery.com/lottery/procurement.aspx>.

Vendors will not receive individual replies. Rather all questions will be answered in an amendment document and posted on the Procurement Webpage ensuring all vendors have access to the same information.

**Second Week:** Vendors have a week after the Questions and Answers Amendment is posted to send in their bids. Occasionally, the first group of questions will lead to more questions. If a second or third amendment is needed, the due date for the bid may need to be postponed to ensure vendors have the opportunity to view the amendments prior to finalizing their bids.

**Acknowledging Amendments:** Vendors will need to acknowledge they had the opportunity to read any amendments posted when sending their quote. There is a table on the Specifications and Bidding Schedule in the solicitation and a table on each amendment posted for vendors to acknowledge amendments.

**Requesting Preferences:** Pages 6 and 7 of the solicitation provide the opportunity for a vendor to request any preference to which the vendor is qualified. Requesting a preference(s) does not affect the bid price the vendor has offered and will be paid. Instead, preferences are tabulated via the Materials Management bid sheet on which the preference percentage is calculated. The preference percentage requested is applied to the bid price for evaluation purposes. The winning vendor will be the vendor who has the lowest evaluated price after preferences are applied. On the SCEL Procurement Webpage, please also see the following: Vendor Preferences. <http://www.sceducationlottery.com/lottery/procurement.aspx>

Additionally, the State Procurement Office maintains a Frequently Asked Questions webpage on Preferences from the Vendor's Point of View as shown below. The link is: [http://procurement.sc.gov/webfiles/MMO\\_PREFS/Main/FAQ\\_Preferences.htm](http://procurement.sc.gov/webfiles/MMO_PREFS/Main/FAQ_Preferences.htm)

**Quotes are Due:** The time will come for quotes to be received. NO LATE QUOTES WILL BE ACCEPTED. Quotes may be emailed, faxed, sent by mail, or hand delivered, but must be received by the time specified. Procurement Staff tabulates the quotes and applies any preferences requested. Time is needed to examine sample quality (if samples were requested with bids) and ensure each bid is complete.

**Award Posted:** The solicitation will provide a date and time by which Staff anticipates the award will be posted on the SCEL Procurement webpage, normally three or four days after quotes are due. If Staff finds more time is needed before posting the award, notice will be given on the SCEL Procurement webpage postponing the award and providing a new award date. Only the winning vendor will be contacted by the Education Lottery. Other vendors will need to read the award on the SCEL Procurement Webpage.

**The second part of the question deals with how SCEL conducts procurements.** SCEL's procurements are conducted under the South Carolina Consolidated Procurement Code. SCEL is certified to handle procurements up to \$50,000. Any procurement with a value above \$50,000 is managed by the State Procurement Office.

The Procurement Code specifies three levels of procurement purchasing under the \$50,000 threshold:

SECTION 11-35-1550. Small purchase procedures; when competitive bidding required.

(1) Authority. The following small purchase procedures may be utilized only in conducting procurements for governmental bodies that are up to fifty thousand dollars in actual or potential value. **A governmental body may conduct its own procurement up to fifty thousand dollars in actual or potential value**, and a governmental body that has received procurement certification pursuant to Section 11-35-1210 to handle the type and estimated value of the procurement may conduct the procurement under its own authority in accordance with this code. Procurement requirements must not be artificially divided by governmental bodies so as to constitute a small purchase pursuant to this section.

(2) Competition and Price Reasonableness.

(a) **Purchases not in excess of two thousand five hundred dollars.**

Except as provided in item (d), small purchases not exceeding two thousand five hundred dollars may be accomplished without securing competitive quotations if the prices are considered reasonable. The purchasing office must annotate the purchase requisition: "Price is fair and reasonable" and sign. The purchases must be distributed equitably among qualified suppliers. When practical, a quotation must be solicited from other than the previous supplier before placing a repeat order. The administrative cost of verifying the reasonableness of the price of purchase "not in excess of" may more than offset potential savings in detecting instances of overpricing. Action to verify the reasonableness of the price need be taken only when the procurement officer of the governmental body suspects that the price may not be reasonable, comparison to previous price paid, or personal knowledge of the item involved.

(b) **Purchases over two thousand five hundred dollars to ten thousand dollars.** Except as provided in item (d), solicitation of written quotes from a minimum of three qualified sources of supply must be made and documentation of the quotes attached to the purchase requisition for a small purchase over two thousand five hundred dollars but not in excess of ten thousand dollars. The award must be made to the lowest responsive and responsible sources.

(c) **Purchases over ten thousand dollars up to fifty thousand dollars.** Written solicitation of written quotes, bids, or proposals must be made for a small purchase over ten thousand dollars but not in excess of fifty thousand dollars. The procurement must be advertised at least once in the South Carolina Business Opportunities publication or through a means of central electronic advertising as approved by the designated board office. A copy of the written solicitation and written quotes must be attached to the purchase requisition. The award must be made to the lowest responsive and responsible source or, when a request for proposal process is used, the highest ranking offeror. Governmental bodies may

charge vendors the cost incurred for copying and mailing bid or proposal documents requested in response to a procurement.

The South Carolina Code of Laws and Code of Regulations are available on the S.C. Legislature website: [www.SCStatehouse.gov](http://www.SCStatehouse.gov).

Once a vendor has bid on a solicitation, the vendor is added to the Preferred Vendor List and may be sent solicitations with a value up to \$10,000 directly. For procurements above \$10,000, vendors are responsible for checking the South Carolina Business Opportunities (SCBO) advertisements on a daily basis for jobs of interest specific to the vendor. The process is more formal above the \$10,000 level.

There is no registration process with the South Carolina Education Lottery. Vendors are not asked if they are registered in the State of South Carolina for procurements with a value up to \$50,000 by this agency.

For procurements managed by the State Procurement Office above \$50,000, vendors will be required to register on South Carolina Enterprise Information System or SCEIS. Vendor registration may take up to three (3) business days to be created or updated. If a vendor finds a solicitation through SCBO the vendor thinks they may be interested in, it would be wise to go ahead and register long before the bid is due.

The Procurement Services Website (<http://procurement.sc.gov/PS/PS-index.phtm>) provides information for vendors:

The New Vendor link is: <http://procurement.sc.gov/PS/vendor/PS-vendor-new.phtm>

The SCEIS link is: <http://procurement.sc.gov/PS/vendor/PS-vendor-registration.phtm>

The SCBO link is: <http://procurement.sc.gov/PS/general/scbo/PS-scbo-index.phtm>

The only question asked by SCEL for a bid with a value under \$50,000 is if your company is a South Carolina company certified with the Governor's Office of Small and Minority Business Assistance (OSMBA). There is a place to indicate the certification on the SPECIFICATIONS AND BIDDING SCHEDULE.

**“SCEL EMPLOYEES MUST NOT ACCEPT ANY ITEM OR SERVICE FROM A LOTTERY RETAILER, POTENTIAL RETAILER, OR LOTTERY VENDOR, NOT EVEN A CUP OF COFFEE, WHETHER OR NOT THE OFFEROR EXPECTS SOMETHING IN RETURN.”**

**SCEducationLottery.com**