

SOURCE JUSTIFICATION FORM

Bureau of Procurement

The objective of this form is to capture all relevant documentation an Agency may have to assist the Department of General Services ("DGS"), Bureau of Procurement, in expediting the source justification review process. This form must be completed electronically, signed, and submitted with all relevant documentation to DGS. If a question is neither mandatory nor applicable, please indicate "N/A". Please use standard terminology and define acronyms.

SECTION A

1. Agency Name:	Department of Revenue		
2. Procurement Description: This description will appear on the eMarketplace website for public viewing	Acquisition of Lottery Drawing Equipment, Ball Sets and Cables.		
Materials Description:			
Services Description:			
3. Materials Shopping Cart # or Services SPR#	11724316	Estimated Cost:	\$250,001 - \$500K
		Initial Contract Term:	N/A
		Renewals:	N/A
4. Supplier - Name:	Smartplay International Inc.		
Full Address:	1550 Bridgeboro Road, Edgewater Park, NJ 08010		
Contact Name:	Thomas Market		
Telephone:	609-880-1860	FAX:	609-880-1865
E-mail:	tom@smartplay.com		
SRM Supplier #:	116080		
5. Delivery or service location:	WITF Studios, 4801 Lindle Road, Harrisburg, PA 171		

SECTION B

<input type="checkbox"/>	1. Sole Source: Only known source - Not available from another supplier.
<input checked="" type="checkbox"/>	2. Material/Repair/Maintenance: Material or service MUST be compatible with existing equipment. Documentation must be provided from the manufacturer.
<input type="checkbox"/>	3. Used Equipment: Value set by 2 independent 3rd party appraisals.
<input type="checkbox"/>	4. Professional Expert: Describe in detail in Section C.
<input type="checkbox"/>	5. Exempt (Law): A federal or state statute or regulation exempts the procurement from the competitive procedure. Any applicable information precluding the procurement from competitive procedures must be attached.
<input type="checkbox"/>	6. Feasibility: Clearly not feasible to award the contract on a competitive basis.

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SECTION C

1. Describe the unique features of this procurement that prohibit a competitive environment. If applicable, attach a Statement of Work ("SOW").

See attached Statement of Work.

2. Document and attach the research that has been conducted to date to verify the supplier is the only known source.

Smartplay is the only manufacturer of the Gem, Saturn and RFID Solution System Technology.

3. Does the supplier utilize distributors, dealers, resellers, etc.? If "Yes," please identify.

No

4. Are there compatibility requirements or compliance requirements with a warranty or service agreement? If "Yes," please explain.

Yes, the acquisition of Lottery Drawing Equipment from Smartplay will allow the Department of Revenue to integrate the new equipment with the existing Smartplay Drawing Equipment. Smartplay is the only manufacturer of the Gem, Saturn and RFID Solution System Technology. Therefore they are the only authorized vendor to perform service and maintenance. Letter of Compatibility from Smartplay is attached.

5. How has the material or service been procured in the past? Please provide previous source justifications, contracts, & PO's for this material or service.

Last Single Source Request with Smartplay was ID#15780, PO #4300346778, FY2012.

6. If procured through the IT ITQ process, please provide original \$ amount and contract period of order. Is this the final phase of the project?

N/A

7. If this is an upgrade, addition, alteration, etc., to an earlier procurement, please describe in detail.

N/A

8. What are the consequences of not approving this procurement?

The PA Lottery would not be able to implement the New Marketing Branding Strategy that includes the introduction of new Terminal Based Games.

9. If timing is a factor, what is the time factor and why?

The PA Lottery plans to add a New Two Digit Terminal Based Game in January 2015. We would need the new equipment by the middle of December 2014. Smartplay requires 12-14 weeks to deliver the new equipment.

10. List any other information relevant to the acquisition of this procurement here or as an attachment.

Statement of Work, Smartplay Proposal and Letter of Compatibility is Attached.

11. For requests > \$100,000, has the supplier signed cost or pricing data certification and is the pricing breakdown attached?

Yes

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SECTION D

IMPORTANT*: The printed names on this form shall constitute the signatures of these individuals. Agencies must insure that these individuals review the completed form and give their consent to apply their printed name on this form. No handwritten signatures shall be required in order for the form to be considered "signed" by those individuals whose names appear in the signature section of the form.

Shopping Cart Contact Person (Person whom DGS will contact regarding the Shopping Cart):

Name:	Jim Frye	P-Group:	Revenue	Date:	08-19-14
Title:	Purchasing Agent	Telephone:		Fax:	

Agency Contact Person: Person in your agency that DGS can contact for additional information, etc.

Name:	Craig Troop	Title:	Drawings Manager	Date:	08-19-14
Telephone:		Fax:		Email:	crtroop@pa.gov

Approving Authority (Agency Head or Deputy reviewing and approving this request): Approving Authority connotes approval of the source justification and the cost or pricing data certification.

Name:	Charles Erdman	Title:	Deputy Secretary	Date:	08-20-14
Telephone:		Fax:			

Additional Approvals (if required by Agency):

Name:		Title:		Date:	
Telephone:		Fax:		Email:	
Name:		Title:		Date:	
Telephone:		Fax:		Email:	
Name:		Title:		Date:	
Telephone:		Fax:		Email:	
Name:		Title:		Date:	
Telephone:		Fax:		Email:	
Name:		Title:		Date:	
Telephone:		Fax:		Email:	