



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

**OFFICE OF THE ARKANSAS LOTTERY**

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May 6, 2016

The Honorable Jimmy Hickey, Co-Chair  
The Honorable Chris Richey, Co-Chair  
Arkansas Legislative Council Lottery Oversight Subcommittee  
One Capitol Mall, Room R-501  
Little Rock, AR 72201

***RE: Request for Review of Major Procurement Contract Extension***

Gentlemen:

The Department of Finance and Administration Office of the Arkansas Lottery requests review by the Arkansas Legislative Council Lottery Oversight Subcommittee (ALC LOS) of a six-month extension to its Agreement with Mangan Holcomb Partners (MHP) for Contractual Services for Supplemental Advertising, Marketing, and Media Services. I respectfully request that this matter be included on the agenda of the next ALC LOS meeting. The following information provides background on this matter:

1. The OAL issued a Supplemental Advertising, Marketing, and Media Services Request for Qualifications (RFQ) on May 21, 2014 (Attachment A).
2. On June 25, 2014, the former Arkansas Lottery Commission passed a resolution to execute and award the contract to MHP (redacted bid proposal and June 5, 2014, ALC minutes, are enclosed as Attachments B and C).
3. The former Arkansas Lottery Commission Legislative Oversight Committee reviewed the contract and the Agreement was subsequently executed on July 8, 2014 (Attachment D).
4. The initial term of the contract was for one (1) year from date of award, with options for renewal up to two (2) additional times in one (1) year increments or a portion thereof. The terms of compensation were set forth in the MHP Cost Schedule and Supplemental Pricing Information (Attachment E).
5. OAL and MHP entered into a First Amendment to the Agreement for Contractual Services on July 8, 2015. The First Amendment extended the contract for one (1) year, from July 8, 2015, to July 8, 2016 (Attachment F), with terms as set forth in the original agreement.

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6. The proposed Second Amendment to the Agreement (Attachment G) includes exercising the extension of the contract for six (6) months, from July 8, 2016, to January 8, 2017, with terms as set forth in the original agreement. The projected value of the Second Amendment to the Agreement is \$3,000,000.00.
7. The following vendor documents are submitted as Attachment H, in accordance with A.C.A. § 19-11-101 et seq. and Executive Order 98-04:
  - a. Contract and Grant Disclosure Form
  - b. Illegal Immigrant Contractor Disclosure Certification
  - c. Equal Opportunity Policy
8. The enclosed documents will also be provided in the form of an electronic copy.

Respectfully submitted,



Bishop Woosley  
Director

Enclosures

cc: The Honorable Asa Hutchinson, Governor of Arkansas  
Larry Walther, Director, Arkansas Department of Finance and Administration