



GOVERNMENT OF PUERTO RICO
Puerto Rico Fiscal Agency and Financial
Advisory Authority

REQUEST FOR PROPOSAL

seeking

Advisors to the Puerto Rico Gaming Commission

RFP Deadline: **March 13, 2020**

www.aafaf.pr.gov
February 26, 2020

FAFAA

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REQUEST FOR PROPOSALS

The Puerto Rico Fiscal Agency and Financial Advisory Authority (the “**Authority**”) and the Puerto Rico Gaming Commission (the “**Commission**”; together with the Authority, the “**Government Parties**”) are seeking proposals from qualified firms to (i) advise the Commission in connection with the drafting of regulation governing the operations of the Commission and all matters under its jurisdiction, (ii) develop procedures applicable to the operations of the Commission and (iii) provide consulting services to the Commission regarding online betting and online sports leagues, such as esports and fantasy contests (the “**Services**”).

AAFAF is issuing this request for proposals (“**RFP**”) to contract professional services to assist the Commission in complying with its duty to regulate and oversee Puerto Rico’s online sports betting industry. Only firms that meet all Government requirements to legally perform work in Puerto Rico should respond to this RFP.

This RFP seeks responses from firms capable of delivering the Services as described in Section 2.1 of this RFP. Proponents should demonstrate their capacity to complete the required tasks and develop a productive relationship with the Government Parties.

This RFP does not commit the Government Parties to award a contract nor to pay any costs incurred in the preparation of a proposal in response to this request. The Government Parties reserve the right to award contracts to more than one qualified firm, to accept or reject any or all proposals received as a result of this RFP, to negotiate with any qualified firm or to modify or cancel the RFP in part or in its entirety. See Section 4.1 for further disclaimers and reservation of rights by the Government Parties.

The proponent selected under this RFP (the “**Selected Proponent**”) will be required to be free of any real or perceived conflict of interest.

RFP Due Date: March, 13, 2020 at 11:59 P.M. (PR Time)

Please submit one (1) electronic copy to the attention of:

Electronic copies via email
rfp@aafaf.pr.gov

Please refrain from submitting general marketing materials that do not explicitly respond to the content and questions contained in this RFP



INTRODUCTION

1.1 Puerto Rico Fiscal Agency and Financial Advisory Authority

The Authority is an independent public corporation and governmental instrumentality with separate legal existence, fiscal and administrative autonomy, and independence from the Government of Puerto Rico. The Authority was created for the purpose of acting as fiscal agent, financial advisor and reporting agent of the Government of Puerto Rico, its agencies, instrumentalities, subdivisions, public corporations and/or municipalities (hereinafter collectively referred to as the “**Government**”), and to assist such entities in confronting the grave fiscal and economic emergency that Puerto Rico is currently experiencing. The Authority has assumed the majority of the fiscal agency and financial advisory responsibilities that were previously held by the Government Development Bank for Puerto Rico (“**GDB**”).

The Authority’s powers include, among other things, sole responsibility to renegotiate, to restructure and/or to reach an agreement with creditors on all or part of the public debt or any other debt issued by any government entity. The Authority also has authority to monitor compliance with the budget certification and tax plans approved under the Puerto Rico Oversight, Management and Economic Stability Act of 2016 (“**PROMESA**” or the “**Act**”) and to review matters such as, but not limited to, contracts, transactions and regulations of agencies and instrumentalities of the Government of Puerto Rico. The Authority is authorized to hire professionals to carry out certain of its duties.

1.2 Puerto Rico Gaming Commission

The Commission is a government agency created by Act No. 81 of July 29, 2019 (“**Act No. 81**”). The Commission was created for the purpose of regulating and overseeing all matters of the gambling industry regarding bets authorized online, in sports, e-sports and fantasy contests, as well as other matters under Act No. 221 of May 15, 1948, as amended, known as the Games of Chance Act, and Act No. 83 of July 2, 1987, as amended, known as the Puerto Rico Horse Racing Industry and Sport Act. Through Act No. 81, the Commission absorbs the Horse Racing Industry Administration and the Puerto Rico Tourism Company’s Gaming Division to create one entity responsible for regulating bets in Puerto Rico.



2.0 DESCRIPTION OF THE ENGAGEMENT

2.1 Purpose of RFP; Scope of Work

AAFAF is seeking proposals from firms to provide the Services. Specifically, the Services will include the following scope of work:

Scope of the Work

- Assist the Commission in the drafting of regulations, rules and procedures governing the operations of the Commission and all matters under its jurisdiction. Assistance to also include support in establishing regulations as necessary to prevent money laundering and tax evasion, as well as, the necessary parameters to ensure that no person under eighteen (18) years of age participates in betting.
- Develop procedures applicable to the operations of the Commission including but not limited to:
 - Establishing the object of sports betting, eSports, and the gaming methods including what constitutes a winning or losing bet, or a tie; as well as the authorized online games including the winners, losers, or ties.
 - Fixing the application fees for the following licenses: gaming, technology platform provider, service provider, sports betting, eSports, and fantasy contests.
 - Receiving bets on authorized games, sports, and eSports; remitting payouts; and determining point spreads, lines and odds for each type of bet available.
 - Collecting bets and payouts, including, among others, internal revenue service requirements.
 - Calculating the revenues from and set the standards for the authorized online games, Sports Betting, eSports, and Fantasy Contests, and the recording and counting of cash and cash equivalents collected from authorized online games and sports betting.
- Provide expert advice as it relates to organizing the Sports Betting division of the Gaming Commission (including identifying role of technical positions, staffing and training).
- Provide consulting services to the Commission regarding online betting and online sports leagues, such as e-sports and fantasy contests and any additional effort that may arise to ensure the successful operation of the Gaming Commission in compliance with Act 81-2019.
- Establish a work plan for the services described herein.
- Deliver interim progress reports.



PROPOSAL SUBMISSION

3.1 Submission Requirements

All proposals must meet the requirements stated in this RFP. The proposal shall be submitted no later than **March 13, 2020 at 11:59 P.M. (Puerto Rico Time) (“Proposal Due Date”)**. Proposals may be delivered at any time, provided that the proposal is delivered no later than the Proposal Due Date and time. The time of delivery shall be the time set forth in the electronic communication received by the Government Parties.

Any proposal that is delivered after the Proposal Due Date shall be considered late, rejected and returned unopened to the proponent. The Government Parties assume no responsibility for deliveries made or attempted outside of the times specified above, late deliveries or the method of delivery chosen by the proponent.

PROPOSALS SHALL BE VALID FOR A PERIOD OF SIXTY (60) DAYS AFTER THE PROPOSAL DUE DATE.

The proposal shall be prepared in English. All prices shall be quoted in United States dollars. AAFAF shall not accept any proposal or modification of a proposal delivered by telephonic, electronic or facsimile means, except as provided herein.

The proposal shall be submitted electronically via e-mail to the addresses set forth on the first page of this RFP.

3.1.1 The proposal shall be organized in the following order:

- Cover Letter. The Cover Letter must be no more than one page, and must be signed by the authorized contact representative. The Cover Letter must reference this RFP and confirm that all elements of the RFP have been read and understood and that the proponent takes no exception to the materials provided.
- Specific response to Items 3.2-3.4 and 3.6.
- Non-Collusive Affidavit (Included as Appendix I of this RFP)
- Eligibility Affidavit (Included as Appendix II of this RFP)
- Price Proposal

The proposal from any proponent that fails to pass the Government Parties’ determination regarding no conflict of interest, shall be deemed unacceptable and unresponsive, and shall be disqualified without further evaluation.

3.2 Key Personnel for Required Services and Availability of Resources

3.2.1 Key Personnel

Indicate key personnel who will be assigned to this project and give a brief description of the experience of each (including language skills) and their specific roles under the prospective Services. Key personnel are defined as those who will be assigned and performing the actual services or a



portion of them. Also indicate the location of the office where work will be performed and specifically whether certain personnel will be used on an “as needed basis.” Proponents will not be permitted to subcontract any part of the Services without the prior written consent of the Government Parties.

3.2.2 Availability of Resources

Indicate available resources to be dedicated to the engagement. Available resources are the resources to be allocated to provide the Services. Such support includes qualified person(s) to cover the areas of expertise necessary to perform the services or such other support anticipated to be required during the term of the engagement.

3.3 Qualifications and Experience

Proponents are required to demonstrate that they possess technical capability and experience to successfully complete the Services. The proponent must show effective and substantive (relative to key objectives) experience in the provision of similar services under consideration.

3.4 Approach to Scope of Work and Timeliness

Include a brief and specific description addressing the following topics (you may use tabular format if it facilitates the organization of the information):

- How would you approach the Services included in the Scope of Work set forth in this RFP? What particular approach sets your firm/team apart?
- Provide information that will indicate the firm’s/team’s ability to respond quickly to task assignments, be able to handle multiple tasks concurrently and be able to complete tasks on accelerated schedules.
- Submit a preliminary work plan for an efficient start with the Services.
- Why is your firm/team best positioned for this engagement?

3.5 Interviews

Oral interviews may be conducted with proponents to aid in the short-listing of candidates to be selected or to clarify or expand upon specific items included in the proposals.

3.6 Rates / Fee Structure

Provide a full explanation of your pricing structure. Proponents should try, to the extent possible, to provide one overall fixed quote or estimate for performing the entire scope contemplated in this letter (assuming a certain overall time period of engagement).

3.7 Selection

Proposals will be evaluated by AAFAF taking into consideration the following factors:

- Expertise and general qualifications (members of the team, experience with similar projects, proven track record);



- Approach to the engagement;
- Timeliness and resources; and
- Proposed fee and fee structure.

AAFAF will only consider proposals from firms/teams that are fully qualified to conduct business in Puerto Rico. Proposals that are not disqualified will be evaluated as to the substantive material, *provided however that*, in addition to the rights reserved in Section 4.1 below, AAFAF reserves the right to waive any defect or technicality in any proposals received, and modify or postpone or terminate the RFP process in its entirety or with respect to any proponent, at any time, for any reason or no reason.

AAFAF may request a proponent to clarify a proposal in the event that ambiguities or uncertainties are presented in the proposal or to obtain more information necessary to make a comprehensive evaluation.

Price is only a factor to be considered and AAFAF is not legally bound to award to the lowest priced proposal. AAFAF may enter into simultaneous or subsequent negotiations with proponents to determine the final selection of the awardee. AAFAF reserves the right to interview key personnel of the proponent before the award of the contract. AAFAF reserves the right to conduct discussions with each and every proponent and to request that proponents submit a revised experience and technical proposal and/or price proposal. AAFAF shall award the contract to the proponent that submits the most advantageous proposal found to be technically sufficient and acceptable.

3.8 Further Contract Conditions

The contents of the proposal prepared by the Selected Proponent, with any amendment approved by AAFAF, will become part of the agreement that will be executed with such proponent as a result of this RFP process.

The contract will include those clauses required when contracting services similar to those procured under this RFP and those included in contracts with the Government, such as contractual provisions requiring:

- Original certifications evidencing that the proponent has complied with its responsibility in the filing of tax returns and payment of its taxes, including sale and use tax as applicable, to the Commonwealth of Puerto Rico, to the Federal Government, and to the state or jurisdiction where its base of operations resides.
- Commercial Registration Certification, issued by the Department of Treasury.
- Certification of Compliance issued by the Child Support Administration (ASUME). Corporations must file their request for said certification with the Employer Unit of ASUME. The same indicates that the employer complies with the orders issued in his name as employer to retain the salary of employees as a result of amounts owed for child support.
- Sworn statement, signed by the President or chief executive authorized to represent the proponent, indicating that the proponent, its subsidiaries, affiliates and/or parent companies, and their respective shareholders, directors, partners, officers, executives, or principals have



neither been convicted nor has probable cause for their arrest been found against any of them, nor are they being investigated under any administrative, judicial or legislative procedure, whether within or outside of Puerto Rico, or any other legal provision penalizing crimes against the treasury and the public trust, and that the person signing the statement has not been investigated, arrested, convicted, or found guilty or sentenced as a result of said criminal conduct.

- Certification of Employer Registration and of Debt in Respect of Unemployment Insurance and Disability Insurance issued by the Workplace Safety Bureau, Tax Division, Collection Unit of the Department of Labor and Human Resources. The same shall indicate that the contractor does not have a debt with the Disability Insurance and Unemployment Insurance Programs. If the person is not an employer, it shall indicate that the person is not registered as an Employer and therefore does not have any debt.
- Certification of Employer Registration and of Debt in Respect of Driver's Insurance issued by the Persons with Non-Occupational Disabilities and Driver's Insurance Bureau of the Department of Labor and Human Resources. The same shall indicate that the contractor does not have a debt with the Non-Occupational Disability Insurance and Driver's Insurance Programs. If the person is not an employer, it shall indicate that the person is not registered as an Employer and therefore does not have any debt.
- No debt Certification and copy of current policy issued by the State Insurance Fund.
- Certification of Existence or Certification of Authorization to do business in Puerto Rico. The Certification of Existence indicates that the applicant is incorporated under the laws of Puerto Rico and is issued by Puerto Rico's State Department. The Certification of authorization to do business in Puerto Rico applies to foreign companies. It indicates that the applicant is authorized to do business in Puerto Rico and is issued by the Puerto Rico State Department. The certification indicates the date of issuance and authorization to do business in Puerto Rico.

All certifications must be current, that is, issued within thirty (30) days from the date the Selected Proponent executes the contract with the Government Parties.

The Selected Proponent will be contractually required to abide by the laws of Puerto Rico as governing laws under the agreement. Any disputes must be resolved accordingly. Exclusive venue shall be the courts of Puerto Rico.

AAFAF shall reserve the right to terminate any contract entered into as a result of this RFP at any time, provided that written notice has been given at least thirty (30) days prior to such proposed termination date.

Furthermore, Selected Proponent shall:

1. Work with the Government Parties and any other personnel on all matters that may arise in connection with the engagement as per the terms of this RFP and the contract to be executed between the parties;
2. Assume sole responsibility for the complete effort required to provide the services;



3. Refrain from assigning, transferring, conveying, or otherwise disposing of the contract, or its rights, titles or interest therein, or its power to execute such agreement, to any other person, firm, partnership, company or corporation without the prior consent and approval in writing of the Government Parties; and
4. Comply with applicable federal, state, Commonwealth and foreign laws and regulations governing projects initiated or supported by the Government of Puerto Rico.

3.9 Schedule

A summary schedule of the major activities associated with the procurement process is presented below, through the completion of this RFP process. The post-proposal schedule may vary from the schedule indicated below. In such case, proponents shall be notified to their email of record.

Date	Activity
March 6, 2020	Last date for submission of questions or requests for clarifications to the RFP
March 13, 2020	Proposals due to the Authority
March 30, 2020**	Evaluation of Proposals and notices to selected Respondents

**Subject to change.

3.10 Communications Protocol

The Government Parties are committed to a fair, open process for interested parties to receive information about the competitive solicitation process. As such, communications shall be conducted in accordance with this RFP.

No interpretation or clarification of the meaning of any part of the RFP will be made orally by the Government Parties to any potential proponent. All questions and communications concerning this procurement process must be directed in writing to the Government Parties, via email (contact person and email address shown below), no later than the date specified in the RFP schedule.

All questions concerning this RFP should be directed ***IN WRITING*** to:

Puerto Rico Fiscal Agency and Financial Advisory Authority
 Attention: Carlos M. Yamín, Esq.
 Re: Gaming Commission RFP
Carlos.M.Yamin@aafaf.pr.gov

and

Puerto Rico Gaming Commission
 Attention: José A. Maymó Azize, Esq.
 Re: Gaming Commission RFP
jmaymo@adh.pr.gov



Where appropriate, responses to formal questions will be distributed by email to all proponents on our record as having received a copy of this RFP. In each case, AAFAF will determine whether a response is appropriate or necessary.



4.0 DISCLOSURES

4.1 General Disclosures, Rights, Options and Disclaimers

The issuance of this RFP, submission of a response by any firm/team, and the acceptance of such response by the Government Parties does not obligate the Government Parties. Proponent shall only be bound by its proposal for the period of 60 days required in this RFP. Legal obligations will only arise upon the execution of a formal agreement between AAFAF and the selected firm/team.

By responding to this RFP, proponents acknowledge and consent to the following conditions relative to the procurement process. AAFAF is not bound to accept any proposals if proponents do not meet the Government Parties' requirements. Without limitation and in addition to other rights reserved by the Government Parties in this RFP, the Government Parties reserve and hold, at their sole discretion, the following rights and options:

- To accept or reject any and all submittals, in whole or in part.
- To discuss, with any or all proponents, different or additional terms to those included in this RFP or received in any response.
- To cancel this RFP in whole or in part, at any time, with or without substitution of another RFP if such cancellation is determined to be in the best interest of the Government Parties.
- To supplement, amend, or otherwise modify this RFP prior to the date of submission of the proposals.
- To receive written questions concerning this RFP from Proponents and to provide such questions, and Government Parties responses, to all Proponents that received a copy of the RFP.
- To require additional information from one or more Respondents to supplement or clarify the proposals submitted.
- To conduct further investigations with respect to the qualifications and experience of each Respondent.
- To visit and contact the proponent's client in any of the projects or engagements referenced in the proposals to obtain direct information regarding proponent's performance in such engagements.
- To waive any defect or technicality in any proposals received.
- To eliminate any proponents that submits a nonconforming, non-responsive, incomplete, inadequate or conditional proposal.
- To investigate the technical and financial qualifications of proponents using sources in addition to what was included in the proposals.

All costs and expenses incurred by the proponents in the preparation and delivery of a proposal will be the sole responsibility of the proponents. The Government Parties will not be liable for any amounts to any proponent in any manner, under any circumstances, including without limitation, as a result of a cancelation of the RFP process. The proponents cannot make any claims whatsoever for reimbursement from the Government Parties for the costs and expenses associated with the process.

Proponents should submit their best proposals initially, since negotiations may not take place.

The laws of Puerto Rico shall govern this RFP process. Any disputes relating to this RFP must be resolved accordingly. Exclusive venue for a judicial challenge is the Appeals Court of Puerto Rico as provided for by the laws of Puerto Rico.



4.2 Accuracy of RFP and Related Documents

The Government Parties assume no responsibility for the completeness or the accuracy of specified technical and background information presented in this RFP, or otherwise distributed or made available during this RFP process. Without limiting the generality of the foregoing, the Government Parties will not be bound by or be responsible for any explanation or interpretation of the RFP documents other than those given by it in writing. In no event may a proponent to this RFP rely on any oral statement by the Government Parties' agents, advisors, or consultants.

4.3 Confidential or Proprietary Information

One copy of each proposal will be retained for the Government Parties' files and will not be returned. If a proponent considers that its proposal contains material that is confidential and/or proprietary, the proponent must clearly note or mark each section of material as confidential and/or proprietary. The Government Parties will determine whether such material meets the requirements for an exemption from disclosure. If so, that information will not be disclosed pursuant to a request for public documents. If the Government Parties do not consider such material to meet the requirements for exemption from disclosure, the material will be made available to the public, regardless of the notation or markings. It is the responsibility of proponents to be thoroughly informed and familiar with the requirements of disclosure of public documents.

Furthermore, by responding to this RFP, proponents acknowledge and agree that the Government Parties will not be responsible or liable in any way for any losses that the proponent may suffer from the disclosure of information or materials to third parties. It is the responsibility of the proponent, as the real party in interest, to object any disclosure and defend any action that may be necessary to protect its confidential information



APPENDIX I

NON-COLLUSION AFFIDAVIT

I, _____, of legal age and resident of _____, certify for myself and for my organization _____, under oath and subject to the consequences and penalties or perjury, that to the best of my knowledge and belief:

i. The prices presented in this proposal have been arrived at independently without collusion, consultation, communication, or agreement with any other proponent or with any competitor for the purpose of restricting competition.

ii. No attempt has been made or will be made by myself or any member of my organization or associates to induce any other person or organization to submit or not to submit a proposal for the Project, or otherwise take any action in restraint of free competitive proposals for the Project.

Proponent Contact Signature

Proponent Contact Name and Title

AFFIDAVIT NO.

Sworn and subscribed before me by _____, of the personal circumstances set forth above, personally known to me, in _____, Puerto Rico, on this ____ day of _____, 2020.

Notary Public

Note: Providing false information may result in immediate disqualification of proponent criminal prosecution or administrative sanctions.



APPENDIX II

ELIGIBILITY AFFIDAVIT

I, _____ (Proponent Contact), of legal age, civil status: _____, profession: _____ and a resident of _____ (City, State), in my capacity as _____ (officer) of _____ (the "Proponent"), do hereby certify under penalty of perjury, that, except as noted below, the Proponent and Proponent's owners, shareholders, partners, directors, officers, principals and managers ("Proponent's Related Parties"):

- a. are not currently under suspension, debarment, voluntary exclusion or determination of ineligibility by any state or federal court of agency;
- b. have not been suspended, debarred, voluntarily excluded or determined ineligible by any state or federal court or agency within the past three (3) years;
- c. do not have a proposed debarment pending;
- d. will not use any subcontractors who are so debarred;
- e. have not been convicted or plead guilty in federal or state court, for the commission of misappropriation; extortion; construction fraud; fraud in the delivery of goods; undue intervention in public procurement processes; bribery; offer to bribe; undue influence; crimes against public funds; or preparation, presentation, possession or transfer of forged documents. The prohibition set forth herein shall also apply to convictions for other crimes equivalent to those of the above stated crimes;
- f. are not under investigation in federal, state, foreign or local jurisdictions, at any legislative, judicial or administrative level for the alleged commission of the abovementioned crimes; and
- g. I am a duly authorized representative of the Proponent and the Proponent Related Parties, with knowledge and authority to execute this sworn statement.

Exceptions to the above are set forth in an attachment to this Appendix II, providing the name of the initiating agency, number of the complaint, names of all parties and dates of action.

Proponent Contact Signature

Proponent Contact Name and Title

AFFIDAVIT NO.

Sworn and subscribed before me by _____, of the personal circumstances set forth above, personally known to me, in _____, Puerto Rico, on this ___ day of _____, 2020.

Notary Public

Note: Providing false information may result in immediate disqualification of Proponent criminal prosecution or administrative sanctions.