

New Jersey Department of the Treasury
Office of Management and Budget
Cash Management Unit

Department of Revenue and Enterprise Services ACH Collection Services 2026
Request for Proposal

June 18, 2025

To: All Interested Respondents

Re: RFP – DORES ACH Collection Services 2026

Addendum #1

The following constitutes Addendum #1 to the above referenced solicitation.

- 1) Responses to Questions: Please see attached
 - a. Questions and Answers are grouped by bank

Please be advised that The Department of the Treasury, Office of Management and Budget, on behalf of the Division of Revenue and Enterprise Services (DORES) has revised the following Proposal Due Date in the Timetable of Events listed on page 11, **SECTION I. TERMS AND CONDITIONS, D. TIMETABLE OF EVENTS, of the above-referenced Request for Proposal. Below is the complete revised Timetable of Events:

EVENT	DATE
Issuance of Request	May 14, 2025
Deadline to Submit Questions	May 28, 2025
<u>Proposal Due Date</u>	<u>July 3, 2025</u>
Anticipated Contract Award Date	August 6, 2025
Implementation & System Testing	August 8, 2025
Contract Commencement	February 1, 2026

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Page # RFP Section	Question	Answer
<p>Pg. 8 Section II. Terms and Conditions Subsection A. Applicable Rules and Regulations</p>	<p>1. The RFP states: “The TERMS AND CONDITIONS, OTHER MANDATORY PROVISIONS, and PAYMENT METHOD AND TERMS of this Request for Proposal (RFP) will supersede any and all conflicting terms and conditions, including bank agreements, submitted by the bank/contractor. The State of New Jersey will not modify its terms and conditions or execute separate bank agreements. Proposals that do not conform with or take exception to the State of New Jersey's terms and conditions, other mandatory provisions, and payment methods and terms, as set forth in this RFP, will be considered non-responsive and therefore rejected.”</p> <p>Banks such as ours have certain terms and conditions where we must abide by our own standards. The inability to take exception to any terms, conditions or requirements in the above-referenced sections puts banks in a difficult position to bid. Would you confirm that, should bidders request to negotiate portions of these sections and provide bank agreements for review, such banks will be ineligible for the business thus should decline to respond?</p>	<p>As stated on page 8 of the RFP, “The entire content of this RFP, all addenda, and the bank’s proposal will become the basis for award and contract and serve as the contractual agreement between <i>Originator</i> (State of New Jersey) and <i>Originating Depository Financial Institution</i> (bank), as required by NACHA and its Governing Regulators.”</p> <p>Continuing on page 8 of the RFP, “The TERMS AND CONDITIONS, OTHER MANDATORY PROVISIONS, and PAYMENT METHOD AND TERMS of this Request for Proposal (RFP) will supersede any and all conflicting terms and conditions, including bank agreements, submitted by the bank/contractor. <u>The State of New Jersey will not modify its terms and conditions or execute separate bank agreements.</u></p> <p>Proposals that do not conform with or take exception to the State of New Jersey's terms and conditions, other mandatory provisions, and payment methods and terms, as set forth in this RFP, <u>will be considered nonresponsive and therefore rejected.</u></p> <p>The State of New Jersey will also not sign any documentation or set-up forms that link to bank agreements.”</p>
<p>Pg. 11 Section II. Terms and Conditions Subsection D. Timetable of Events</p>	<p>2. Given that there is no estimated date listed for when responses to questions will be shared, would the State consider extending the Proposal Due Date by one month in order to allow potential bidders adequate time to formulate a strategy and proposal?</p>	<p>It is the State’s intent to provide bidders approximately 2 weeks to submit their final proposals after the posting of this Addendum.</p>
<p>Citi Bank, N.A.</p>	<p>Citi Bank N.A.</p>	

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<p>Pg. 27 Section III. <i>Other Mandatory Provisions</i> Subsection D. <i>Collateralization of Deposits</i></p> <p>Citi Bank, N.A.</p>	<p>3. The State requires a step-up in collateral from 100% to 120% when daily average balances within each calendar quarter exceed \$15 Million. Will the State provide advance notice to the bank when balances are expected to exceed \$15 Million?</p>	<p>No, the State will not provide advance notice as it is the State's intent to keep account balances at a minimum.</p>
<p>Pg. 22-23 Section II. <i>Terms and Conditions</i> Subsection Z. <i>Insurance</i></p> <p>PNC Bank</p>	<p>4. Please confirm that the Insurance Requirement outlined in this section is also non-negotiable. Would the State consider accepting an overview of the financial institution's insurance coverage at the RFP stage, with the detailed insurance obligations to be negotiated post-selection?</p>	<p>Confirmed. Upon State request only, and stated on page 22 of the RFP, "The Vendor will furnish to the State such evidence of insurance as the State may require at the time of award and for all periods during the term of the agreement and any extensions to the agreement."</p> <p>Evidence of insurance or proof of insurance is the current insurance policy document.</p>
<p>Pg. 30-31 Section III. <i>Other Mandatory Provisions</i> Subsection G. <i>Disaster Recovery Plan</i></p> <p>PNC Bank</p>	<p>5. For annual disaster recovery test please share the list of all services outside of payment processes that are simulated in the recovery tests.</p>	<p>1. Everyday DORES should receive files by 7:30 AM to process them.</p> <p>2. If Connect Direct is down DORES can wait up to 2 days to get the files.</p> <p>3. If the files from the bank are bad then the bank will need to correct and resend the files as soon as applicable.</p> <p>4. DORES can process bank data only received thru Connect Direct.</p> <p>5. The bank needs to keep a backup of all the files transmitted to DORES.</p>

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<p>Pg. 45-46 Section V. <i>Scope of Work</i> Subsection D. ACH Requirements</p> <p>PNC Bank</p>	<p>6. What edits/matching on owed tax types are performed by the State prior to originating a debit to collect a payment?</p>	<p>Payment request records can be edited by one of three processing groups: E-Check web application; DORES API; or Batch processing. Bank routing number and no foreign payments are common edits.</p>
<p>Pg. 45-46 Section V. <i>Scope of Work</i> Subsection D. ACH Requirements</p> <p>PNC Bank</p>	<p>7. What is the volume of ACH proof of debit authorization requests received by month from receiving banks?</p>	<p>N/A – the State does not receive any items related to ACH proof of debit authorization requests from receiving banks.</p>
<p>Pg. 48 Section V. <i>Scope of Work</i> Subsection D. ACH Requirements</p> <p>PNC Bank</p>	<p>8. Does the State require the matching processing to be done on originated ACH debits or only on incoming credits?</p> <p>If matching is required for debits, is the State originating PPD+ entries with tax type information in the addend record?</p>	<p>Yes, both originated ACH debits and incoming credits need to be matched for return processing.</p> <p>No, the State is not originating PPD+ entries with tax type information in the addenda record.</p>
<p>Pg. 51-52 Section V. <i>Scope of Work</i> Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>PNC Bank</p>	<p>9. ACH batch payments: Do incoming ACH payments from payroll services and tax preparers, need to be identified differently than incoming ACH credits from a corporate taxpayer in the Daily tax summary reports?</p>	<p>Only single payment records are placed on the NACHA file sent to the bank. There is no distinction made for payments that were initially submitted by batch.</p>
<p>Pg. 51-52 Section V. <i>Scope of Work</i> Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>PNC Bank</p>	<p>10. ACH Batch Payment Application: Can you please provide more detail on the current service being provided to taxpayers by contracted bank?</p>	<p>Taxpayers process payments through DORES websites or with the assistance of a tax preparer. Payment requests received by DORES from tax preparers are referred to as batch payments and are then converted to single payment request records for the NACHA file transmission to the bank. Currently there is no information of the contracted bank providing services directly to the taxpayer.</p>

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<p>Pg. 56 Section V. Scope of Work Subsection H. Web-based Inquiry/Communication System</p> <p>PNC Bank</p>	<p>11. Please clarify what is meant by “bank must promptly respond to all State wire instructions no later than thirty minutes after receipt” – does this refer to a confirmation of the wire being processed or to acknowledgement of the wire being instructed? Timing of processing will be dependent on approvals after submission.</p>	<p>The State is referring to the acknowledgement of the wire being instructed.</p>
<p>Pg. 62 Section V. Scope of Work Subsection L. Implementation and Testing</p> <p>PNC Bank</p>	<p>12. Please clarify “All costs associated with initial programming, testing, training, and post-implementation meetings must be bundled into the banking fees and are not permitted to be listed as separate line items on the Cost Schedule.” – Some setup/programming costs are not known until completion as they are billed based on time spent programming/customizing – does this account for customized/client specific programming?</p>	<p>As stated on page 78 of the RFP, “All prices submitted must remain firm and fixed for the term of the contract. All prices proposed must be inclusive of all bank supplies, postage and delivery fees, equipment costs, server space, storage fees, travel expenses, overhead, FDIC charges, profit, etc. as needed to fulfill the RFP specifications.”</p> <p>This includes all bank-anticipated set-up and programming costs necessary to fulfill all RFP specifications and requirements.</p> <p>Additionally, stated on RFP page 14, Subsection (I.) <i>Contract Award</i> states, “The entire content of this RFP, all addenda, and the <u>bank’s proposal</u> will become the basis for any award resulting from this solicitation.”</p> <p>As such, the bank’s Cost Schedule, submitted as part of its proposal, must be presented so that the State can conclusively calculate or assess the <u>total cost it will be responsible for</u> to implement and activate all RFP required services at anticipated volumes for the contract term. The total cost must not be presented as variable in the bank’s proposal. Therefore, any programming costs anticipated by the bank needed to fulfill State RFP requirements must be ‘bundled’ into its proposal-submitted fee schedule.</p>

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<p>Pg. 73 Section VIII. Vendor Response Question 24 and 25</p> <p>PNC Bank</p>	<p>13. Is the State interested in receiving the Daily addenda record error report via data transmission in addition to being viewable and printed from the bank's web-based service?</p>	<p>Yes, the State interested in receiving the Daily addenda record error report via data transmission in addition to being viewable and printed from the bank's web-based service.</p>
<p>Pg. 74 Section VIII. Vendor Response Question 27</p> <p>PNC Bank</p>	<p>14. What is the preferred delivery method for the Daily Tax Summary report?</p>	<p>The preferred delivery method for the Daily Tax Summary report is Connect Direct transmission.</p>
<p>Pg. 75 Section VIII. Vendor Response Question 32</p> <p>PNC Bank</p>	<p>15. Are accepting incoming ACH reversal requests the only method for returning incoming ACH credits received from taxpayers? If no, how are funds returned.</p>	<p>Yes, currently DORES receives dishonored returns and credit reversals from the bank.</p>
<p>Pg. 78 Section VIII Cost of Services</p> <p>PNC Bank</p>	<p>16. Can the State provide current analysis statements (sensitive information redacted) or some other form of detailed line-item volumes to aid with pricing for this proposal?</p>	<p>Please refer to Exhibit I <u>April 2024 to March 2025 Transaction Volumes and Dollar Amounts</u> and Exhibit Q <u>April 2024 to March 2025 Returns and Reversals Volumes and Dollar Amounts</u> in the RFP for detailed volumes.</p> <p>Furthermore, please refer to the Cost Schedule section starting on page 78 of the RFP. As stated, "If a bank must add a new pricing category, the bank must clearly define the new category of service, explain any association the new category has with existing pricing categories on the Cost Schedule and provide a clear method of measurement for the additional pricing element."</p>
<p>Pg. 40 Section V. Scope of Work Subsection D. ACH Requirements</p> <p>Wells Fargo Bank</p>	<p>17. Please provide us with the total dollars of the 3 highest consecutive days in which the State initiated ACH debit files to collect taxes during tax season (March-April). Please also provide the 3 highest consecutive days in terms of dollars for taxes collected the rest of the year.</p>	<p>Please see attached Exhibit A for these statistics.</p>

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<p>Pg. 40 Section V. Scope of Work Subsection D. ACH Requirements</p> <p>Wells Fargo Bank</p>	<p>18. Will DORES be initiating ACH credit files to process refunds/returns? If yes, what is the total amount in terms of dollars over the 3 highest consecutive days during tax season and non-tax season?</p>	<p>No, DORES will not be initiating ACH credit files to process refunds/returns.</p>
<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>19. Please confirm if the RFP scope includes web portal process for business taxpayers submitting batch files only or should businesses also be able to make single payments via the same web portal?</p>	<p>There are no batch files sent directly to the bank. The only file transmitted to the bank contains single payments some of which were initially received and processed by DORES as batches. Payment requests received by DORES from tax preparers are referred to as batch payments and are then converted to single payment request records for the NACHA file transmission to the bank.</p>
<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>20. Please confirm that a web portal for individual taxpayers is not in scope for this RFP.</p>	<p>Confirmed, a web portal for individual taxpayers is <u>not</u> in scope for this RFP.</p>
<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>21. Does your current bank offer ACH debit batch upload today?</p> <ul style="list-style-type: none"> • If Yes, please describe the process the business taxpayer uses to enroll in this option and submit batch files? • If No, does DORES administer this process today? Please describe the process the business taxpayer should use to enroll and submit batch files and the process DORES expects to use to transmit to the bank? 	<p>Only a NACHA formatted file containing single payment request records are sent to the bank. DORES initially receives batch payments and are converted to single payment request records for the NACHA file transmission to the bank.</p>

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<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>22. Please confirm batch uploads are debit only.</p>	<p>Only a NACHA formatted file containing single payment request records, <u>that are debit only</u>, are sent to the bank.</p>
<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>23. To understand the process in place today, is there a specific batch upload file format used today that can be provided?</p>	<p>A standard NACHA formatted file is transmitted to the bank. Payment requests received by DORES from tax preparers are referred to as batch payments and are then converted to single payment request records for the NACHA file transmission to the bank.</p>
<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>24. Will DORES need enrollment packages for business (batch) or individuals (single payments)? If enrollment, will the State send an automated file or is there another process?</p>	<p>No, DORES will not require enrollment packages for business (batch) or individuals (single payments).</p>
<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>25. Historically, DORES would send a file with additions/changes/deletes of bank account information. Is this process used with the current bank? If yes, is this an automated process?</p>	<p>No, DORES does not send a file with additions/changes/deletes of bank account information with the current bank provider.</p>

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<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>26. Please confirm if batch payments from third parties will be sent directly to the bank or the bank's subcontractor?</p>	<p>Only a NACHA formatted file containing single payment request records are sent to the bank. DORES initially receives batch payments and are converted to single payment request records for the NACHA file transmission to the bank.</p>
<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>27. Will the batch files be sent via a NACHA format? If not, do you expect the bank to manipulate the file?</p>	<p>Only a NACHA formatted file containing single payment request records are sent to the bank. DORES initially receives batch payments and are converted to single payment request records for the NACHA file transmission to the bank.</p>
<p>Pg. 51 Section V. Scope of Work Subsection G. ACH Batch Payments and Batch Payment Applications</p> <p>Wells Fargo Bank</p>	<p>28. Please confirm that IVR services are not in scope for this RFP.</p>	<p>Confirmed, IVR services <u>are not</u> in scope for this RFP.</p>
<p>Pg. 64 Section VII. Evaluation Criteria</p> <p>Wells Fargo Bank</p>	<p>29. Is pricing the biggest factor for award?</p>	<p>As stated on RFP page 14, Subsection (I.) <i>Contract Award</i> states, "The State of New Jersey reserves the right to reject any or all proposals, to award to other than the low bidder, to award in whole or in part, and to waive any minor informalities not in compliance with the specifications or terms and conditions of this request if deemed in the best interest of the State to do so."</p>
<p>Exhibit A.</p> <p>Wells Fargo Bank</p>	<p>30. Is there Federal Tax Information (FTI) in scope for this RFP?</p>	<p>No, the State does not anticipate any individual's Federal Tax Information to be provided as part of this contract.</p>

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Written responses contained in the Addendum will amend the RFP and control. Vendors must sign this addendum below and submit it with your bid proposal. **Proposals are due on July 3, 2025 by 4:00 p.m. E.T.**

Authorized Signature

Date

Print Name

Date

EXHIBIT A

Below is a listing of settlement dates which are to be the highest settlement date group for the period 05/01/2024 to 04/30/2025:

Note: Most of the payments are for State taxes and typically the highest period is around April 15th and included a 4th day.

Settlement Date	Total Dollar Amount	Total Count
04-15-2025	\$1,479,449,689.79	297,856
04-16-2025	\$728,486,120.82	123,436
04-17-2025	\$419,565,223.55	61,878
04-21-2025	\$920,069,670.50	129,962

Below is a listing of 3 settlement dates that are not consecutive but have high individual amounts and volume counts.

Note: Most of the payments are for State taxes and typically the other highest periods are for various quarterly tax payments.

Settlement Date	Total Amount	Total Count
06-17-2024	\$955,742,518.67	99,111
09-16-2024	\$1,016,268,734.14	114,198
01-15-2025	\$832,382,732.53	83,390