



**DEPARTMENT OF THE TREASURY  
DIVISION OF REVENUE AND ENTERPRISE SERVICES  
REVENUE COLLECTION SERVICES  
REQUEST FOR PROPOSAL**

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- EXHIBIT S:** Sample Image Cash Letter File Receipt Confirmation and Deposit Adjustment Advice

**EXHIBIT T:** Division of Revenue and Enterprise Services Encoded Deposit Slip Requirements

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**DEPARTMENT OF THE TREASURY  
DIVISION OF REVENUE AND ENTERPRISE SERVICES  
REVENUE COLLECTION SERVICES  
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**I. TERMS AND CONDITIONS**

**A. Applicable Rules and Regulations**

This Contract and any and all litigation arising therefrom or related thereto shall be governed by the applicable laws, regulations, and rules of evidence of the State of New Jersey without reference to conflict of law principles and shall be filed in the appropriate Mercer County Division of the New Jersey Superior Mercer County.

All Claims asserted against the State by the Contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

The entire content of this RFP, all addenda, and the bank's proposal will become the basis for any award and contract. These documents, serving as the agreement between the State of New Jersey and the bank, shall, whenever possible, be construed in harmony except in instances when a governing regulatory agency's rules are in conflict, in which case the governing regulatory agency's rules and regulations would apply. If there is a conflict between the terms contained in these documents, the order of precedence shall be: (1) the rules of the governing regulatory agency; (2) the addendum(s); (3) the RFP; and (4) the bank's proposal.

All services must be the responsibility of the primary Vendor. The State will not enter into any agreements with subcontractors.

The Vendor must be a state or nationally chartered bank, with a branch presence in the State of New Jersey, employ New Jersey residents, and be in compliance with all Federal and/or New Jersey State laws governing all services to be awarded.

The Vendor must be a member of an automated clearing house association and be in compliance with all rules and regulations set forth by the National Automated Clearing House Association (NACHA), local automated clearing house (ACH) association(s), and ACH operators.

The Vendor must be a member of the Federal Reserve direct wire system.

The State of New Jersey agrees to comply with all current NACHA Operating Rules and Regulations. 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 *Originator* (State of New Jersey) and *Originating Depository Financial Institution* (bank), as required by NACHA and its Governing Regulators.

The State of New Jersey authorizes the Originating Depository Financial Institution, in this case, the contracted bank, to receive and originate ACH entries as described in the RFP on behalf of the State of New Jersey.

The State of New Jersey agrees that it will not initiate ACH entries that violate United States law.

The State of New Jersey agrees to cure any breach of the current NACHA Operating Rules and Regulations as soon as it is feasible upon notice of the issue.

The State of New Jersey agrees to permit the Originating Depository Financial Institution the right to audit the State's compliance with NACHA Rules and Regulations.

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.**

The State of New Jersey will also not sign any documentation or set-up forms that link to bank agreements.

## **B. Contract Administrator**

The Department of the Treasury, Office of Management and Budget, Cash Management Unit is charged with addressing contract-related issues.

The Contract Administrator for this program for the State of New Jersey is:

Kyle Morales  
State of New Jersey  
Department of the Treasury  
Office of Management and Budget  
PO Box 221  
Trenton, New Jersey 08625-0221  
Phone: (609) 292-1721  
Email: [Kyle.Morales@treas.nj.gov](mailto:Kyle.Morales@treas.nj.gov)

## **C. Project Management**

This Request for Proposal (RFP) has been prepared by the New Jersey Department of the Treasury, Office of Management and Budget, Cash Management. After contract award, the Division of Revenue and Enterprise Services is charged with the responsibility for the administration of their respective bank accounts.

The Project Manager for this program for the State of New Jersey is:

Andrew Keller  
State of New Jersey  
Department of the Treasury  
Division of Revenue and Enterprise Services  
PO Box 628  
Trenton, NJ 08611  
Phone: (609) 777-1022  
E-mail: [andrew.keller@treas.nj.gov](mailto:andrew.keller@treas.nj.gov)

**D. Timetable of Events**

The State reserves the right to modify any of the following cited dates upon notification to vendors.

<b>EVENT</b>	<b>DATE</b>
Issuance of Request	December 5, 2024
Deadline to Submit Questions	December 19, 2024
Proposal Due Date	January 22, 2025
Anticipated Contract Award Date	March 3, 2025
Implementation & System Testing	March 4, 2025
Contract Commencement	June 1, 2025

**E. RFP Questions from Bidders**

The Office of Management and Budget, Cash Management Unit will accept questions and inquiries from all qualified potential bidders electronically via email. This will be the only opportunity potential bidders will have to submit questions pertaining to this RFP.

The deadline to submit written questions pertaining to this RFP ends at **4:00 p.m. ET** on the date indicated in the Timetable of Events. Written questions received after the deadline will **not** be recognized or addressed.

Questions must be directly tied to the RFP and asked in consecutive order, from beginning to end, following the organization of the RFP. Each question must begin by referencing the RFP page number and section number to which it relates.

The subject line of the email should include the specific banking RFP name.

Respondents are not to contact the Office of Management and Budget, Cash Management Unit directly, in person, or by telephone, concerning this RFP.

Office of Management and Budget, Cash Management Unit will address all questions by posting an addendum on the Office of Management and Budget, Banking Services website. The addendum will include all questions submitted prior to the submission deadline, along with the State's response to each question. Questions are to be emailed to the following address:

[TreasuryBankingServices@treas.nj.gov](mailto:TreasuryBankingServices@treas.nj.gov)

#### **F. Revisions to the Request for Proposal**

If it becomes necessary to revise any part of this RFP, revisions will be made in the form of a written addendum, and vendors will be notified via email.

Acknowledgment of the receipt of all the amendments/revisions will be required to accompany any proposal submitted.

#### **G. Proposal Requirements**

The State will accept proposals in either hardcopy or via secured email in PDF Format. **Proposals must arrive prior to or no later than 4:00 p.m. ET on January 22, 2025.**

If submitting a proposal in person or overnight delivery, address packages to:

Kyle Morales  
State of New Jersey  
Department of the Treasury  
Office of Management and Budget  
PO Box 221  
Trenton, New Jersey 08625-0221  
Phone: (609) 292-1721  
Email: [Kyle.Morales@treas.nj.gov](mailto:Kyle.Morales@treas.nj.gov)

If submitting a proposal by US Mail, address packages to:

Kyle Morales  
State of New Jersey  
Department of the Treasury  
Office of Management and Budget  
PO Box 221

Trenton, New Jersey 08625-0221  
Phone: (609) 292-1721

One proposal must be clearly marked "ORIGINAL" and signed by an officer who is authorized to bind the respondent contractually. An additional **eight (8) copies of the proposal** must be submitted along with the original.

In addition to the submitted hard copies, vendors must include a CD-ROM copy of their entire bid submission, including all exhibits, financials, attachments, and samples of required documents in PDF format.

**If submitting a proposal by secured email, send the proposal in PDF FORMAT to: [TreasuryBankingServices@treas.nj.gov](mailto:TreasuryBankingServices@treas.nj.gov)**

Electronic submissions must include the entire proposal, including all exhibits, financials, attachments, and samples of required documents in PDF Format. If the attachments are too large, multiple attachments and/or emails will be accepted.

For electronic bid submissions, a confirmation email will be sent notifying receipt of bid submission. **IF A CONFIRMATION EMAIL IS NOT RECEIVED, PLEASE RESEND THE ENTIRE BID PROPOSAL.**

The bidder's responsibility is to clearly identify the sections and pages in its bid proposal that designates to be confidential and/or proprietary.

Please note that faxed proposals will **not** be accepted.

#### **H. Oral Presentation and Vendor Site Visitation/Inspection**

Vendors that submit a proposal may be required to give an oral presentation to the evaluation committee. This will provide an opportunity for the Vendor to clarify or elaborate on its proposal. However, an oral presentation does not provide the Vendor the opportunity to change the original bid or correct any deficiencies in its proposal. Vendors should not construe the invitation for an oral presentation to imply any acceptance or rejection of bids.

The Department of the Treasury, Office of Management and Budget, Cash Management Unit will schedule the presentations.

At the time of proposal evaluation, the State reserves the right to inspect the Vendor's non-secure facilities, including any and all subcontractors' non-secure facilities, via a scheduled site visit. Any time after award, the State reserves the right to inspect the Vendor's non-secure facilities, including any and all subcontractors' non-secure facilities, with prior notice by the State. Failure to comply with this request may result in disqualification or termination of the contract.

At all times, (1) travel by State personnel to the Vendor's site will be at the State's expense; (2) travel by vendor personnel to the State of New Jersey will be at the Vendor's expense.

Prior to contract award, the oral presentation and vendor site inspection may be combined.

## **I. Contract Award**

The entire content of this RFP, all addenda, and the bank's proposal will become the basis for any award resulting from this solicitation.

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.

Any statistics or values shown in the RFP are either based on past history or best estimates. The future quantities, values, or activities may be more or less than those noted herein and could change during the course of the contract term. The State will make no allowances or concessions to a bidder for any alleged misunderstanding because of quantity, character, or other conditions.

#### **J. Length of Contract**

The contract will be for a **four (4) year term**. The bank may not close any accounts until officially notified by the Department of the Treasury, Office of Management and Budget, Cash Management Unit. The Department of the Treasury, Office of Management and Budget, Cash Management Unit will be responsible for opening and closing all accounts.

#### **K. Contract Extension**

The State will have the option to extend the contract for **three (3) one-year periods**, or any portion thereof, if deemed in the best interest of the State to do so. The Vendor will be notified of the State's intent at least **90 days** prior to the expiration date of the existing contract. The Vendor will have **15 calendar days** to respond to the State's request. If the Vendor agrees to the extension, all terms and conditions of the original contract and any mutually agreed changes will apply.

At the time of contract extension, an increase in price will be considered. The unit prices during the extension periods may be adjusted utilizing the Consumer Price Index unadjusted for All Urban Consumers, New York-Northern New Jersey Region, and Philadelphia-South Jersey Region using a 2/3 to 1/3 weight respectively, as published by the Bureau of Labor Statistics of the United States Department of Labor. For price adjustments during the option periods, the prices may be increased by the same percentage as the percentage of increase shown in the Index for January of the extension year compared to the Index for January of the prior year or for the most recent reported twelve-month period. At the time of the extension option, the Vendor must include in its response to the State the price increases, from and to, for each of the line item charges, along with supporting Labor Statistics documentation. The State will then independently verify the price adjustment.

#### **L. Vendor Right to Protest**

A vendor's right to protest RFP specifications and intent of contract award is governed by N.J.A.C. 17:12-3.

For all Department of the Treasury, Office of Management and Budget, Cash Management Unit contract protests, although N.J.A.C. 17:12-3 references the Director of the Division of Purchase and Property, the Treasurer (or designee) shall be the individual authorized to decide the protests.

#### **M. Termination of Contract**

The State reserves the right to terminate any agreement entered into as a result of this RFP, providing written notice has been given to the Vendor at least **30 days** prior to such proposed termination date unless otherwise provided herein.

At contract termination, the Vendor must cooperate with the State and the new contract vendor to effect a smooth transition, which would include transferring all information needed for the continued operation of the application.

In instances when a governing regulatory agency's rules are in conflict with any agreement entered into as a result of this RFP, the governing regulatory agency's rules and regulations would apply.

#### **N. Contract Continuity/Transitional Period**

In the event the service or services are scheduled to end by contract expiration or be terminated by the State (at the State's discretion), and if requested by the State, the bank must continue the service(s) until new services can be completely operational. The bank is required to continue servicing the State at the same cost. During this transitional period, the State is not subject to any price changes. At no time shall this transitional period extend more than **180 days** beyond the expiration date of the existing contract. The bank will be reimbursed for this service at the rate in effect when this transitional period clause is invoked by the State.

## **O. Unanticipated Services**

Should additional State initiated work be required, which is beyond the initial scope of this RFP, either through this State agency or another, the State of New Jersey reserves the right to negotiate with the awarded vendor reasonable fees for services unanticipated or not existing at the time of the contract award. If required, the State will request a written cost estimate and a schedule of the work plan. The State must approve the fees and/or work plan prior to initiation of the work. Upon failure to arrive at a negotiated fee schedule and work plan, the State may, at its option, contract the services through a competitive process.

If additional programming is required, the Vendor must be able to provide additional programming services and make system changes to its internal system within **90 days** after State approval. The cost estimate will be based on the hourly rates included in the Vendor's response, as specified in ***SECTION VIII. COST SCHEDULE*** of this RFP.

## **P. Prime Contractor Responsibilities**

The selected Vendor, and any successor vendor (in the event of merger/acquisition or other change in operating status), will be required to assume sole responsibility for the complete effort of any contract(s) awarded to the Vendor subsequent to its bid submission and assume all cost incurred by the State, directly or indirectly, in connection with or as a result of the transition. If a merger/acquisition has been announced prior to or during the Vendor's proposal preparation period, identify all relevant or emerging dates surrounding the merger relative to the official name change, system changes, account changes, etc., if known at the time of bid submission.

The State will consider the prime Contractor to be the sole point of contact with regard to contractual matters. The prime contractor is responsible for the professional quality, technical accuracy, timely completion of any and all services awarded to the Vendor as a result of the solicitation; and shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its products, services, reports, equipment, information, etc. in order to meet the requirements as specified herein.



The successful Vendor must furnish the names of the officers and management personnel who will be utilized in the fulfillment of any agreement resulting from this RFP.

**Q. Subcontracting**

The State defines a subcontractor as a third party that is specifically engaged by the Vendor to provide services under this contract to the State.

All subcontractors must be approved by the State. If the Vendor has knowledge prior to the proposal submission date that any part of the work covered by this request will be subcontracted, the Vendor must identify the subcontracting organization, its officers, and the contractual arrangements made therewith and state what services are to be subcontracted.

If during the contract term, the Vendor desires to employ or replace any subcontractor, the Vendor must provide **90 days' written notice to the State**. The State will evaluate the replacement firm's qualifications. No replacement firm shall begin work without prior State approval.

The prime Contractor is totally responsible for adherence by the subcontractor to all provisions of the contract between the bank and the State. The bank must thoroughly research and confirm a subcontractor's ability to deliver services exactly as requested in this RFP. The State will not amend its requirements to accommodate a subcontractor's unwillingness to provide required documents or its inability to deliver services exactly as stated/required in this RFP.

Nothing contained in these specifications or subsequent specifications shall be construed as creating any contractual responsibility between the subcontractor(s) and the State.

## **R. Assignment**

The Vendor is prohibited from assigning, transferring, conveying, subletting, or otherwise disposing of this agreement or its rights, title or interest therein or its power to execute such agreement to any other person, company, or corporation without the previous consent and approval, in writing, by the State. Any attempted assignment without consent shall be null and void. Unless otherwise agreed to by the State in writing, the assignee shall bear all cost incurred by the State, directly or indirectly, in connection with or as a result of such an assignment.

In instances when a governing regulatory agency's rules are in conflict with any agreement entered into as a result of this RFP, the governing regulatory agency's rules and regulations would apply.

## **S. Cost Liability**

The State of New Jersey assumes neither responsibility nor liability for costs incurred by the Vendor prior to issuance of an agreement, contract, or purchase order.

## **T. Ownership of Material**

Ownership of all data, material, and documentation originated and prepared exclusively for the State pursuant to any contract shall belong exclusively to the State and shall be delivered to the State upon **30 days' notice** by the State.

## **U. Data Transmission**

See **EXHIBIT A State of New Jersey OIT File Transfer Guide** for a detailed description of the protocols supported by the State. A bank's ability to support as many of these file transfer methods as possible, thus providing the State with maximum flexibility, will be a positive factor considered during the proposal evaluation.

The State plans to take advantage of all advancements offered by the ACH Network. The bank must be able to demonstrate that it has the ability to support these updates to the electronic funds transfer system.

The bank and all subcontractors will be required to use reasonable care to protect the confidentiality of the data. All non-public data contained in the documents or files supplied by the State are to be considered confidential and shall be solely for the use in connection with the services provided to the State, provided that the following information will not be considered confidential: (1) information that is or becomes generally available to the public other than as a result of an unauthorized disclosure by the bank or its subcontractors; (2) information that is or becomes available to the bank or its subcontractors from a source not known to be under an obligation of confidentiality to the State; or (3) information is independently developed without the use of the State's confidential information. The chosen bank must protect State data and ensure that all State information remains confidential, except for disclosures (1) to employees or subcontractors with a need to know such information in connection with the services provided to the State and who are subject to confidentiality obligations no less protective than those set forth herein, (2) to regulatory officials (including bank examiners) having jurisdiction over bank, (3) required by law or legal process, or (4) authorized by the State in writing.

Any use, loss, sale, or offering of this data in any form in violation of the terms of the preceding paragraph by the prime Contractor, its employees, subcontractors, or assignees may cause termination and legal action to be taken, with all cost of any such legal action to be absorbed by the Vendor subject to the liability provisions of this RFP.

#### **V. Promotional Use Prohibited**

The Vendor and any subcontractors will be prohibited from advertising or promoting any trade or business by reference to any agreement or services performed hereunder, including the issuance of news releases resulting from any award.

## **W. Accounting Records**

The Vendor is required to maintain records and other contract-related documentation (e.g., any addendum, State RFP, and bank's proposal) needed for the execution of any and all contracts. These records must be made available to the State at all reasonable times during the contract term and for a period of **seven (7) years from the date of final payment.**

Vendor-generated transaction records must be made available to the State for a period of **seven (7) years from the date of the transaction.**

All paid items must remain on the bank's Web-based Inquiry/Communication System for a **minimum of seven (7) years from the paid date.** State of New Jersey employees must have immediate access to paid items and outstanding checks via the bank's Web-based Inquiry/Communication System.

The State reserves the right to have either its personnel, its designated representatives, or its auditors monitor and audit as often as the State deems necessary the activities and related processing and accounting records of the bank and all subcontractors, to ensure proper compliance with the terms as specified within this document.

The Vendor (s) must provide adequate accommodations for the State auditors to use when they perform their regular and scheduled audits at non-secure locations.

## **X. Severability Clause**

In the event that any provision of this RFP or the agreement executed in accordance herewith shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision, and the agreement shall continue in effect without the invalid provision.

## **Y. Indemnification**

The Vendor's liability to the State for actual, direct damages resulting from the Vendor's performance or non-performance, or in any manner related to the contract, for any and all claims, shall be limited in the aggregate to 500% of the value of the contract, except that such limitation of liability shall not apply to the following:

The Vendor's obligation to indemnify the State of New Jersey and its employees from and against any claim, demand, loss, damage, or expense relating to bodily injury or the death of any person or damage to real property or tangible personal property, incurred from the work or materials supplied by the Vendor under the contract caused by negligence or willful misconduct of the Contractor.

The State defines the value of the contract as the estimated annual fees multiplied by the contract term. Contract extensions are excluded from this calculation.

The Vendor's indemnification obligation is not limited by but is in addition to the insurance obligations contained in this RFP.

The Vendor shall not be liable for special, consequential, incidental, indirect, and punitive damages.

## **Z. Insurance**

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.

For all coverage and renewals, the documents must contain the provision that the insurance provided shall not be canceled for any reason except after **30 days'** written notice to the State of New Jersey, Department of the Treasury. All insurance shall be written for not less than any limits of liability herein specified or required by law, whichever is greater.

1. Comprehensive General Liability policy as broad as the standard coverage forms currently in use in the State of New Jersey, which shall not be circumscribed by any endorsements limiting the breadth of coverage.

The policy shall be endorsed to include:

- Broad Form Comprehensive General;
- Liability Products/Completed Operations;
- Premises/Operations.

The limits of liability for bodily injury and property shall not be less than \$1 million per occurrence as a combined single unit.

2. Automobile Liability Insurance, which shall be written to cover any automobile used by the insured. Limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.
3. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than:
  - \$100,000 Bodily Injury Each Occurrence;
  - \$100,000 Disease Each Employee;
  - \$500,000 Disease Aggregate Limit.

**AA. Conflict of Interest**

No award will be made to a vendor that, in the opinion of the Department of the Treasury, has an interest, business ventures, proprietorships, employment, or public office, which would create a conflict of interest. The State reserves the right to question vendors with respect to actual or potential conflicts of interest.

## **BB. Public Records**

Information provided in response to this Request for Proposal can be released to the public under the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq., (OPRA); however, certain sections may be considered confidential under the statutory exceptions. A bidder may designate specific information and pages of its bid proposal as not subject to disclosure when the bidder has a good faith legal/factual basis for such assertion.

Bidders are responsible for clearly defining the sections and pages of their bid proposal considered to be confidential and/or proprietary. The designated sections/materials must be listed on the cover letter and clearly marked at the bottom of each page in the footer section. The State reserves the right to make the determination and will advise the bidder accordingly.

The State will not honor any attempt by a bidder either to designate its entire bid proposal as proprietary and/or to claim copyright protection for its entire proposal. In the event of any challenge to the bidder's designation of confidential and/or proprietary materials, the bidder shall be solely responsible for defending its designation, and the State shall have no responsibility therefor.

By signing the cover sheet of this RFP, the bidder waives any claims of copyright protection set forth within the manufacturer's price list.

All bid proposals, with the exception of information determined by the State or the Court to be confidential and/or proprietary, are available for request after the Letter of Intent-to-Award is issued. At such time, interested parties can request a copy of a bid submission by visiting the following link <http://www.state.nj.us/opra/>. Users should select the link titled State Request Form, and in the first drop-down menu that reads Choose a Department, users should select Treasury. In the second drop-down menu that reads Choose a Division, the user should select Government Access Unit and complete the request form according to the instructions.

**CC. Single Response**

A single response to this RFP may be deemed a failure of competition, and at the option of the Treasurer, the solicitation may be canceled. Alternatively, receipt of only one response may allow the Treasurer to claim it as a valid sole-source acquisition of services.



## II. OTHER MANDATORY PROVISIONS

### A. Financial Statements

As part of the proposal, the prime Vendor and any subcontractors directly involved with providing any part of the services must submit their latest audited financial statements or financial comments if a privately held company for the most current year.

The Original Proposal and proposal copies should include a working link to the bank's most recent audited financial statements. If the bank cannot provide a working link to the State, the bank must include a hard copy of the bank's audited financial statements for the Original Proposal.

The Original Proposal and proposal copies should include a working link to a subcontractor's audited financial statements or financial comments if a privately held company. If the bank cannot provide a working link to the State, the bank must include a hard copy of the subcontractor's audited financial statements or financial comments if a privately held company.

### B. Ownership Disclosure Form

As part of the proposal, the prime Vendor and all its known subcontractors must complete the enclosed Ownership Disclosure Form and submit it with the proposal. See ***EXHIBIT B Ownership Disclosure Form***.

### C. Non-Discrimination Law

All parties to any contract with the State of New Jersey agree not to discriminate in employment and agree to abide by all anti-discrimination laws, including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A. 10:5-1 et seq., N.J.S.A. 10:5-31 through 10:5-38 and N.J.A.C. 17:27-3.4, and all rules and regulations issued hereunder. For additional information on the non-discrimination law, you may call the Law Reference Library at (609) 292-6230 or visit: <http://www.njleg.state.nj.us/> and select Law and Constitution and then Statutes.

#### **D. Collateralization of Deposits**

The State Treasurer shall require from this bank a deposit of bonds, notes, certificates of indebtedness or bills or other obligations of or guaranteed by the United States; or other obligations of or guaranteed by the State of New Jersey; or any other obligations now or hereafter authorized by law as security for public deposits. In addition, a current Security Agreement should be on file with the State of New Jersey.

For the total bank balances resulting from the account, the collateralization requirement must adhere to ***EXHIBIT C Collateralization Requirements for State Held Deposits.***

#### **E. Proof of Registration Requirements**

Public Law 2001, Chapter 134 requires all contractors and subcontractors providing goods/services to State agencies and authorities to provide the contracting agency with proof of registration with the Department of the Treasury, Division of Revenue and Enterprise Services.

The Division of Revenue and Enterprise Services' Client Registration Bureau provides proof of registration certificates to all registrants. Business Registration Certificates (BRC) list basic business identification information and unique registration sequence numbers that can be verified by the Client Registration Bureau.

Pursuant to an amendment to N.J.S.A. 52:32-44, State and local entities are prohibited from entering into a contract with an entity unless the Contractor has provided a copy of its Business Registration Certificate prior to the time of contract award.

The statute also requires that all contract vendors submit a copy of the Business Registration Certificate for each subcontractor they intend to use prior to the time of contract award. The law prohibits contractors from entering into a contract with a subcontractor that has not provided the Contractor a copy of its Business Registration Certificate.

The registration process involves filing Form NJ-REG. An overview of the filing requirements can be found by visiting the DORES website at <https://www.nj.gov/treasury/revenue/busregcert.shtml>. To file a Form NJ-REG online, visit <https://www.njportal.com/DOR/BusinessRegistration/>.

Any questions in regard to business registration requirements can be directed to the Division of Revenue and Enterprise Services at (609) 292-9292.

**F. N.J.S.A. 52:34-13.2 Certification**

1. Under N.J.S.A. 52:34-13.2 Certification, the State shall not award a contract to a vendor that submits a bid proposal to perform services, or have its subcontractor[s] perform services, outside the United States, unless one of the following conditions is met:

- The Vendor or its subcontractor provide a unique service, and no comparable, domestically provided service can adequately duplicate the unique features of the service provided by the Vendor and/or its subcontractor; or
- A significant and substantial economic cost factor exists such that a failure to use the Vendor's and/or the subcontractor's services would result in economic hardship to the State; or
- The Treasurer determines that a failure to use the Vendor's and/or subcontractor's services would be inconsistent with the public interest.

Bidder may perform certain general information technology and other “back-office” support activities and ancillary processes for its own general benefit in support of its obligations to its customers from non-U.S. locations. These functions and processes include, but are not limited to, database maintenance on the Bidder's database applications and servers, technology infrastructure support for Bidder's technology hardware and system components, programmatic operations information processing on digital data (such as interest calculations) for the

Bidder's general benefit, IT services' asset management, programmatic transaction processing, systematic account maintenance and servicing functions, and information analytics for the Bidder's general benefit.

## 2. Source Disclosure Requirements

Pursuant to N.J.S.A. 52:34-13.2, all vendors seeking a contract with the State of New Jersey must disclose:

The location by country where services under the contract will be performed; and the location by country where any subcontracted services will be performed.

State prefers the Vendor submit with its bid proposal ***EXHIBIT D N.J.S.A. 52:34-13.2 Source Disclosure Certification Form***, completed with the sourcing information required for the Vendor and any proposed subcontractor identified in its proposal.

If the certification is not submitted with the bid proposal, it shall be submitted **within five (5) business days** of the State's request for the information. Failure to submit sourcing information when requested by the State shall preclude award of a contract to the Vendor.

## 3. Breach of Contract of N.J.S.A. 52:34-13.2

A shift of outsourced services during the term of the contract shall be deemed a breach of contract.

If, during the term of the contract, the Contractor or subcontractor, which had on contract award declared that services would be performed in the United States, proceeds to shift the performance of the services outside of the United States, the Contractor shall be deemed in breach of the contract, which contract shall be subject to termination for cause unless the Treasurer shall have first determined in writing that extraordinary circumstances require a shift of services or that a failure to shift the services would result in economic hardship to the State.

It is important to note that N.J.S.A. 52:34-13.2 applies to all service contracts.

## **G. Disaster Recovery Plan**

### **1. Disaster Recovery**

As part of any contract award, the Vendor (s) must maintain a disaster recovery plan designed to minimize any disruption to the services being performed. An overview of the bank's disaster recovery plan, contingency, and backup procedures should be provided in the bank's bid proposal.

The bank must be able to demonstrate within their overview that State operations will be minimally affected and State records recovered intact. Given the worst-case scenario, the Vendor must be completely functional **within 48 hours of a major disaster.**

For disaster and recovery purposes, the bank must be able to receive and process data files from the State via electronic transmission. In addition, the bank must be able to demonstrate that sufficient safeguards are in place to prevent test files from being loaded into a production environment.

### **2. Disaster Recovery Test Requirements**

The bank must fully cooperate during any and all disaster recovery testing operations initiated by the State. The bank must identify in its bid proposal if there are any organizational production and/or testing shutdown timeframes during the calendar year when it would be unable to participate in State tests.

The State will run a Disaster Recovery Test pertaining to the accounts contained in this RFP, although not all accounts may be included in the test. The test is required to be performed once a calendar year and must mimic a full simulation of the production environment in order to meet auditing requirements. Testing will be conducted at the State of New Jersey, Office of Information Technology Disaster

Recovery site, which simulates a parallel production environment at a different location from where the normal State test and production activities occur.

Currently, the State's Disaster Recovery center is evolving. Connect:Direct Secure+ will become available at this site in the future; however, an exact date has yet to be determined. Therefore an alternative method must be established to transfer data between the Disaster Recovery site and the bank. The established connectivity method must be mutually agreed upon by the State and the bank. By developing an alternate method, both parties will be creating the capability to provide an alternate means of communication between the bank and the State in the event the main file transfer mechanism is unavailable.

The State's Disaster Recovery Test is a full simulation test, as close as technically feasible to the production environment. In order to satisfy audit requirements, the State of New Jersey, Office of Information Technology (OIT), must be able to simulate the production environment as closely as possible, thereby demonstrating to the auditors the State's ability to recover from a disaster.

The bank must have a process and security in place to ensure that any test files sent as part of the disaster recovery test do not get processed in the bank's production environment. In addition, the State may require that its print agency's Disaster Recovery Site be included in the Disaster Recovery Testing.

### **3. Disaster Recovery Test Files**

The bank must be prepared to receive and validate test files transmitted or delivered from a State of New Jersey disaster recovery exercise.

The following list of Disaster Recovery Test items, not necessarily all-inclusive, will be required and considered during contract award:

- Accept and return test files;

- Validate that the received files are properly formatted and useable as if they were production files;
- Provide the State with written documentation as to the correctness of the data;
- Validate the legibility of printed “voided” checks, which are replications of production checks produced from a Disaster Recovery test.

All test checks mailed to the bank must be returned to the State after the bank validation is complete.

#### **H. Destruction Requirements for State Public Records and Canceled Checks**

The New Jersey Department of the Treasury’s Division of Revenue and Enterprise Services (NJDORES) is responsible for ensuring that all public records are managed, preserved, and destroyed in accordance with public law.

The bank should destroy all public documents in accordance with State regulations and the retention schedule promulgated by NJDORES in consultation with the appropriate State agency and approved by the State Records Committee (SRC).

Physical destruction of State records should comply with the existing (applicable) State standards. These standards will apply to any sub-contracted vendors the bank may utilize for destruction services.

See **EXHIBIT E Destruction Requirements for State Public Records and Canceled Checks** for paid check destruction.

#### **I. P.L. 2022, c.3 Certification**

On March 9, 2022, Governor Murphy signed P.L.2022, c.3, which prohibits certain government dealings with businesses engaged in prohibited activities in Russia or Belarus.

Any business with whom the State of New Jersey intends to enter into contract with must complete a certification that they are not engaged in prohibited activities in

Russia or Belarus.

The submission of a completed ***EXHIBIT F Certification of Non-Involvement in Prohibited Activities in Russia or Belarus Pursuant to P.L. 2022, c.3*** is required with bid submission.



### III. PAYMENT METHOD AND TERMS

A monthly cost analysis will be required each month detailing the costs associated with the required banking services. The State will pay for vendor-banking services with compensating balances when they exist.

#### A. Compensating Balances

The compensating balance must be considered as the total average collected balance of the account(s) less the non-earning Federal Reserve requirement in effect during the course of the contract term. The basis for the earnings rate will be determined from the average of each month's 13-week Treasury bill yield auction results. All auctions for which the settlement date falls in that month will be included in the month's simple average. At a minimum, the **coupon yield** of each auction will be used.

The earnings rate will be applied each month against the average daily net collected balance of each account to determine the value of bank services earned that month with compensating balances. If the earnings of the compensating balances exceed the value of total bank services provided in any month, the excess will be applied to subsequent monthly analyses on a continuous basis without regard to calendar year-end.

#### B. Payment Terms

The bank must invoice the State monthly. The bank must provide the invoice within **30 days** after the close of each month (on a calendar month basis) for which services were provided. The standard State of New Jersey payment voucher and instructions for preparation of the form will be provided to the bank after contract award.

#### C. Monthly Analysis

Together with the invoice, the bank must provide a monthly analysis that will contain one page of the analysis report, and the monthly average collected balance for the accounts. On the same page, the total monthly activity for each billable category will be presented so that every category of activity appears on one line of the report. The balance and

each category of billable activity will be totaled and then carried to the summary page of the analysis. On the summary page, the reserve requirement, if one is required by the Federal Reserve, will be applied against the total collected balance of the account, with the monthly average Treasury bill coupon yield used to calculate the compensating balance earnings for the month. The contract prices will be applied against the total volumes for each billable category in order to establish the total billing for the month. The State will be invoiced for the total billing less the compensating balance earnings for that month. All applicable costs are to be billed in this manner. No charges can be directly debited against the account(s).

Monthly Analysis and Invoices are to be sent to:

Attn: Leslie Notor  
State of New Jersey  
Office of Management and Budget  
Cash Management Unit, 6<sup>th</sup> floor  
PO Box 221  
Trenton, New Jersey 08625

The bank must provide the monthly analysis within **fifteen (15) days** after the month in which the services are provided.

The Monthly Analysis must be broken down by account number.

See ***EXHIBIT G*** for the Division of Revenue and Enterprise Services **Monthly Analysis Sample Format**.

**IV. PURPOSE AND INTENT**

The purpose of this request is to solicit proposals from qualified New Jersey banks for the establishment and maintenance of **nine (9) State Accounts** and for accurate and timely processing of all banking services associated with these accounts.

Accounts 1, 2, 3, 7, 8 and 9 are a related group of accounts and will be referred to throughout this RFP as the Division of Revenue and Enterprise Services (DORES) Depository Accounts. Accounts 4, 5, and 6 are also a related group of accounts and will be referred to throughout this RFP as the Motor Vehicle Commission Depository Accounts.

<b>ACCOUNT #</b>	<b>DIVISION OF REVENUE AND ENTERPRISE SERVICES DEPOSITORY ACCOUNTS</b>
1	Division of Revenue and Enterprise Services General Collection Master Account #1
2	Taxation General Depository ZBA Account #2
3	Division of Revenue and Enterprise Services Consolidated ZBA Account #3
4	Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4
5	Auto Insurance Credit Card Surcharge Collection ZBA Account #5
6	Auto Insurance Lockbox Surcharge Collection ZBA Account #6
7	State of New Jersey Health Benefits Lockbox Payments Account #7
8	State of New Jersey Pension Benefits Lockbox Payments Account #8
9	State of New Jersey DCA ZBA Account #9

The State reserves the right to increase, decrease, or consolidate the accounts, as the need arises during the course of this contract term.

Below is the summary list of banking services, not necessarily all-inclusive, that will be required for consideration of an award. The detailed specifications are delineated in **SECTION V. SCOPE OF WORK.**

Zero balance account services
Daily and monthly electronic bank statements as noted in the Scope of Work
Daily balance reporting (Prior day in in BAI2 via SFTP to State's vendor)
Web-based daily download of detail transaction reporting (prior day information)
Web-based wire transfer functionality with intra-day reporting
Web-based account inquiry and reporting capabilities
Web-based image delivery (validated deposit slips and check images)
Endorsement of checks
Encoded deposit slips
Desktop Deposit Scanners and Services
Image Cash Letter Deposit Services
ACH receiving capabilities (CCD, CCD+ or PPD formats)
ACH debit block services on specified accounts
Timely reports per RFP specifications
Contingency plan and reliable backup in case of system failure
Timely, reliable customer services, including technical support and training

**V. SCOPE OF WORK**

**A. Accounts To Be Established**

The State will establish the following nine (9) depository accounts in the vendor bank:

<b>ACCOUNT #</b>	<b>DIVISION OF REVENUE AND ENTERPRISE SERVICES DEPOSITORY ACCOUNTS</b>
1	Division of Revenue and Enterprise Services General Collection Master Account #1
2	Taxation General Depository ZBA Account #2
3	Division of Revenue and Enterprise Services Consolidated ZBA Account #3
4	Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4
5	Auto Insurance Credit Card Surcharge Collection ZBA Account #5
6	Auto Insurance Lockbox Surcharge Collection ZBA Account #6
7	State of New Jersey Health Benefits Lockbox Payments Account #7
8	State of New Jersey Pension Benefits Lockbox Payments Account #8
9	State of New Jersey DCA ZBA Account #9

The Department of the Treasury, Office of Management and Budget, Cash Management Unit, is solely responsible for the opening and closing of all accounts.

See **EXHIBIT H** for the **Division of Revenue and Enterprise Services Depository Accounts Structure and Funds Flow** and **EXHIBIT I** for the **Motor Vehicle Commission Depository Accounts Structure and Funds Flow**.

**B. Division of Revenue and Enterprise Services General Collection Master Account #1**

The State will establish the Division of Revenue and Enterprise Services Collection Master Account #1 in the vendor bank to serve as a funds concentration account.

On a daily basis, this account will be funded by sweeps from the Taxation General Depository ZBA Account #2 and the Division of Revenue and Enterprise Services Consolidated ZBA Account #3.

Deposits will also be received on a daily basis, via electronic image cash letter.

In Fiscal Year 2024, **3,108 Image Cash Letter Deposits** were processed consisting of approximately **1.6 million check images** that totaled approximately **\$1.42 billion.**

Deposits will also be prepared for bonded courier pickup and bank processing by two (2) Trenton area locations:

1. 200 Woolverton Street, Trenton\*
2. 33 West State Street, Trenton\*

\*There are no immediate plans to change these locations; however, the locations are subject to change.

**Bonded courier or armored car services are not required in this RFP.**

In Fiscal Year 2024, **604 deposits were prepared** for bonded courier pickup and bank processing. These deposits consisted of **19,793 checks** and totaled approximately **\$11.1 million** in deposits. A total of **2,608 ACH credits** were received totaling approximately **\$128.5 million,** and **68 cash deposits** were received totaling **\$463,830.**

This account will require daily wire out functionality to transfer funds from the Division of Revenue and Enterprise Services General Collection Master Account #1 to the State's General Treasury Account, which is not part of the DORES Collection Contract.

In Fiscal Year 2024 a total of **246 Wire Outs** were completed totaling **\$6,160,500.00**

This account will require an ACH Debit Block.

This account will have ZBA In/Out activity. In Fiscal Year 2024, a total of **741 ZBA In** transactions totaling **\$4,648,682,527** were completed, and a total of **604 ZBA Out** transactions totaling **\$40,903,605** were completed.

See **EXHIBIT J** for the **Division of Revenue and Enterprise Services General Collection Master Account #1 Activity for FY 2024.**

### **C. Taxation General Depository ZBA Account #2**

The State will establish the Taxation General Depository ZBA Account #2 in the vendor bank for the collection of various taxation funds. In Fiscal Year 2024, the average daily deposits ranged between **\$14 million and \$79 million.** The Division of Revenue and Enterprise Services anticipates receipts for this account will peak between April 1 and May 15.

On a daily basis, deposits will be sent to the bank via electronic image cash letter. In Fiscal Year 2024, **7,933 Image Cash Letter Deposits** were processed consisting of approximately **940,000 check images** that totaled approximately **\$4.1 billion.**

Deposits will also be prepared on a daily basis for bonded courier pickup and bank processing at two (2) Trenton area locations:

1. 200 Woolverton Street, Trenton\*
2. 33 West State Street, Trenton\*

\*There are no immediate plans to change these locations; however, the locations are subject to change.

#### **Bonded courier or armored car services are not required in this RFP.**

In Fiscal Year 2024, **56 deposits were prepared** for bonded courier pickup and bank processing. These deposits consisted of approximately **1,881 checks** and totaled approximately **\$1.5 million** in deposits.

Every Friday, cash pickups will be prepared for armored car pick up and processing. DORES anticipates the cash deposits for Account #2 will be minimal.

This account will have ACH credits. In Fiscal Year 2024, there were **987 ACH credits** received totaling approximately **\$335 million**.

This account will zero balance at the end of each day and will automatically sweep into the Division of Revenue and Enterprise Services General Collection Master Account #1.

In Fiscal Year 2024, the number **ZBA In** was **249 totaling approximately \$39.3 million** and the number of **ZBA Out** was **250 totaling approximately \$4.4 Billion**.

See **EXHIBIT K** for the **Taxation General Depository ZBA Account #2 Activity for FY 2024**.

#### **D. Division of Revenue and Enterprise Services Consolidated ZBA Account #3**

The State will establish the Division of Revenue and Enterprise Services Consolidated ZBA Account #3 in the vendor bank for the collection of the employer portion of income tax and labor obligations owed to the State of New Jersey. This account will require the ability to receive incoming wires and ACH credits. It is also possible a small amount of cash may be deposited into this account

On a daily basis, deposits will be sent to the bank via electronic image cash letter. In Fiscal Year 2024, **1,204 Image Cash Letter Deposits** were processed consisting of approximately **222,700 check images** that totaled approximately **\$189 million**.

Deposits will also be prepared for bonded courier pickup and bank processing by two (2) Trenton area locations:

1. 200 Woolverton Street, Trenton\*
2. 33 West State Street, Trenton\*

\*There are no immediate plans to change these locations; however, the locations are subject to change.

**Bonded courier or armored car services are not required in this RFP.**



In Fiscal Year 2024, **22 deposits were prepared** for bonded courier pickup and bank processing. These deposits consisted of approximately **40 checks** and totaled approximately **\$1,343.00** in deposits.

Every Friday, cash pickups will be prepared for armored car pick up and processing. DORES anticipates the cash deposits for Account #3 will be minimal.

This account will zero balance at the end of each day and will automatically sweep into the Division of Revenue and Enterprise Services General Collection Master Account #1.

In Fiscal Year 2024, the number **ZBA In** was **221 totaling approximately \$1.3 million** and the number of **ZBA Out** was **248 totaling approximately \$188.9 million.**

See **EXHIBIT L** for the **Division of Revenue and Enterprise Services Consolidated ZBA Account #3 Activity for FY 2024.**

#### **E. Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4**

The State will establish the Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4 in the vendor bank to serve as a funds concentration account. On a daily basis, the balances from the Auto Insurance Credit Card Surcharge Collection ZBA Account #5 and the Auto Insurance Lockbox Surcharge Collection ZBA Account #6 will sweep into the Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4. In Fiscal Year 2024, this account was funded by an estimated **495 ZBA In Transfers** totaling approximately **\$75 million.** **ZBA Out Transfer equaling 133 and totaling \$94,054** were completed during FY2024.

This account will also be funded by a minimal number of incoming wires from the State's Cash Management Fund, which is not part of this contract. In Fiscal Year 2024, there were **16 wires in** totaling approximately **\$86 million.**

A minimal number of manual checks will be disbursed from this account on a daily

basis. In Fiscal Year 2024, there were an estimated **162 checks disbursed** totaling approximately **\$1 million**. At the current time, the State is not in the position to send electronic check issuance files to the bank; however, the State may elect to implement positive pay services in the future. The bank must confirm its willingness to work with the State's technical staff if the decision is made to implement positive pay services.

Although there is no historical data to report, the State requires the ability to issue concentration wires to move funds from the Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4 to the State's Cash Management Fund; which is not part of this contract.

Several times a month, wires will also be initiated to move funds from the Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4 to various State Trust Fund Accounts; which are not part of this contract. In Fiscal Year 2024, **69 wires out** were initiated, totaling approximately **\$162.5 million**.

The State must be able to issue manual stop payments and remove stop payments for checks issued from this account. The stop payment and remove stop payment orders will be sent to the bank by email or telephone. The bank will record the date, time, name of the bank representative receiving the order, and the name of the State representative placing the stop order. The bank will confirm all telephone stop payment orders by fax transmission no later than **8:00 a.m. E.T.** the following day. An original item on which a stop payment has been placed will remain as a stopped item indefinitely unless the stop is officially removed by the State or until the check is officially canceled or transferred by the State to the Unclaimed Property Fund.

In Fiscal Year 2024, approximately **zero (0) manual stop payments** were issued for this account.

This account will require an ACH Debit Block.

See **EXHIBIT M** for the **Motor Vehicle Commission Surcharge Collection and Disbursement Account Activity #4 for FY 2024**.

#### **F. Auto Insurance Credit Card Surcharge Collection ZBA Account #5**

The State will establish the Auto Insurance Credit Card Surcharge ZBA Collection Account #5 in the vendor bank for the collection of auto insurance surcharge payments. This account will receive ACH credits representing credit card payments processed by Gila LLC d/b/a MSB and Duncan Solutions, the credit card processor for the MVC. This account will also receive check deposits from attorneys contracted to perform collections for the MVC. The attorneys will bring the check deposits directly to a local bank branch accompanied by an encoded deposit slip; the encoded deposit slip will identify which attorney made the deposit.

This account will zero balance at the end of each day and will automatically sweep into the Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4.

In Fiscal Year 2024, there were **284 ACH credits** totaling approximately **\$36.3 million**, and **113 checks deposited** totaling **\$86 thousand**. And **249 ZBA Out transactions totaling \$36.3 million**.

See **EXHIBIT N** for the **Motor Vehicle Commission Auto Insurance Credit Card Surcharge Collection ZBA Account #5 Activity for FY 2024**.

#### **G. Auto Insurance Lockbox Surcharge Collection ZBA Account #6**

The State will establish the Auto Insurance Lockbox Surcharge ZBA Collection Account #6 in the vendor bank for the collection of auto insurance surcharge payments. This account will receive daily check deposits, weekly ACH credits, and occasional cash deposits.

Gila LLC dba MSB and Duncan Solutions will be processing their checks approximately 85% by Image Cash Letter and 15% by their own, private, bonded courier. The ICL processing will be done through the selected bank's web based portal to transmit the file. Gila LLC dba MSB and Duncan Solutions will establish its own login using the bank's web based product in their own name –The State of New Jersey will not be a part of this logon – they will deliver the MVC surcharge ICL file to the bank via their own ID, the file will have the State of NJ Surcharge account number

in it so the bank knows the proper place to deposit it. The State of New Jersey will allow Gila LLC dba MSB and Duncan Solution access to the Surcharge account for the purposes of ICL deposit exclusively.

In Fiscal Year 2024, there were a total of **241 Image Cash Letter Deposits** prepared consisting of **24,301 checks** totaling approximately **\$4.8 million**. **58 Check Deposits** consisting of **986 checks totaling \$265,483**. In Fiscal Year 2024, there was an average of **50 returned check items per month**.

On a monthly basis, a minimum number of ACH credits will also be received in this account. In Fiscal Year 2024, there were **201 ACH credits** totaling approximately **\$33.9 million**.

This account will zero balance at the end of each day and will automatically sweep into the Motor Vehicle Commission Surcharge Collection and Disbursement Master Account #4

Every Friday, cash pickups will be prepared for armored car pick up and processing. DORES anticipates the cash deposits for Account #6 will be minimal.

This account will have ZBA In/Out activity. In Fiscal Year 2024, a total of **130 ZBA In** transactions totaling **\$93,391** were completed, and a total of **246 ZBA Out** transactions totaling **\$38,972,723** were completed.

See **EXHIBIT O** for the **Motor Vehicle Commission Auto Insurance Lockbox Surcharge Collection Account #6 ZBA Activity for FY 2024**.

#### **H. State of New Jersey Health Benefits Lockbox Payments Account #7**

The State will establish the State of New Jersey Health Benefits Lockbox Payments Account #7 in the vendor bank for the collection of the retiree's and employee's portions of Health Benefits owed to the State of New Jersey. This account will require the ability to receive incoming wires and ACH credits. It is also possible a small amount of cash may be deposited into this account.

On a daily basis, deposits will be sent to the bank via electronic image cash letter. In Fiscal Year 2024, **627 Image Cash Letter Deposits** were processed consisting of approximately **54,648 check images** that totaled approximately **\$17.6 million**.

Deposits will also be prepared for bonded courier pickup and bank processing by two (2) Trenton area locations:

1. 200 Woolverton Street, Trenton\*
2. 33 West State Street, Trenton\*

\*There are no immediate plans to change these locations; however, the locations are subject to change.

**Bonded courier or armored car services are not required in this RFP.**

Every Friday, cash pickups will be prepared for armored car pick up and processing. There is no historical data to report for Fiscal Year 2024, and DORES anticipates the cash deposits for Account #7 will be minimal.

Several times a month, wires will also be initiated to move funds from the State of New Jersey Health Benefits Lockbox Account #7 to various State Trust Fund Accounts; which are not part of this contract. In Fiscal Year 2024, **17 wires out** were initiated, totaling approximately **\$18.2 million**.

See **EXHIBIT P** for the **State of New Jersey Health Benefits Lockbox Payments Account #7 Activity for FY 2024**.

**I. State of New Jersey Pension Benefits Lockbox Payments Account #8**

The State will establish the State of New Jersey Pension Benefits Lockbox Payments Account #8 in the vendor bank for the collection of the retiree's and employee's portions of Pension Benefits owed to the State of New Jersey. This account will require the ability to receive incoming wires and ACH credits. It is also possible a small amount of cash may be deposited into this account

On a daily basis, deposits will be sent to the bank via electronic image cash letter. In Fiscal Year 2024, **336 Image Cash Letter Deposits** were processed consisting of approximately **6,040 check images** that totaled approximately **\$14.3 million**.

Deposits will also be prepared for bonded courier pickup and bank processing by two (2) Trenton area locations:

1. 200 Woolverton Street, Trenton\*
2. 33 West State Street, Trenton\*

\*There are no immediate plans to change these locations; however, the locations are subject to change.

**Bonded courier or armored car services are not required in this RFP.**

Every Friday, cash pickups will be prepared for armored car pick up and processing. There is no historical data to report for Fiscal Year 2024, and DORES anticipates the cash deposits for Account #8 will be minimal.

Several times a month, wires will also be initiated to move funds from the State of New Jersey Pension Benefits Lockbox Payments Account #8 to various State Trust Fund Accounts; which are not part of this contract. In Fiscal Year 2024, **51 wires out** were initiated, totaling approximately **\$13.8 million**.

See **EXHIBIT Q** for the **State of New Jersey Pension Benefits Lockbox Payments Account #8 Activity for FY 2024**.

**J. State of New Jersey DCA ZBA Account #9**

The State will establish the State of New Jersey DCA ZBA Account #9 in the vendor bank for the collection of State of New Jersey private, business and corporate building safety, elevator safety, and fire safety inspection fees owed to the State of New Jersey. This account will require the ability to receive incoming wires and ACH credits. It is also possible a small amount of cash may be deposited into this account

On a daily basis, deposits will be sent to the bank via electronic image cash letter. In Fiscal Year 2024, **897 Image Cash Letter Deposits** were processed consisting of approximately **50,187 check images** that totaled approximately **\$38.6 million**. Deposits will also be prepared for bonded courier pickup and bank processing by two (2) Trenton area locations:

1. 200 Woolverton Street, Trenton\*
2. 33 West State Street, Trenton\*

\*There are no immediate plans to change these locations; however, the locations are subject to change.

**Bonded courier or armored car services are not required in this RFP.**

Every Friday, cash pickups will be prepared for armored car pick up and processing. There is no historical data to report for Fiscal Year 2024, and DORES anticipates the cash deposits for Account #9 will be minimal.

This account will have ZBA In/Out activity. In Fiscal Year 2024, a total of **134 ZBA In** transactions totaling **\$240,008** were completed, and a total of **243 ZBA Out** transactions totaling **\$38,622,087** were completed.

This account will zero balance at the end of each day and will automatically sweep into the Division of Revenue and Enterprise Services General Collection Master Account #1.

See **EXHIBIT R** for the **State of New Jersey DCA ZBA Account #9 Activity for FY 2024**.

**K. Image Cash Letter Electronic Deposit Services**

The State requires the use of Image Cash Letter Electronic Deposit Services for Accounts 1, 2, 3, 6, 7, 8, and 9. The State reserves the right to expand Image Cash Letter Electronic Deposit Services to other accounts within this contract. If the decision is made to expand Image Cash Letter Services, the bank will be required to

work with State technical staff to implement and test the expansion of services to other accounts.

When data is transmitted to and from the bank, the bank must utilize the proper security techniques to ensure the protection of the data and to maintain the integrity of the data.

The Division of Revenue and Enterprise Services must have access to a toll-free bank provided hotline, available 24/7, to report and resolve Image Cash Letter transmission problems.

## 1. Image Cash Letter File Transmission Requirements

On a daily basis, the Division of Revenue and Enterprise Services will electronically transmit Image Cash Letter Deposits to the bank in the X9.37 format. The files will be transmitted using one of the following transmission protocols:

- FTPS over SSL
- SFTP (FTP over SSHv2 or greater)
- HTTPS

The method of transmission must conform to the transmission protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide**. Bidders are encouraged to submit a list of all the Image Cash Letter file transmission protocols it can support, other than those named above. Bidders must clearly identify any/all methods of file transmission depicted above that it cannot support; failure to do so will result in the mutual understanding that all methods of file transmission listed above are supported by the bank.

The State reserves the right to change, add or delete the type of file format and transmission protocol used to transmit files to the bank. The State will provide **sixty (60) days written notice** to the bank before making such a change. Upon receipt of a change in file format or transmission protocol, the contract vendor will be responsible for cooperating and working with the



State's contracted vendor and technical personnel to implement the change.

## **2. Image Cash Letter Deposit Item Requirements**

Deposit items within the Image Cash Letter Deposit will include but not be limited to Checks from US Banks, Money Orders, US Treasury Checks, Convenience Checks, Line of Credit Checks, Third-Party Checks, Cashier's Checks and "Starter" Checks (check without a check #).

Each depository item's (front/rear) image sent from the Division of Revenue and Enterprise Services will have a minimum resolution of 200 dpi. Each image sent will be in black and white and in Tiff 6.0 CCITT Group 4 compression format.

## **3. Image Cash Letter File Transmission Timeframes & Deposit Credit**

Daily transmittals will occur **three (3) times a day at 8:00 a.m. E.T., 11:00 a.m. E.T. and 1:00 p.m. E.T.** In addition, the bank must be able to accept deposits on weekends and after hours (after 4:00 p.m. E.T.) during peak processing season (March 15-April 15). Bidders must clearly define the latest time an Image Cash Letter transmission file can be received by the bank for same-day processing and credit.

## **4. Image Cash Letter Contingency Plan**

The bank must have a contingency plan in place, using HTTPS or similar protocol, as a back-up procedure to receive transmission data manually. Bidders must identify its backup procedures and contingency plan to receive manual Image Cash Letter deposit transmissions. Bidders must define how it will guarantee same-day credit for Image Cash Letter deposits conducted manually.

## **5. Image Cash Letter File Receipt Confirmation Requirements**

Upon successful receipt of an Image Cash Letter file transmission, the bank must send via email, an Image Cash Letter File Receipt Confirmation to the

Division of Revenue and Enterprise Services, indicating that the file was accepted. The confirmation must be received **within thirty (30) minutes of the file transmission being sent.**

The confirmation must contain the following items for each individual file received:

File Receipt Date/Time
Total Amount of Deposit
Breakdown for amount deposited into each account
Total and breakdown of number of checks deposited

For a sample Image Cash Letter File Receipt Confirmation, see **EXHIBIT S Sample Image Cash Letter File Receipt Confirmation and Deposit Adjustment Advice.**

**6. Image Cash Letter Deposit Adjustment Advices**

The bank must provide the Division of Revenue and Enterprise Services via email with electronic adjustment notifications for every Image Cash Letter deposit adjustment made. Each account adjustment must have a corresponding Adjustment Advice. The adjustment notifications must be provided the same day the account adjustment is made.

**7. Image Cash Letter Virtual Endorsement Stamp**

The State requires that checks be accepted for deposit using a virtual (computer generated) endorsement stamp. The computer generated endorsements will include the following information:

Line 1	Pay to the Order of
Line 2	Bank Name
Line 3	All Prior Endorsements Guaranteed

The Division of Revenue and Enterprise Services will print via inkjet printer endorsement information and a Document Locator Number (DLN) on either the back or front of each check image.

#### L. Desktop Deposit Services

The bank must provide the State with web-based Desktop Deposit Services. This service will provide State agencies with the ability to deposit checks into their respective bank accounts from a location outside of the bank, without having to physically deliver the checks to the bank. This is accomplished by scanning the check and creating a compliant, digital image of the check at the agency location. This image must then be transmitted to the bank via a secure Internet connection. There were approximately 2,500 desktop deposits performed in Fiscal Year 2024 consisting of approximately 25,000 individual checks. These deposits consisted of deposits into the accounts covered by this RFP.

The bank must provide all necessary software, hardware (scanners), and related maintenance to accommodate Desktop Deposit Services for the term of the contract. The bank must also provide initial set-up support and user instruction, as well as on-going product support. The Web-based Inquiry Communication System should be user-friendly and compatible with current operating systems. The Web-based Inquiry Communication System must also have the ability to be upgraded to be compatible with newer versions of the operating system.

- Prior to contract commencement, the State will require the installation of ten (10) Desktop Deposit Scanners.
- The State reserves the right to expand Desktop Deposit Services to other State agencies that deposit into the nine (9) accounts related to this contract. The bank must include its fee for the purchase of additional Desktop Deposit Scanners (assuming moderate volumes) on its Cost Schedule. Please note: the bank's per item

processing fee for items deposited via Desktop Deposit Scanners must remain firm and fixed for the contract term.

- The bank must provide scanner equipment that is new, appropriately sized and configured to reasonably accommodate the approximately 25,000 office-based check deposits.
- The systems should have sound, built-in controls over deposit preparation and should provide the customer with automated deposit acknowledgement and reporting capability.
- The system should provide State agencies with access to transaction history and deposit images for the most recent 180 days of business. After that time frame, the agencies should be able to access transaction history and deposit images for seven (7) years from the date of deposit either via the bank's Web-based Inquiry Communication System or some other bank archive system.
- Upon receipt of the check images, the bank must validate each image and determine how to optimally clear each check in the most cost and time efficient manner available. Checks must be cleared in one of the following ways:
  - Image Exchange
  - Substitute Check
  - "On-us" Deposit
- ACH conversion of checks is not an option for deposits at this time.
- The bank's appropriate funds availability schedule should be applied for all deposited items.

## **M. Endorsing Requirements**

When required, the bank must endorse all checks, with the date that the deposit is posted to the account.

### **1. Division of Revenue and Enterprise Services Endorsing Requirements for Location One: (Accounts 1, 2, 3, 4, 7, 8, 9)**

Division of Revenue and Enterprise Services  
200 Woolverton Street, Bldg. #20  
2nd floor  
Trenton, New Jersey 08611

A large majority of checks, approximately 90%, will require endorsing. Approximately 10% of checks, representing manual deposits, will already be endorsed.

### **2. Division of Revenue and Enterprise Services Endorsing Requirements for Location Two: (Accounts 1 and 2)**

Division of Revenue and Enterprise Services  
33 West State Street, 5<sup>th</sup> floor  
Trenton, New Jersey 08625

All checks will be endorsed by the Division of Revenue and Enterprise Services.

### **3. Gila LLC d/b/a MSB and Duncan Solutions Endorsing Requirements for Location Three: (Account 5 and 6)**

Gila LLC d/b/a MSB and Duncan Solutions  
308 W Route 38  
Moorestown, NJ 08057

The majority of all checks will be endorsed by Gila LLC d/b/a MSB and Duncan Solutions.

## N. Check Deposit Discrepancies and Adjustments

After the check deposit is verified by the bank, and the deposit is calculated to be under the total dollar shown on the deposit ticket by \$5.00 or less, the bank will absorb the difference; if the deposit is verified by the bank to be over the total noted on the deposit ticket by \$5.00 or less, the bank will retain the credit. For this plus or minus \$5.00 window, no action will be taken by the State or required of the bank.

In Fiscal Year 2024, there were approximately **thirty (30) deposit errors per month** for all nine (9) accounts. This number does not include the plus or minus \$5.00 (no action) discrepancy activity.

For other than the plus or minus \$5.00 exceptions noted above, information regarding all discrepancies and adjustments must be delivered to Treasury, Cash Accounting within three business days of the deposit date, or the return of a deposited check. The following detail information must be included for each discrepancy and/or adjustment:

- Adjustment memo (debit or credit advice) to include the following:
  1. Bank account number
  2. Deposit date
  3. Original deposit total
  4. Specific discrepancy and the amount
- Adding machine tape or batch total sheet(s)
- When applicable, copy of check (front and back) and deposit ticket when listed for wrong amount
- The deposit lists more or less checks than actual – note the difference between the deposit number and the actual number listed; when more, supply a copy of the adding machine tape or batch total sheet(s)
- The number of checks are correct, but the bank total is different than the deposit/adding machine tape total, e.g., \$163.89 vs. \$136.89 - identify check(s), and supply a copy of the check(s) front and back
- The deposit ticket should never be altered to match the deposit

## **O. Cash Deposit Discrepancy and Review Procedure**

If there is a discrepancy in the cash deposit of more than \$100.00 and the discovery is made during normal work hours, the bank must contact the Division of Revenue and Enterprise Services by telephone either immediately upon discovery, or no later than 10:00 a.m. the next business day. The bank must specifically identify the discrepancy as to wrapper or special envelope; note the initials on the wrapper or the envelope, what denomination(s) is in dispute, identify the original deposit slip amount, and the bank deposit amount.

DORES must have the ability to dispute the bank's correction and, upon request, schedule an appointment with the vendor's money room to view the videotape of the money counting operation pertaining to the deposit. Only State authorized individuals will be allowed to request and view this operation. The vendor's money room security procedures must provide good quality video for reviewing purposes. The process must include a clear view of the sealed bag, then the bag being cut, and the contents removed and subsequently being counted without any disruption in the tape.

The bank must maintain all money room tapes for three months after the deposit date. During an investigation, the State must have access to the tape for a period of no less than three months with the option to extend this timeframe if necessary to complete the investigation. Please specify in your proposal the length of time tapes are retained by the money room and available for review.

It will be the responsibility of the contract vendor to provide the proper standard and industry-specific security controls to prevent any unethical tampering of the cash bags and its contents from initial pick up at the agency to the final cash-counting operation.

## **P. Deposit Receipt Confirmation**

Upon request the bank must provide the State with a signed bank receipt showing the date and time a deposit was received at the bank.

## **Q. Deposit Credit and Availability**

Deposits must be processed for collection and credited to the State's account(s) the same day as deposit pickup and/or deposit date. Availability of check deposits must, at a minimum, be in accordance with the appropriate Federal Reserve District Availability Schedules.

Cash and "on-us" checks must receive same-day availability as the deposit date. Credit must be given for the amount shown on the deposit slip. No changes are to be made to the original deposit slip. Any adjustments are to be reflected on separate adjustment memoranda with the corresponding credit to the account.

## **R. Dishonored Checks**

The bank will immediately redeposit checks that are not honored the first time because of insufficient funds. Only after a check is returned a second time, will account(s) be permitted to be debited.

In the event the original returned check is lost or mutilated, the bank must provide the State with an indemnified photocopy stating that this photocopy is to replace the original check. Within 24 hours of receipt of a dishonored check, the dishonored check, together with the debit memo, must be electronically forwarded to the Department of the Treasury, Cash Accounting Unit. There must be one identified dishonored check per debit memo.

In Fiscal Year 2024, there were approximately **6,677 returned items and 6,639 re-deposited items for all nine (9) accounts.**

## **S. Deposit Slip Requirements**

After contract award and prior to contract commencement, the bank must supply the Division of Revenue and Enterprise Services and Gila LLC d/b/a MSB and Duncan Solutions with loose encoded deposit slips that meet the specifications and quantities listed below and in **EXHIBIT T the Division of Revenue and Enterprise Services Encoded Deposit Slip Requirements.**



The specifications and quantities depicted represent an annual supply of deposit slips; this supply must be replenished prior to the beginning of each calendar year for the contract term. The cost of all deposit slips represented in this RFP will be absorbed by the bank. The cost of all additional quantities not represented in this RFP will be absorbed by the State.

During the term of the contract, additional deposit slip quantities will be ordered, in writing, by the Department of Treasury, Division of Revenue and Enterprise Services. It will be the bank's responsibility to fill the orders **within ten (10) business days of the request**. The bank must identify in its proposal the contact person for the reordering of deposit slips and will be responsible for updating this contact information as changes occur and/or no less than annually.

The Locator Codes and/or Locator Names discussed below must be captured either on the Web-based bank statements or on the hard copy bank statements.

The bank must determine the multi-copy requirement of the deposit slip to meet the bank's internal processing functions, taking into account one copy will remain with the Division of Revenue and Enterprise and Gila LLC d/b/a MSB and Duncan Solutions.

**1. Division of Revenue and Enterprise Services Deposit Slip Requirements for Location One: (Accounts 1, 2, 3, 4, 7, 8, 9)**

Division of Revenue and Enterprise Services  
200 Woolverton Street, Bldg. #20  
2<sup>nd</sup> floor  
Trenton, New Jersey 08611

After contract award and prior to contract commencement, the bank must supply the Division of Revenue and Enterprise Services with loose encoded deposit tickets that include the information listed below and meet the quantities and specifications listed on **EXHIBIT T the Division of Revenue and Enterprise Services Encoded Deposit Slip Requirements**:

State of New Jersey  
Department of the Treasury  
Division of Revenue and Enterprise Services  
200 Woolverton Street, Bldg. #20

2<sup>nd</sup> floor  
Trenton, New Jersey 08611  
Locator Code and/or Locator Name  
Account No:

**2. Division of Revenue and Enterprise Services Deposit Slip Requirements for Location Two: (Account 2)**

Division of Revenue and Enterprise Services  
33 West State Street, 5<sup>th</sup> floor  
Trenton, New Jersey 08625

After contract award and prior to contract commencement, the bank must supply the Division of Revenue and Enterprise Services with **550 loose encoded deposit tickets** that include the following information:

State of New Jersey  
Department of the Treasury  
Division of Revenue and Enterprise Services  
Commercial Recording - 25061  
33 West State Street, 5<sup>th</sup> floor  
Trenton, New Jersey 08625  
Account No:

**3. Gila LLC d/b/a MSB and Duncan Solutions Deposit Slip Requirements for Location Three: (Account 5)**

Gila LLC d/b/a MSB and Duncan Solutions  
308 W Route 38  
Moorestown, NJ 08057

After contract award and prior to contract commencement, the bank must supply each of the three (3) law firms listed below with **500 loose encoded deposit tickets** that include the following information:

State of New Jersey  
Department of the Treasury  
Division of Revenue and Enterprise Services  
Marvel & Maloney – 3333  
Auto Insurance Credit Card Surcharge Collection ZBA Account #5  
Account No:

State of New Jersey  
Department of the Treasury  
Division of Revenue and Enterprise Services  
Weinstock & O'Malley – 4444  
Auto Insurance Credit Card Surcharge Collection ZBA Account #5  
Account No:

State of New Jersey  
Department of the Treasury  
Division of Revenue and Enterprise Services  
Nudleman, Klemm & Golub – 5555  
Auto Insurance Credit Card Surcharge Collection ZBA Account #5  
Account No:

**4. Gila LLC d/b/a MSB and Duncan Solutions Deposit Slip Requirements for Location Three (Account 6):**

Gila LLC d/b/a MSB and Duncan Solutions  
308 W Route 38  
Moorestown, NJ 08057

After contract award and prior to contract commencement, the bank must supply Gila LLC d/b/a MSB and Duncan Solutions with **1,500 loose encoded deposit tickets** that include the following information:

State of New Jersey  
Department of the Treasury  
Division of Revenue and Enterprise Services  
Auto Insurance Surcharge – LB Acct  
PO BOX 4850  
Trenton, New Jersey 08625-0224  
Account No:

**T. Claim Procedures**

The bank must describe its procedures for all of the following items and any other item(s), which the bank deems appropriate to define:

- Missing whole or partial deposits
- Credit and Debit Adjustments
- Dishonored Checks
- Bank Errors
- Counterfeits

➤ Other

The counterfeit procedure and liability issues must be clearly defined in the bank's proposal. If the audit trail cannot be clearly traced back to a DORES deposit, the State will reject any imposed liability.

**U. Web-based Inquiry Communication System**

The bank must provide the State with web-based access to all accounts established as a result of this RFP.

Only authorized State personnel will be permitted to initiate inquiries via the Web-based System. The authorized personnel will be identified after contract award.

The bank must provide the proper security measures to prevent other bank clients from accessing the State information and conversely, to prevent State personnel from accessing other than their own information.

The bank's system must grant users the ability to enter search parameters and qualify search parameters via additional drop down menus. Search qualifiers for numeric fields must include equals, ranges, greater than, greater than or equal to, less than, less than or equal to. Search qualifiers for alpha fields must include equals, begins with, ends with, or contains. The search parameters must allow the user to drill down to view the daily details of any given month.

The State requires the bank to provide web-based reports reflecting all transaction items processed. The Web-based Inquiry Communication System must have report generating capabilities allowing reports to be generated, which include **eighteen (18) months of historical activity**.

During the implementation and testing phases, all systems and modules must be explained and demonstrated to representatives from the Division of Revenue and Enterprise Services and OMB, Cash Accounting. The bank must provide adequate training to ensure that State personnel thoroughly understand all web-based system

applications, security features, report functions, and can identify the codes indicated on all web-based reports.

A minimum of **three (3) sets** of operating manuals must be provided to the State, preferably in hard copy, with any subsequent additions, deletions, or revisions to the manuals forwarded to the State promptly.

The bank must have a viable disaster and recovery plan in place to back up all account data. Given the worst-case scenario, the vendor must be completely functional **within (24) twenty-four hours of a major disaster.**

### **1. Web-based ACH Inquiry System**

The bank's Web-based ACH Inquiry System must provide State personnel access to all ACH activity (i.e., ACH Credits/Debits>Returns) by **8:00 a.m. E.T. the same day of settlement.**

The bank's Web-based ACH Inquiry System must provide users the ability to generate reports that can be downloaded into Microsoft Excel or PDF formats. Users must have the ability to search for ACH transactions by selecting an account number and return date.

### **2. Web-based Check Deposit Inquiry System**

The bank's Web-based Deposit Inquiry System must provide users the ability to search for the prior day's validated deposit tickets and check images (the front and back of deposited items). The validated deposit tickets and deposited items should be available for viewing by **8:00 a.m. E.T. the day following deposit.** The bank's system must provide search capability by deposit date and deposit amount.

The State must have web-based access to the validated deposit slips and deposited items for a minimum of **eighteen (18) months with archive access for three (3) years.**

If during the course of retrieval, the bank is unable to produce a legible copy of an image, the bank, at no additional cost to the State, should obtain a copy of the imaged deposit slip and/or the deposited check **within five (5) business days**.

### 3. Check Status Inquiry

The State must have the ability to electronically look up the status of a check via the bank's Web-based Inquiry Communication System.

Under a tab titled "Check Status Inquiry," the bank must provide drop-down menu where the user can select the account number and enter either a single check serial number or a range of check serial numbers.

A *check status search* must clearly result in the check's status being displayed as either:

- Outstanding –the check issue date must be displayed.
- Paid – the check paid date must be displayed with a link to view, print, and save the paid check image. Note: All paid check images must include the front and back of the check.
- Stop – the *stop payment* date must be displayed.
- Not Found
- Cancel
- No information on file

The bank's Web-based Inquiry Communication System must be designed so that the user is not required to navigate through several applications in order to establish the status of an issued check.

### 4. Paid Check Imaging

The bank must provide the State with web-based access to all paid check images. The bank's Web-based Check Image Search System must provide drop-down menus that allow the user to enter the following search parameters:

- Account number

- Check serial number
- Check paid date

The bank's Web-based Check Image Search System must provide immediate access to check images that span back **seven (7) years from the check paid date.** The bank's web-based system must treat and present the front and back of the check as one single image.

The bank must include sample screenshots of paid check images retrieved from its Web-based Inquiry Communication System.

## **5. Web-based Account Activity Detail and Balance Summary Information**

The bank's Web-based Inquiry Communication System must provide State personnel access to account activity detail and balance summary information by **8:00 a.m. E.T.**

The bank's Web-based Inquiry Communication System should provide report generating capabilities with the option to print and download data into Microsoft Excel or PDF formats.

### **a. Account Activity Detail**

The account activity detail must be available for viewing via the bank's Web-based Inquiry Communication System by **8:00 a.m. E.T.**

All ACH Credit and ACH Debit transaction items must be available for viewing via the bank's Web-based Inquiry Communication System the same day of settlement.

All other transaction items (i.e., ACH Returns) must be available for viewing via the bank's Web-based Inquiry Communication System the morning after the transaction item is received by the bank.

All ACH transaction items posted to the account must contain the following details:

1	Account Number
2	Settlement Date
3	Transaction Amount
4	Transaction Type (i.e., ACH Credit, ACH Debit, ACH Returns)

**b. Balance Summary Information**

The bank’s Web-based Inquiry Communication System must provide information reporting that enables the State to view the current day and previous day balances.

The following balance summary information must be available for viewing via the bank’s Web-based Inquiry Communication System **8:00 a.m. E.T.** the same day as settlement:

1	Beginning balance
2	Deposits and other adjustments
3	Deductions
4	Ending balance

**6. Web-based Wire Transfer System**

The bank must provide to the State a Web-based Wire Transfer System. The system must be capable of warehousing data **for up to two (2) weeks** until the transmission execution date. The system should have the capability of maintaining repetitive wires requiring only the date and amount to be entered.

The wire transfer system must also provide the State the ability to complete draw-downs from State bank accounts located at other banks. The system must contain the proper security features to ensure the protection of the data and to maintain the integrity of the system.



The bank must adequately train State personnel on the use of its Web-based Wire Transfer System and provide **a minimum of three (3) user manuals**. Additional training and updated user manuals will be required prior to the bank implementing any major Web-based Wire Transfer System changes.

The State must have access to a toll-free telephone “wire transfer help desk” during normal State working hours, **8:00 a.m. E.T. to 5:00 p.m. E.T.** The bank must provide on-going maintenance and emergency service when necessary. The bank must have a manual wire transfer backup system and procedures established in the event of an electronic failure.

The bank will be responsible for the following items relative to the Web-based Wire Transfer System:

1	Successful testing of the bank’s Web-based Wire Transfer System
2	Adequate training of State personnel and follow up training if warranted
3	A minimum of three (3) user manuals and updates if warranted
4	Access to a toll-free telephone “wire transfer help desk” between the hours of 8:00 a.m. E.T. to 5:00 p.m. E.T. Monday-Friday.
5	On-going maintenance and emergency service when necessary
6	A manual wire transfer back-up system and procedures in the event of an electronic or system failure
7	Prompt response to <u>all</u> wire instructions regardless of temporary overdraft position

The bank must promptly respond to all State wire instructions no later than **thirty (30) minutes** after receipt of the instruction from the State. It is the intention of the State to **fully fund all** electronic payments on transaction date. At any time during the day, as a result of electronic payments, if the account is placed in a temporary overdraft position, the State expects the bank to initiate all electronic payments when requested regardless of its temporary overdraft position.

The bank must explicitly state in its proposal if there are any restrictions, current or anticipated (self-imposed or regulatory), that will prevent the bank from immediately complying with the State's request to transfer funds as requested.

The bank will be liable for loss of interest resulting from its error or delay in transmitting an entry when properly instructed to do so. The interest will be calculated by using the 90-day T-bill rate for the period involved.

OMB, Cash Accounting must be able to view the status of a wire immediately after the wire is approved. A daily final *Confirmation Report* must be available to the State via the web-based system **no later than 3:00 p.m. E.T.** The State must be able to download this report into the Excel format, and it must include the following details:

- Settlement date
- Type of wire
- Wire amount
- Account number debited
- Account number credited
- Status of the wire
- Federal reference number, if applicable

The bank must immediately notify OMB, Cash Accounting via email and telephone if a wire fails or is rejected. OMB, Cash Accounting contacts will be establish after contract award.

## **V. Bank Statements and Reporting**

### **1. Daily Automated Balance Reporting**

All accounts established in **EXHIBIT H** for the **Division of Revenue and Enterprise Services Depository Accounts Structure and Funds Flow** and **EXHIBIT I** for the **Motor Vehicle Commission Depository Accounts Structure and Funds Flow** and any future accounts established will require daily prior-day balance reporting. The bank must deliver the file containing data in unencrypted BAI2 format to its own secure server. The State's vendor, Fidelity National Information Services, Inc., will pull the file from the bank's server using Secure File Transfer Protocol (SFTP). The

bank must provide the account balance information in unencrypted BAI2 format every working day by **7:30 a.m. E.T.**

For each account, the report must include at a minimum the following data fields:

1	Ledger balance
2	Collected balance
3	Total credits
4	Total debits
5	1-day float
6	2-day float

For all the reporting fields, there should always be data reported. Therefore, if there is no amount reported, the bank should input 00.00 in the specific amount field. As technology improves and balance retrieval methods change, the State requires that the chosen bank remain flexible throughout the term of this contract as it relates to the method of securing balance reporting in unencrypted BAI2 format.

## **2. Web-based Report Requirements and Bank Statements**

The bank will be required to provide a variety of electronic and hard copy bank statements and reports. The bank must provide access to its Web-based Inquiry Communication System as well as a variety of electronic reports, CD-ROM backups, and hard copy statements when requested; **at no cost to the State.**

The bank's Web-based Inquiry Communication System must provide access to all transaction items and bank statements.

The bank's Web-based Inquiry Communication System must have report generating capabilities allowing reports to be generated, which include the past **eighteen (18) of all transaction items.** All credit and debit transactions must be supported by debit and credit memos, with detailed explanations on both the electronic and hard copy bank statements.

OMB, Cash Accounting, and DORES must have web-based access to both *Daily and Monthly Bank Statements* and the ability to download the bank statements in their entirety in the PDF format. All transaction types must be clearly identified on both the *Daily and Monthly Bank Statements* (i.e., ACHs, check deposits, checks paid, returned items, debit items, credit items, etc.). Users must have the ability to search online by check number, amount and date, and print, download and save the monthly statements in their entirety in the PDF format. This information must be accessible via the bank's Web-based Inquiry Communication System by **3:00 p.m. E.T. three (3) business days after the end of the calendar month.**

In addition, the bank must provide a CD-ROM of the entire *Monthly Bank Statement* by **3:00 p.m. E.T. three (3) business days after the end of the calendar month** and if requested by OMB, Cash Accounting a hard copy statement; **at no cost to the State.** All appropriate detailed debit and credit memos must be included with the statement.

The types of reports and bank statements provided must include the following:

1	Bank account number
2	Account name
3	Opening balance
4	Total credits and debits
5	Closing balance
6	List of all debits and credits
7	Checks paid
8	ACH trace number

For a sample bank statement, see **EXHIBIT U Sample Bank Statement.**

### **3. Account Reconciliation Solution**

The Office of Management and Budget has contracted a third-party vendor, BlackLine, Inc., as the solution to prepare account reconciliations in a more automated and efficient manner.

On a daily basis, both the bank and the State will transmit files to BlackLine, Inc. The bank must transmit an electronic file on a daily basis to BlackLine, Inc.'s SFTP portal by **7:30 a.m. E.T.** This file must be in an encrypted standard BAI2 format and must contain the previous day's detail information, including every transaction posted to every account and daily balances. The transaction must not be summarized or totaled in any manner.

The file the bank sends to BlackLine, Inc. must contain:

Bank Name
Bank Account Number
Transaction Date
Amount
Description, including any location code, if available
Check Number
Transaction Type, include Dr (debit) or Cr (credit)
BAI Transaction Description
File Name
Date File Imported
Holiday Date

#### **W. Vendor Contact Personnel**

The bank should appoint a senior officer (vice-president or above) and a qualified substitute as a representative for contact and liaison with the State. This representative will be solely responsible for ensuring that the contract requirements are met, implementing State instructions, and resolving problems that may arise on a day-to-day basis during the term of the contract.

The bank should provide the lines of communication (proper contact personnel, names, locations, and telephone numbers) for immediate response to any request for information pertaining to these accounts.

The State requires that the vendor designate a minimum of two individuals for each category noted below (not necessarily all-inclusive) who will be responsible for the daily inquiries, problems, initial and ongoing training, etc.

1	Web-based Inquiries (ACHs, Check Deposits and Checks Paid)
2	Web-based Wires Transfers - Wire Room
3	Web-based Reporting and Statements (Daily & Monthly)
4	Web-based Image Delivery (Validated Deposit Slips & Checks)
5	Image Cash Letter Transmissions & Services
6	Image Cash Letter Discrepancies
7	Desktop Deposit Scanners (Services & Maintenance)
8	Daily Balance Reporting (Automated Prior Day Summary and Detail)
9	Monthly Invoice and Bank Analysis
10	Check deposit discrepancies
11	Cash deposit discrepancies
12	Supplies (encoded deposit slips)
13	Implementation and Testing
14	Training and Training Materials

In the event a personnel change results in a different liaison being assigned to the State, written notification should be provided to the State **15 days prior to the change becoming effective.**

## X. Training

The bank must provide adequate training both initially and on-going to ensure that State personnel thoroughly understand all report information and can identify the codes indicated on all reports. All systems should be explained and demonstrated to representatives from Cash Accounting and the Division of Revenue and Enterprise Services during the implementation and testing phases.

A minimum of **three (3) sets of operating manuals** must be provided, and any subsequent additions, deletions, or revisions to the manuals must be promptly forwarded to the State, as required.

A training outline, schedule and synopsis of the major training categories and the trainer's name must be included in the bank's response to the State's training requirements.

A combined total of approximately **15 employees** from Cash Accounting and the Division of Revenue and Enterprise Services will require training.

The bank should be certain that the Web-based inquiry/communication system are operating satisfactorily and that State personnel have been properly trained on the operating system.

## **Y. Implementation and Testing**

The bank must provide a detailed implementation and testing schedule in its proposal showing how implementation of services will be completed and fully tested prior to the contract commencement date listed in the Timetable of Events.

The bank is fully responsible for and **must** take the lead in the timely and successful implementation and testing for this contract and all services, files, transmissions, and any needed State approvals it requires. The State of New Jersey cannot continue service with its current provider to support a new provider's development, implementation, and/or testing needs.

This detailed implementation and testing schedule must highlight all critical RFP elements including, but not limited to: the opening of accounts, establishing account administrators, providing account tokens, if applicable, establishing State access to all required modules of the bank's Web-based Inquiry/Communication System, reporting requirements, file transfer testing, State approval of bank reports and bank statements and the training of necessary State personnel. The bank's implementation plan must be highly detailed and include clearly defined start and end dates for each critical RFP element along with how each element will be accomplished and who will be responsible.

During key implementation and testing phases, the bank's assigned dedicated Senior Implementation/Project Manager must organize and lead weekly implementation status conference calls so as to define, organize, assign, and accomplish all implementation deliverables. The bank's dedicated Senior Implementation/Project Manager must work jointly with the State's defined Project Manager for the duration of the contract implementation and testing phases. The bank will be responsible for guiding the entire implementation team, both bank, and State representatives, and must ensure all individuals involved are properly and appropriately informed of deliverable deadlines and the status of the contract implementation.

The initial meeting, the Contract Kick-off Meeting, must be in-person between the bank and the State and must clearly define the deliverables for both parties and who is responsible for completing each task. All due dates for each task must be noted and agreed upon. The bank's Senior Implementation/Project Manager is responsible for keeping track of the completion status of all tasks and include these status updates on the required weekly implementation calls.

The State's Project Manager will be responsible for coordinating and assigning State personnel resources to each task of the project that requires State involvement. This project manager will keep State employees on track to reach defined deadlines accurately and on time.

The bank's dedicated Senior Implementation/Project Manager will be responsible for ensuring weekly meeting agendas are disbursed to the appropriate attendees in a timely manner prior to each meeting so that all individuals involved have time to closely review the agenda and be knowledgeable on the topics that will be discussed. Meeting minutes are the responsibility of the bank and should clearly define and outline what was accomplished during the meeting, what deliverables are due, and who is responsible for those deliverables for the next scheduled meeting.

If warranted, the State may request the bank send representatives to meet with State personnel at a centralized State location.

Since this RFP represents important collection and/or disbursement streams for the State of New Jersey, the bank must be willing and capable of attending multiple post-



implementation meetings at a centralized Trenton location if there are contractual concerns. The implementation and testing schedule must include at least one face to face post-implementation meeting.

All costs associated with initial programming, testing, training, and post-implementation meetings must be bundled into the banking fees and not shown as a separate line item on the Cost Schedule.

## VI. EVALUATION CRITERIA

The State must be satisfied that the bank has the necessary technical expertise, experience, and resource capabilities to satisfactorily perform the requisite services stated in this RFP. The State reserves the right to obtain any information from an independent source to evaluate bid proposals in accordance with the stated criteria. Selection of other than the apparent low bid will be fully documented. An award will be made to that responsible bidder whose bid, conforming to the RFP, will be most advantageous to the State, price and other factors considered.

The following general criteria, not necessarily listed in order of significance, will be used to evaluate the vendors' proposals. A more detailed evaluation worksheet may be developed, which may expand on the technical requirements of the RFP. The State reserves the right to request additional information prior to contract award.

➤ The bank's overall response to all questions in <b>SECTION VII</b> .
➤ The bank's overall experience on projects of similar scope and size.
➤ Response to possible follow-up inquiries.
➤ The bank's financial condition and ratings.
➤ Clarity and completeness of the required reports and documents.
➤ Web-based inquiry/communication system reliability, capabilities, ease of use.
➤ The adequacy of the security measures, contingency plans, and backup
➤ The bank's commitment to provide adequate technical and personnel resources to
➤ The State's overall assessment of client references and the bank's overall
➤ Quality of customer service resources provided and turnaround times for problem
➤ Completeness and feasibility of the bank's implementation, testing, and training
➤ Deposit Slip and Check imaging capabilities.
➤ Ability to accommodate any future State-mandated program changes within the
➤ Any other information that would assist the State in the selection process.
➤ Cost.

## VII. VENDOR RESPONSE

The vendor shall prepare responses to the questions listed below, which will demonstrate the vendor's understanding, experience, and ability to adequately provide the services as required in this Request for Proposal (RFP). The vendor must address each question in its entirety providing details when warranted. The vendor is encouraged, in its response document, to expand upon any issue, RFP statement, or RFP requirement that it deems not adequately addressed by this RFP.

Each vendor is given latitude with respect to the detail it elects to offer. However, vendors are cautioned that insufficient detail may result in a determination that the bid proposal is materially non-responsive and will result in disqualification of the bid proposal.

Proposals that do not conform with or that take exception to the State of New Jersey's requirements as set forth in **SECTION I. TERMS AND CONDITIONS, SECTION II. OTHER MANDATORY PROVISIONS** and **SECTION III. PAYMENT METHODS AND TERMS** will be considered materially non-responsive and therefore rejected.

Vendors are instructed to clearly identify any requirement(s) listed in **SECTION V. SCOPE OF WORK** of this RFP that the vendor cannot satisfy. Any deviation to the technical specifications must be clearly noted and fully explained. The State reserves the right to accept any minor deviations if it is deemed to be in the best interest of the State.

The vendor assumes responsibility for the complete effort required in this RFP. No special consideration shall be given after the bids are opened due to a bidder's failure to be knowledgeable of all the requirements of this RFP. By submitting a proposal in response to this RFP, the bidder represents that it has satisfied itself, from its own investigation, of all the requirements of this RFP.

It is requested that all pages for the response be numbered and that responses reference the original questions.

1. Confirm the bank understands and accepts all the **TERMS AND CONDITIONS, OTHER MANDATORY PROVISIONS**, and **PAYMENT METHOD AND TERMS** of this Request for Proposal (RFP).
2. Identify any and all subcontractors, its officers, the contractual arrangements made therewith, and state what services will be subcontracted. Confirm the bank will provide the State with **90 days** written notice prior to employing or replacing a subcontractor. Confirm that no replacement firm will begin work without prior State approval.

Confirm the bank thoroughly researched and confirmed the ability of its sub-contractor(s) to deliver services exactly as requested in this RFP. Confirm the bank understanding that the State will not amend its requirements to accommodate a subcontractor's unwillingness to provide required documents or its inability to deliver services exactly as stated/required in this RFP.

3. If a merger/acquisition has recently occurred or been announced prior to or during the vendor's proposal preparation period, identify all relevant or emerging dates surrounding the merger relative to official name change, system changes, account number changes, and ALL operational changes that could affect or impact the State's required services, if known at the time of bid submission.
4. The Bidder must state whether it has had a contract terminated for default in the last **five (5) years**. Termination for default is defined for these purposes as notice to stop performance delivery due to non-performance, or poor performance and non-performance was either: not litigated due to inaction of the Bidder; or, litigated and determined that the Bidder was in default.
  - a. If the Bidder has had such a contract termination, the proposal should contain full details, including the party's name, address, and telephone number. The Bidder should explain the action taken to correct the problems involved prior to contract termination.
  - b. If the Bidder has not had a contract terminated for default in the last **five (5) years**, state this fact clearly.

5. Confirm the bank's understanding of the State's file protocol and methods of file transmission depicted in **EXHIBIT A State of New Jersey File Transfer Guide**. The bank must clearly identify any/all methods of file transmission depicted in **EXHIBIT A State of New Jersey File Transfer Guide** that it can support.

The bank must clearly identify any/all methods of file transmission depicted in **EXHIBIT A State of New Jersey File Transfer Guide** that it cannot support; failure to do so will result in the mutual understanding that all methods of file transmissions in **EXHIBIT A State of New Jersey File Transfer Guide** are supported by the bank.

6. Confirm that bank will maintain all records and other documentation needed for the execution of this contract. Confirm the records will be made available to the State during the contract term and for a period of **seven (7) years from the date of final payment**.

Confirm all bank-generated transaction records, including but not limited to: transaction detail, bank generated reports, bank statements, and invoices and paid check images will be made available to the State for a period of **seven (7) years from the date of transaction**.

7. Respond to **SECTION II. OTHER MANDATORY PROVISIONS:**

- a. **Financial Statements**: The bank and any direct subcontractors must include their most recent audited financial statements or financial comments if a privately held company.
- b. **Ownership Disclosure Form**: The Bank and all subcontractors must complete an Ownership Disclosure Form and include copies with each bank proposal. See **EXHIBIT B Ownership Disclosure Form**.
- c. **Non-discrimination Law**: The Bank must acknowledge anti-discrimination law N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A. 10:5-1 et seq., N.J.S.A. 10:5-31 through 10:5-38 and N.J.A.C. 17:27-3.4, and abide by all rules and regulations issued there under.

- d. **Collateralization of Deposits:** Confirm the bank's ability to adhere to the Department of the Treasury Collateralization Policy. Refer to ***EXHIBIT C Collateralization Requirements for State Held Deposits.***
- e. **Proof of Registration Requirements:** The Bank and all subcontractors must submit a copy of the Business Registration Certificate(s) prior to the time of the contract award.
- f. **N.J.S.A. 52:34-13.2:** Confirm the bank and all subcontractors' ability to adhere to N.J.S.A. 52:34-13.2. The State prefers the vendor submit with its bid proposal ***EXHIBIT D N.J.S.A. 52:34-13.2 Certification***, completing all sourcing information required of the bank and any proposed subcontractor, identified in its proposal. If the certification was not submitted with the bid proposal, confirm the bank's ability to submit the required document within **five (5) business days** of the State's request for the information.
- g. **Disaster Recovery Plan:** The vendor must include an overview of its disaster recovery plan in its proposal. Specifically address in the overview contingency plans for data processing systems, equipment, power, information reporting, or other failures that would affect services or reporting of data. Confirm that the system would be completely functional within **48 hours** of a major disaster.

Confirm the bank is able to receive and process data files from the State via electronic transmission.

Confirm the bank will fully cooperate during any and all disaster recovery testing operations initiated by the State. Indicate any organizational production and/or testing shutdown timeframes during the calendar year that would forbid the bank from participating in State disaster recovery testing.

Confirm the bank's willingness and ability to work with the State's Disaster Recovery Site to establish a mutually agreed upon connectivity method to transfer data in the event the main file transfer mechanism is unavailable.

Confirm the bank's ability to receive and validate test files transmitted or delivered from a State disaster recovery exercise. Confirm the bank's ability to accept and run test files, validate received files as if they were production files, provide documentation as to the correctness of the data, confirm the legibility of replica production checks and return test checks to the State.

Confirm the bank has safeguards in place to prevent test files from being loaded into the production environment.

- h. **Destruction Requirements**: Confirm the bank will destroy **all** public documents in accordance with State regulations and follow the retention schedule promulgated by NJDORES.
  - i. **P.L.2022, c.3 Certification of Non-Involvement in Prohibited Activities in Russia or Belarus**: Confirm the bank's ability to adhere to **P.L.2022, c.3**. The submission of a completed **EXHIBIT F Certification of Non-Involvement in Prohibited Activities in Russia or Belarus Pursuant to P.L. 2022, c.3** is required with bid submission.
8. Confirm the compensating balance will be considered as the total average collected balance of the account(s) less the non-earning Federal Reserve requirement in effect during the course of the contract term. Confirm the earnings rate will be determined from the average of each month's 13-week Treasury bill yield auction results.
9. Provide the names and contact information for the officers and management personnel (including any subcontractors' personnel, if applicable) who will be responsible for the fulfillment of the services requested herein; e.g., daily operations, electronic reports and bank statements, hard copy reports (if requested), file transmission issues including Image Cash Letter and Desktop Deposit transmission, daily balance reporting, invoices/analysis, earnings credit rate, zero balance accounts, ACH services including debit blocks, Web-based Inquiry Communication System to perform account detail/summary lookups (i.e., ACH credits/debits/returns, paid check images, check deposit images, returned check items and transaction detail information) and to initiate transactions (i.e., wires and fund transfers), disaster and recovery, technology issues, customer services, implementation, testing, and training.

The designated liaisons should be exclusive to each category. Specifically, identify and include the following information for each of the primary contacts and backup individuals who will be responsible for responding to communications from the State:

1	Contact name and title
2	Physical location and mailing address.
3	Contact numbers: office, cell, fax
4	Email address
5	Office hours
6	A backup or alternate contact for each of the service categories listed above

10. For reference purposes, provide the names, addresses, contacts and telephone numbers for **three (3)** of your present customers for whom the bank is providing similar services as those requested herein; ACH debits/credits and debit block services, Image Cash Letter Services, Desktop Deposit Services, zero balance accounts, earnings credit rate, daily balance reporting, access to the bank’s Web-based Inquiry Communication System to complete inquiries and to perform/initiate transactions. If possible, provide references with activity volumes equal to or greater than those depicted in this RFP. Include any other information concerning the bank’s experience that would assist the State in evaluating the bank’s capabilities.
  
11. Describe in detail the bank’s customer service operation, procedures, turnaround/response times, and staffing levels. Complete customer service capabilities and resources may be reviewed at an oral presentation or viewed and critiqued by the committee if a site visit is requested by the State.
  
12. Confirm that the bank is a member of the Federal Reserve Direct Wire System. Provide a detailed description of the bank’s Web-based Wire Transfer System and include sample screenshots. Confirm OMB, Cash Accounting will be able to view the status of a wire immediately after the wire is approved. Confirm a daily final *Confirmation Report* will be available to the State via the bank’s web-based system **no later than 3:00 p.m. E.T.**

Confirm the bank can comply with the State’s requirement to wire transfer funds upon request without regard to the balance in the account? Define and explain any restrictions



that will prevent the bank from immediately complying with the State's request to wire transfer funds.

Describe the bank's manual wire transfer backup procedures. Define the security features of the bank's Web-based Wire Transfer System.

13. Confirm the bank is a member of the National Automated Clearing House Association (NACHA) and will follow the rules and regulations as outlined in the latest published ACH operating manual. Confirm the bank's ability and willingness to support advancements offered by the ACH Network. Confirm the bank has electronic CCD, CCD+, PPD, and CTX file transfer sending and receiving capabilities.
14. Confirm that all ACH transaction items will be accessible to the State via the bank's Web-based Inquiry Communication System the same day of settlement. Confirm that all other ACH transaction items (i.e., ACH returns) will be accessible to the State via the bank's Web-based Inquiry Communication System by **8:00 a.m. E.T.** the morning after the transaction item is received by the bank. Confirm the bank's Web-based Inquiry Communication System will provide State personnel with online access to the most recent **eighteen (18) months of ACH transaction detail and report generating capabilities.** Confirm that users will have the ability to search for ACH Returns items by selecting an account number and return date.
15. Confirm that the bank can protect accounts against unauthorized ACH debit activity. Confirm the bank will notify OMB, Cash Accounting immediately via email if unauthorized attempts are made to access State funds. Confirm the bank will cooperate with Cash Accounting personnel and other State officials to identify violators and to protect the integrity of all State bank accounts.
16. Acknowledge the bank understands the State reserves the right to increase or decrease the number of accounts and change the type of payments deposited into these accounts and issued from these accounts during the course of the contract term. Acknowledge the bank understands the State will require prior day reporting for all accounts established as a result of this RFP.
17. Describe the bank's zero balance account (ZBA) procedures/capabilities. How will the bank ensure the accounts reflect a \$0.00 opening balance?

18. Confirm the bank's ability to receive electronically Image Cash Letter Deposits in the X9.37 format using one or more of the following methods: FTPS over SSL, SFTP (FTP over SSHv2 or greater) and HTTPS.

Confirm the bank's ability to abide by the transmission protocols depicted in ***EXHIBIT A State of New Jersey OIT File Transfer Guide.***

Define all the Image Cash Letter file transmission protocols the bank can support, other than those named above. Clearly identify any/all methods of file transmission depicted above that it cannot support; failure to do so will result in the mutual understanding that all methods of transmission listed above are supported by the bank

19. Confirm the bank's ability to expand Image Cash Letter Electronic Deposit Services to other accounts within this contract. Provide an anticipated implementation and testing schedule (from receipt of the State's request to operational date) to expand Image Cash Letter Electronic Deposit Services to another account. Confirm the bank understands it will be required to work with State technical staff to implement and test the expansion of services to other accounts.
20. Confirm the bank can accept each depository items' (front/rear) image with a minimum resolution of 200 dpi, in black and white, and in the Tiff 6.0 CCITT Group 4 compression format.
21. Confirm the bank's ability to receive Image Cash Letter electronic transmission files **three (3) times a day at 8:00 a.m. E.T., 11:00 a.m. E.T. and 1:00 p.m. E.T.** and on weekends and after hours (after 4:00 p.m. E.T.) during peak processing season (March 15-April 15). Define the latest time an Image Cash Letter electronic transmission file can be received by the bank for same-day processing and credit.
22. Confirm the bank will provide the Division of Revenue and Enterprise Services access to a toll-free bank provided hotline, available 24/7, to report and resolve Image Cash Letter transmission problems. Identify primary and secondary bank contacts that will be assigned to work with State technical staff to resolve transmission problems.

23. The bank must identify its backup procedures and contingency plan to receive manual Image Cash Letter deposit transmissions using HTTPS or similar protocol, as a back-up procedure to receive transmission data manually. Bidders must define how it will guarantee same-day credit for Image Cash Letter deposits conducted manually.
24. Confirm the bank's ability to send **within thirty (30) minutes of a file transmission being sent** an *Image Cash Letter File Receipt Confirmation* via email to DORES. The bank must provide a sample *Image Cash Letter File Receipt Confirmation* in its bid submission. The bank must propose a backup procedure to confirm the bank's receipt of the State's Image Cash Letter transmission file in the event the Internet or server is not functioning.
25. Confirm the bank's ability to provide the Division of Revenue and Enterprise Services, via email, with an *Image Cash Letter Deposit Adjustment Advice* for each Image Cash Letter deposit adjustment, the same day the account adjustment is made. The bank must provide a sample *Image Cash Letter Deposit Adjustment Advice* in its bid submission.
26. Confirm the bank's ability to accept checks for deposit using a virtual (computer-generated) endorsement stamp printed by the Division of Revenue and Enterprise Services via inkjet printer endorsement information and a Document Locator Number (DLN) on either the back or front of each check image.
27. Confirm the bank's ability to provide the State with **ten (10) web-based Desktop Deposit Scanners**, including all the necessary software, hardware (scanners), related maintenance for the term of the contract, initial set-up support and user instruction and on-going product support.

Describe the bank's Desktop Deposit Scanners, related software, and the benefits of both. Include the number of items the scanners can process per minute and disclose if there are volume limits.

Confirm the systems will allow access to transaction history and deposit images for the most recent **one hundred eighty (180) days of business** and that after that time frame, transaction history and deposit images will be available for **seven (7) years from the date of deposit** either via the bank's Web-based Inquiry Communication System or some other bank archive system.

The bank must define how it plans to archive items that are deposited via Desktop Deposit Scanners for retrieval after **one hundred eighty (180) days of business**. The bank must also disclose its retrieval procedures and turnaround response times.

28. Provide the depository check volumes for the bank's three (3) largest customers for the months of April and May 2024. (Account holder names are not required). Will the deposits generated by the Division of Revenue and Enterprise Services be processed at the same facilities? If so, how will the State's depository check volume impact the bank's daily processing operations? Confirm the bank's ability to meet the Encoding and Endorsing Requirements, as depicted in the Section V. SCOPE OF WORK. What arrangements will be made to adjust staffing levels to handle peak processing periods?

Identify the processing facilities that will be utilized to process check and cash deposits for the Division of Revenue and Enterprise Services. Provide the location addresses, as well as, the distance in miles from the Trenton area to the processing facilities. If the processing facilities are located outside New Jersey, describe the bank's procedures to ensure deposits are received and processed *for same-day credit*.

29. Acknowledge the bank can adhere to the State's \$5.00 (plus or minus) Check Deposit Discrepancies and Adjustments procedures, as depicted in Section V. SCOPE OF WORK. Define the bank's recommended check deposit discrepancy procedure. Any alternatives proposed will be evaluated, but there is no guarantee of any acceptance to any alternatives proposed.
30. Acknowledge the bank can adhere to the Cash Deposit Discrepancy and Review Procedures, as depicted in Section V. SCOPE OF WORK. Define the bank's recommended cash deposit discrepancy procedure. Any alternatives proposed will be evaluated, but there is no guarantee of any acceptance to any alternatives proposed.
31. Explain the money room video surveillance systems in relation to the cash counting operation. Confirm that tapes will be available for viewing for a period of no less than three months with the option to extend this timeframe if necessary. Specify the length of time tapes are retained by the money room and available for review.
32. Acknowledge the bank can meet the required deposit availability requirements, as depicted in the Deposit Credit and Availability section of the RFP. Confirm the bank will compensate the State using the 91 day T-Bill rate calculation for any deposit not available

per the Federal Reserve District Availability Schedules. Include the bank's latest availability schedule that will apply to State deposits.

33. Confirm the bank can comply with all the requirements depicted in the Dishonored Checks section of the RFP. Specifically acknowledge that dishonored checks returned the first time because of insufficient funds will be immediately re-deposited, and that account(s) will only be debited after a check is returned a second time.
34. Confirm the bank is willing to provide the Division of Revenue and Enterprise Services and Gila LLC d/b/a MSB and Duncan Solutions with loose encoded deposit slips that meet the specifications and quantities depicted, **at no cost to the State**. Verify the bank is willing to replenish this supply prior to the beginning of each calendar year, **at no cost to the State**. Confirm that orders for additional encoded deposit slips can be filled **within ten (10) business days of the request**. Define the multi-copy requirement of the deposit slip to meet the bank's internal processing functions, taking into account one copy will remain with the Division of Revenue and Enterprise Services, and Gila LLC d/b/a MSB and Duncan Solutions Define if the established Locator Codes and/or Locator Names will be captured on the Web-based bank statements or on the hard copy bank statements.
35. Explain the bank's claim procedures for missing whole or partial deposits, counterfeits, and any other item(s) the bank deems appropriate.
36. Provide a detailed description of the bank's Web-based Inquiry Communication System and include sample reports. Indicate the bank's ability to provide all reports within the timeframes specified and that the reports will be available online for **a minimum of eighteen (18) months**. Confirm the bank's ability to provide images of the prior day's deposit slips and deposited items via the bank's Web-based Inquiry Communication system for **a minimum of eighteen (18) months and include samples**.
37. Confirm the bank's Web-based Inquiry Communication System permits users the ability to search, view, print, and download/save transaction items. The bank must provide sample screenshots for each of the web-based reporting modules required by the State.

The sample screenshots will serve as confirmation that the bank's web-based system is capable of providing the transaction detail and reporting elements required by the State.

Failure to provide the required sample screenshots will result in an unfavorable score during the evaluation process.

38. Provide a detailed description of the bank's Web-based Wire Transfer System. Confirm the bank can comply with the requirement to wire transfer funds upon request without regard to the balance in the account?

Explain any restrictions that will prevent the bank from immediately complying with the State's request to wire transfer funds. Define the bank's manual wire transfer backup procedures. Describe the security features of the bank's system and confirm the system contains proper security features to ensure the protection of the data and to maintain the integrity of the system.

39. Confirm the bank's Web-based Wire Transfer System is capable of warehousing data **for up to two (2) weeks** prior to the transmission execution date, and repetitive wires will require only the date and amount to be entered.

Confirm the bank's Web-based Wire Transfer System will provide State personnel with the ability to complete draw-downs from State bank accounts located at other banks.

40. Confirm the bank will adequately train State personnel on the use of its Web-based Wire Transfer System and provide **a minimum of three (3) user manuals**. Additional training and updated user manuals will be required prior to the bank implementing any major Web-based Wire Transfer System changes.

The State must have access to a toll-free telephone "wire transfer help desk" during normal State working hours, **8:00 a.m. E.T. to 4:30 p.m. E.T.** The bank must provide on-going maintenance and emergency service when necessary. The bank must have a manual wire transfer backup system and procedures established in the event of an electronic failure.

41. Confirm the bank's ability to deliver the Daily Prior Day Balance Reporting file containing all required data elements in unencrypted BAI2 format to its own secure server every working day by **7:30 a.m. E.T.**

Confirm the bank understands the State's vendor, Fidelity National Information Services, Inc., will pull the file from the bank's server using Secure File Transfer Protocol (SFTP) and any encryption format required by the bank must be compatible with the automation of the retrieval process of the bank report, such that a bank report can still be retrieved and unencrypted in an automated fashion.

42. Confirm the bank can provide the Account Reconciliation Solution information to the State's third-party vendor, Blackline Inc., by **7:30 am E.T.**, as outlined in this RFP. Define any information the bank cannot provide, if any.
43. Provide samples of all the bank statements requested in the RFP, include a copy of all the bank's standard reports, which would be helpful in the State's reconciliation process.
44. Provide a detailed implementation schedule to achieve the June 1, 2025 contract commencement requirement. Highlight delivery dates for each of the elements the bank defines as critical steps towards implementation and include a minimum of one post-implementation meeting. Include time frames for opening bank accounts, establishing access to the Web-based Inquiry Communication System, Image Cash Letter Services, Desktop Deposit Services, testing, and training. Describe the critical factors that may impact this schedule? Define both bank and State personnel commitment requirements during conversion.
45. Describe the bank's customer service operation, procedures, inquiry turnaround/response times, and staffing. Complete customer service capabilities and resources may be reviewed at an oral presentation or viewed and critiqued by the committee if a site visit is requested by the State.
46. Confirm the bank's ability to meet ALL the requirements outlined in this RFP, including account services and maintenance, collection and deposit services, ACH services (including debit block), check services, Web-based services, image retention, balance reporting, invoice and analysis, bank statements, manual stop payments, security levels, and supplies as stipulated in the RFP. The bank must reveal all services defined in the RFP that it cannot provide according to the specifications. The bank should indicate why they cannot deliver the service or standard requested.

## VIII. COST SCHEDULE

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.

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.

All bank-specific service acronyms and abbreviations must be clearly defined.

All methods of measurements that differ from the pre-established methods listed below must be clearly identified for each priced item.

All services that supplement or extend beyond the State's basic Scope of Work service requirements must be clearly identified as "optional services." All optional service pricing should be clearly listed in a separate cost schedule, and the optional service clearly explained.

Following are the pricing categories that are appropriate for this RFP. It is not necessary to provide pricing for each category. When completing the pricing schedule, place an "NA" in each category for which a charge is not applicable. Banks, however, must bundle their pricing categories to best accommodate the pricing categories contained on the current Cost Schedule. 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.

The bank is not permitted to initiate debits against the State's account for any services.



	<b><u>Account Services and Maintenance</u></b>		
	Master Account Maintenance Fee	\$	/Account/Month
	ZBA Maintenance Services	\$	/Account/Month
	Funds Transfer (Wires In)	\$	/Per Wire
	Funds Transfer (Wires Out)	\$	/Per Wire
	Internal Book to Book Transfers (if applicable)	\$	/Per Transfer
	Daily Balance Reporting (Automated Prior Day Summary & Detail BAI 2)	\$	/Account/Month
	<b><u>Deposit Services</u></b>		
	Deposits	\$	/Per Deposit
	Deposited Items	\$	/Per Item
	Encoding error adjustment	\$	/Per Adjustment
	Cash Processing – per \$1,000 in cash	\$	/Per Deposit
	<b><u>Deposit Supplies</u></b>		
	Encoded Deposit Tickets (beyond requirement)	\$	/Per Ticket
	<b><u>Image Cash Letter Services</u></b>		
	Initial Image Cash Letter Setup Fee	\$	/Setup
	Image Cash Letter Maintenance	\$	/Per Month
	Image Cash Letter File Transmission	\$	/Per Transmission
	On–Us Imaged Item Cleared	\$	/Per Item
	Imaged Item Cleared	\$	/Per Item
	Imaged Item Replacement Document	\$	/Per item
	Rejects Below 1%	\$	/Per Item
	Rejects Above 1%	\$	/Per Item
	<b><u>Desktop Deposit Services</u></b>		
	Initial Desktop Deposit Setup Fee	\$	/Per Scanner
	Desktop Deposit Scanners (10)	\$	/Per Scanner
	Desktop Deposit Scanner Maintenance	\$	/Per Scanner/Month
	Deposits	\$	/Per Deposit
	Deposited Items	\$	/Per Item
	Additional Desktop Deposit Scanners	\$	/Per Scanner
	<b><u>ACH Services</u></b>		
	ACH Credits (In) (CCD, CCD+, PPD)	\$	/Per Credit
	ACH Returned Items	\$	/Per Debit
	ACH Debit Block	\$	/Per Account

	<b><u>Check Services</u></b>		
	Checks Paid	\$	/Per Check
	Stop Payment Manual	\$	/Per Stop
	Returned Item (NSF)	\$	/Per Item
	Re-deposit Item	\$	/Per Item
	<b><u>Web-Based Services</u></b>		
	Web-based Product Maintenance (If applicable)	\$	/Month
	Web-based Funds Transfer Maintenance (If applicable)	\$	/Month
	Web-based Account Inquiry	\$	/Per Inquiry
	Web-based ACH Inquiry	\$	/Per Inquiry
	Web-based Check Inquiry (All Deposited Items Imaged)	\$	/Per Item Imaged
	<b>(OR)</b>		
	Web-based Check Inquiry (Per Deposited Item Viewed)	\$	/Per Item Viewed
	Web-based Paid Check Inquiry	\$	/Per Item Viewed
	<b><u>Programming</u></b>		
	Programming Fees (If Applicable) indicate number of hours	\$	/Per Hour