



**THE NEW JERSEY JUDICIARY
JUDICIARY DISBURSEMENT SERVICES**

REQUEST FOR PROPOSAL

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I. PURPOSE AND INTENT

The purpose of this request is to solicit proposals from qualified New Jersey banks for the placement of **twelve (12) State accounts** and for the accurate and timely processing of all banking services associated with these accounts. The accounts are as follows:

1	Probation Disbursement Account
2	Bail Disbursement Account
3	Special Civil Disbursement Account
4	Superior Court Trust Fund Disbursement Account
5	Appellate Disbursement Account
6	Attorney Collateral Disbursement Account
7	Supreme Court Disbursement Account
8	Board on Continuing Legal Education Disbursement Account
9	Board on Attorney Certification Disbursement Account
10	Attorney Collateral ACH Account
11	Automated Traffic System ACH Account
12	Client Protection Fund ACH Account

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

Due to the nature of the funds being disbursed from these accounts, the chosen bank must maintain a strong branch presence throughout the State of New Jersey and commit to providing **“no fee” check cashing services** to the Judiciary and its customers. Banks must include a detailed list of all bank locations throughout the State of New Jersey; broken down by county. The bank should also include a map of the State with locations of all available check cashing facilities depicted.

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.**

1	Controlled disbursement, positive pay account capability, and related reporting
2	Electronic file sending and receiving capability
3	Strong branch presence throughout the State
4	“No fee” check cashing services statewide to the Judiciary and its customers
5	Access to the bank’s Web-based Inquiry Communication System for stop payments, voids/cancels, issues, check copy requests, inquiries, and related reporting
6	Stale date service and forgery service
7	Full automated account reconciliation services and related reporting
8	Electronic and hard copy bank statements (detail and summary information)
9	Electronic and hard copy reconciliation reports (detail and summary information)
10	ACH debit origination services, including ACH file transfer capability (CCD, CCD+, PPD, PPD+, and CTX formats) and a web-based ACH delivery system
11	Wire transfer with daylight overdraft coverage capabilities
12	Daily automated balance reporting (prior day) in unencrypted BAI2 format via SFTP
13	Timely reports per RFP specifications
14	Timely, reliable customer service
15	Paid check imaging, seven (7) year archive and document destruction

II. TERMS AND CONDITIONS

A. Applicable Rules and Regulations

It is agreed and understood that any contract placed as a result of this proposal shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the State of New Jersey.

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

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 setup forms that link to bank agreements.

B. Contract Administrator

The Department of the Treasury, OMB, Cash Management Unit is charged with addressing contract related issues such as adding or deleting services.

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

Desiree Wolfarth
Contract Administrator
State of New Jersey
Department of the Treasury
Office of Management and Budget
PO BOX 221
Trenton, New Jersey 08625-0221
Phone: (609) 292-8172
<mailto:Desiree.Wolfarth@treas.nj.gov>

C. Project Management

This Request for Proposal (RFP) has been prepared by the New Jersey Judiciary and issued through the Department of the Treasury, Office of Management and Budget, Cash Management Unit. After contract award, the New Jersey Judiciary is charged with the responsibility for the administration of the Judiciary bank accounts.

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

Debra Williams, Assistant Chief, Banking and Cash Management
State of New Jersey Judiciary
Hughes Justice Complex – 8th Floor North
Trenton, NJ 08625
Phone: (609) 815-2900 ext. 52503

D. Timetable of Events

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

EVENT	DATE
Issuance of Request	November 15, 2017
Deadline to Submit Questions	December 5, 2017
Proposal Due Date	January 18, 2018
Anticipated Award Date	March 9, 2018
Implementation & System Testing	March 12, 2018
Contract Commencement	July 1, 2018

E. RFP Questions from Bidders

The Cash Management Unit will accept questions and inquiries from all qualified potential bidders electronically via e-mail. 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 **4:30 p.m. E.T.** 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 e-mail should include the specific banking RFP name.

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

OMB, Cash Management will address all questions by posting an addendum on the OMB, 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 e-mailed to the following address:

OMBCashManagement@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

Along with one proposal, clearly marked "ORIGINAL", signed by an officer who is authorized to bind the respondent contractually, **eight (8) copies of the proposal must arrive prior to or no later than 4:30 p.m. E.T. on January 18, 2018.**

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

Desiree Wolfarth
Contract Administrator
State of New Jersey
Department of the Treasury
Office of Management and Budget
33 West State Street, 6th floor
Trenton, New Jersey 08625-0221

If submitting a proposal by U.S. Mail, address packages to:

Desiree Wolfarth
Contract Administrator
State of New Jersey
Department of the Treasury
Office of Management and Budget
PO BOX 221
Trenton, New Jersey 08625-0221

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

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

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

H. Oral Presentation and Vendor Site Visitation/Inspection

Vendors who 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 facilities, including any and all subcontractors' facilities. Any time after award, the State reserves the right to inspect the vendor's facilities, including any and all subcontractors' facilities, without prior notice by the State. However, if circumstances warrant prior notice because of security or proprietary considerations, please include an explanation of such reservation in your response. 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, Cash Management Unit. The Department of the Treasury, 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 to 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 their 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 Cash Management 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 fully with the State and the new contract vendor to affect a smooth transition, which would include transferring all necessary databases, files and other information needed for the continued operation of the application.

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 their 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 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 their 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

All subcontractors must be approved by the State. If the vendor has knowledge prior to 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 sub-contractor's ability to deliver services exactly as requested in this RFP. The State will not amend its requirements to accommodate a sub-contractor'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.

S. Cost Liability

The State of New Jersey assumes neither responsibility nor liability for costs incurred by 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 they have 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 data contained in the documents or files supplied by the State are to be considered confidential and shall be solely for the use of the State. The chosen bank must protect State data and ensure that all State information remains confidential.

Any use, loss, sale or offering of this data in any form 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.

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 documentation 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 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 to 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 random audits.

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 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, or incidental 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 proviso 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 who, in the opinion of the Department of the Treasury, has 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 its 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 there for.

By signing the cover sheet of this RFP, the bidder waives any claims of copyright protection set forth within the manufacturer's price list and/or catalogs. The price lists and/or catalogs must be accessible to State using agencies and cooperative purchasing partners and thus have to be made public to allow all eligible purchasing entities access to the pricing information.

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 users 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.

III. 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** for the **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 Statues.

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 Policy Statement: Department of the Treasury 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 as part of its bid submission. As mandated by this statute, failure to submit a copy of the Business Registration Certificate within the bid proposal will be deemed non-responsive and will therefore result in disqualification of the bid proposal.

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 contract implementation. The law prohibits contractors from entering into a contract with a

subcontractor who has not provided the contractor a copy of its Business Registration Certificate.

The basic registration process involves filing Form NJ-REG. An overview of the filing requirements can be found by visiting the NJ Business Gateway Services website at <http://www.state.nj.us/njbgs/>. The NJ-REG may be filed online or a Business Registration Packet can be downloaded at <http://www.state.nj.us/treasury/revenue/revprnt.shtml>

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.

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, who 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. Two-Year Chapter 51 Certification & Disclosure of Political Contributions

In order to safeguard the integrity of State government procurement by imposing restrictions to insulate the award of State contracts from political contributions that pose the risk of improper influence, purchase of access, or the appearance thereof, Public Law 2005, Chapter 51 was signed into law on March 22, 2005 (this law supersedes Executive Order 134 (2004)).

On September 24, 2008, former Governor Jon S. Corzine issued Executive Order No. 117 to further enhance the State of New Jersey's efforts to protect the integrity of the procurement process.

Pursuant to the requirements of Public Law 2005, Chapter 51 / Executive Order No. 117 (2008) the terms and conditions set forth in this section are material terms of any contract resulting from this RFP:

1. Vendor Certification and Disclosure

Prior to awarding any contract or agreement to procure services or any material, supplies or equipment from, or for the acquisition, sale, or lease of any land or building from or to, any business entity, the State or any of its purchasing agents or agencies, as the case may be, shall require, as part of the procurement process, the business entity to report all contributions the business entity made during the preceding four years to any political organization organized under section 527 of the Internal Revenue Code that also meets the definition of a "continuing political committee" within the meetings of section 3 of P.L. 1973, c.83 (C.19:44A-3).

Instructions for completing the Vendor Certification and Disclosure are detailed in **EXHIBIT E Information and Instructions for Completing the Two-Year Vendor Certification and Disclosure of Political Contributions Form.**

The submission of **EXHIBIT F Two Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions** will be

required **five (5) business days** from the date on the “Intent to Award” letter issued by the Office of Management and Budget, Cash Management Unit.

2. State Treasurer Review and Approval

The State Treasurer or his/her designee shall review the Certification and Disclosure submitted pursuant, as well as any other pertinent information concerning the contributions or reports thereof by the intended vendor, prior to award, or during the term of the contract, by the contractor. If the State Treasurer determines that any contribution or action by the contractor constitutes a breach of contract that poses a conflict of interest in the awarding of the contract under this solicitation, the State Treasurer shall disqualify the Business Entity from award of such contract.

Please access the Purchase and Property website for additional information on Public Law 2005, Chapter 51 at the following site: <http://www.nj.gov/treasury/purchase/execorder134.shtml>.

Upon approval by the State, the Certification and Disclosure of Political Contributions form is valid for a two (2) year period. Thus, if a vendor receives approval on January 1, 2014, the certification expiration date would be December 31, 2015.

3. Ongoing Vendor Responsibility

All business entities awarded a State contract on or after October 15, 2004, in an amount in excess of \$17,500, have a continuing obligation to disclose any changes in the vendor’s ownership status and/or political contributions made during the term of such contract, and any extensions thereof.

NOTE: Vendors are contractually obligated to report all ownership changes and political contributions to the OMB, Cash Management Unit by submitting updated Vendor Certification and Disclosure forms. All changes and forms are subject to review by the Treasurer.

If the State Treasurer determines that any such contribution poses a conflict of interest, such contribution shall be deemed a material breach of such contract or agreement.

H. Disaster Recovery

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. The bank's disaster recovery plan, contingency and backup procedures should be made available for review by the State, within **ten (10) days** of a request by the State. As part of the State's Disaster Recovery Exercises, these items will be subject to annual review.

The bank must be able to demonstrate, during an inspection of operations and a review of documented procedures that in the event of a system breakdown or catastrophic event, 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 in the following formats: electronic transmission, CD-ROM. 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 RFP 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 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 and 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 alternate 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.

I. Destruction Requirements for State Records and, if applicable, 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 G Destruction Requirements for State Public Records and Canceled Checks** for paid check destruction requirements.

IV. 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 on one page of the analysis report, 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:

Judiciary Accounts Payable
Hughes Justice Complex – 8th Floor North
P.O. Box 985
Trenton, NJ 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 H** for the New Jersey Judiciary Accounts' **Monthly Analysis Sample Format.**

V. SCOPE OF WORK

A. General Requirements

The State's requirements include the establishment and maintenance of **twelve (12) State accounts**, and the accurate and timely processing of all banking services related to the accounts, including, but not limited to: check disbursement services, Automated Clearing House (ACH) services, controlled disbursement, positive pay, file processing, automated bank account reconciliation, funds transfers, wires, access to the bank's Web-based Inquiry/Communication System for inquiries and processing (i.e. stop payments and paid check imaging), ACH debit block, earnings credit rate, along with a variety of electronic reporting and communication needs.

The bank must be a member of the National Automated Clearing House Association (NACHA) and follow the rules and regulations as outlined in the latest published ACH operating manual. The bank must have electronic CCD, CCD+, PPD, PPD+, and CTX file transfer sending and receiving capabilities.

The bank must be a member of the Federal Reserve direct wire system and must accept incoming wire transfers and must process outgoing wire transfers.

Unauthorized Fed wires **should not** be accepted into this account and should be prevented. If the Judiciary identifies unauthorized wire activity, the bank must assist the Judiciary with returning the funds.

All accounts established as a result of this RFP must be protected against unauthorized ACH debit activity. If the Judiciary identifies unauthorized debit activity, the bank must assist the Judiciary with obtaining the funds.

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

The New Jersey Judiciary will oversee the day-to-day operations related to these accounts.

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

Due to the nature of the funds being disbursed from these accounts, the chosen bank must maintain a strong branch presence throughout the State and commit to providing **“no fee” check cashing services** to the Judiciary and its customers.

The bank must accommodate the following check numbering convention, unless otherwise specified by the Judiciary:

The first **two (2) digits** of the Magnetic Ink Character Recognition (MICR) check number must identify the county (01 through 23), except where the Judiciary designates. Using the first **two (2) digits** of the check number, the bank must identify the county initiating the check on all of its systems used to track Judiciary disbursements and in all of its reporting and reconciliations.

B. Accounts to be Established

The State will establish **twelve (12) accounts** in the vendor bank as follows:

1	Probation Disbursement Account
2	Bail Disbursement Account
3	Special Civil Disbursement Account
4	Superior Court Trust Fund Disbursement Account
5	Appellate Disbursement Account
6	Attorney Collateral Disbursement Account
7	Supreme Court Disbursement Account
8	Board on Continuing Legal Education Disbursement Account
9	Board on Attorney Certification Disbursement Account
10	Attorney Collateral ACH Account
11	Automated Traffic System ACH Account
12	Client Protection Fund ACH Account

The State's initial requirements will include the establishment and maintenance of the above accounts and the accurate and timely processing of all banking services and reports related to these accounts.

See **EXHIBIT I** for the **New Jersey Judiciary Accounts Structure and Funds Flow**.

The bank must support the State in any efforts to investigate possible fraud.

The accounts must be established as "Preferred Status" accounts; that is, to establish a credit line that will be sufficient to cover all daylight overdrafts without penalty or additional charge to the State, and honor all checks, ACH's, and wires presented for payment regardless of the current balance in the accounts. In the rare situation that an overnight overdraft occurs, the State requests that the bank honor all checks, ACH's, and wires without penalty or additional charge to the State. For example, on a non-bank holiday where the State is closed and the bank is open, the bank must honor items presented with full online Positive Pay services available. The Judiciary will cover all resulting overdrafts the next Judiciary business day. Some of the State holidays listed below are not bank holidays. This list may not reflect all of the Judiciary holidays; the Judiciary will provide a complete list to the bank upon contract award.

➤ New Year's Day
➤ Martin Luther King Jr. Day
➤ Presidents Day
➤ Good Friday
➤ Memorial Day
➤ Independence Day
➤ Labor Day
➤ Columbus Day
➤ Election Day
➤ Veteran's Day
➤ Thanksgiving Day
➤ Christmas Day

C. ACH Requirements

The bank must be a member of the National Automated Clearing House Association (NACHA) and follow the rules outlined in the latest published ACH manual. The bank must have electronic transmission sending and receiving capabilities in the CCD, CCD+, PPD, PPD+, and CTX formats.

The bank must demonstrate its ability and willingness to support advancements offered by the ACH Network. It is the State's intention to take advantage of all advancements offered by the ACH Network.

All necessary security procedures must be followed to ensure the protection of the data and the integrity of the ACH system when data is received or transmitted electronically to the vendor bank or by the vendor bank.

The bank must have a documented contingency plan in place, either manual or other, as a backup to send and receive ACH data as it relates to the services requested in this RFP. The contingency plan documentation or procedure should be available for the State to review upon request.

All ACH debit originated transaction items must be accessible to the State via the bank's Web-based Inquiry/Communication System the same day of settlement.

All other transaction items (NOC's and ACH returns) must be accessible to the State via the bank's Web-based Inquiry/Communication System the same day the transaction item is received by the bank. Users must have the ability to search for ACH return items by selecting an account number and return date.

The bank must provide conditional credit to the Judiciary if there is a dispute regarding ACH transactions processed and actual dollars received by the Judiciary. The bank must provide details of the disputed transactions to the Judiciary. The conditional credit cannot be reversed until the Judiciary and the bank both agree upon the resolution.

The State requires ACH services for the below ACH specific accounts. However, the ACH services listed must be available for ALL accounts included in this RFP, upon request by the Judiciary.

1	Automated Traffic System ACH Account
2	Judiciary Attorney Collateral ACH Account
3	Client Protection Fund ACH Account

In Fiscal Year 2017, there were approximately **32,000 ACH debit origination transactions against all three (3) ACH accounts totaling approximately \$207 million.**

1. Automated Traffic System ACH Account

The vendor bank must establish an ACH delivery system for ACH debit origination and ACH payments via the bank’s Web-based Inquiry/Communication System for the Automated Traffic System ACH Account.

A Beneficiary File, containing the below data elements, will be transmitted to the bank at the beginning of the contract in comma-delimited format, at minimum. The beneficiaries refer to the 500+ municipal courts in the State of New Jersey whose accounts will be debited as part of this debit origination process. The vendor bank must be able to accept and upload this file into its Web-based Inquiry/Communication System without the need for manual data entry by the State.

1	Beneficiary Code
2	Beneficiary Name
3	Beneficiary Bank Name
4	Routing/ABA Number
5	Account Number

Once uploaded by the vendor bank, the beneficiary data must be used to create an ACH debit origination instruction for the 500+ monthly debit originations Judiciary processes.

On a monthly basis, the Judiciary must be able to upload/import the ACH debit origination payment information on behalf of the 500+ municipal courts into the bank's Web-based Inquiry/Communication System, in comma-delimited format, at minimum, including but not limited to, beneficiary codes and beneficiary payment amounts.

Each beneficiary code in the ACH debit origination file imported by the Judiciary, via the bank's Web-based Inquiry/Communication System, will match up and should be processed according to the beneficiary code banking details already existing in the ACH debit origination instruction created from the Beneficiary File.

The funds associated with the transaction items contained in the file transmissions must be deposited into the Judiciary Automated Traffic System ACH Account on the settlement date, which will be provided by the Judiciary.

In addition to the ACH debit origination instruction processing, the Judiciary must also be able to process ad hoc ACH debit originations and ACH payments out, without the use of an instruction.

Out of the **32,000 ACH debit origination transactions** listed previously, approximately **5,900 ACH debit originations** were processed against the Automated Traffic System ACH Account, totaling approximately **\$156 million** in Fiscal Year 2017.

After the funds are deposited into the Automated Traffic System ACH account, the Judiciary will initiate **one (1) monthly ACH payment** out of the account for the total amount collected, also via the bank's Web-based Inquiry/Communication System.

During Fiscal Year 2017, there were **12 ACH payments** out of the Automated Traffic System ACH Account, totaling approximately **\$156 million.**

The bank's Web-based Inquiry/Communication System must require dual security for the creation, modification and release of ACH debit origination instructions and/or payment files.

2. ACH Security Procedures – ACH Debit Block Requirements

The bank’s system and procedures must safeguard the State’s account(s) against unauthorized ACH debit activity. If at any point, unauthorized attempts are made to access State funds, the bank must notify the Judiciary immediately via email (contacts will be established after contract award).

The bank will be responsible for cooperating with the Judiciary personnel and other State officials to identify violators and to protect the integrity of all State bank accounts.

D. ACH Transaction and Transmission Requirements

The standard ACH requirements detailed under this section will be applicable to all the ACH items identified in this RFP. The following ACH information and ACH requirements will not be repeated in other sections. The below services will be required for the **two (2) ACH accounts** listed below, however, the ACH services listed must be available for ALL accounts included in this RFP, upon request by the Judiciary.

1	Judiciary Attorney Collateral ACH Account
2	Client Protection Fund ACH Account

Daily ACH transaction data for the above accounts will be consolidated and will not be transmitted or received as individual files for each account.

The State reserves the right to change, add or delete the type of NACHA approved format used to transmit files to the bank. The State will provide **sixty (60) days written notice** to the bank before making such a change.

The State will make every effort to transmit **two (2) days** prior to settlement date; however, if a transmission is sent to the bank one day prior to settlement date, the bank must process the transmission to meet the regular one-day settlement schedule.

The State of New Jersey operates on a 24/7 basis. The bank must be able to accept ACH files **seven (7) days a week**. The bank's system must be able to accept ACH files transmitted on holidays, Saturdays, and Sundays as a discrete file and not as a correction/rewrite of a previously sent file. If reports include data for more than one day, the report must be broken down by each business day.

The method of transmission will conform to transmission protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide**.

When data is received or transmitted electronically to the vendor bank or by the vendor bank, all necessary security procedures must be followed to ensure the protection of the data and the integrity of the ACH system.

In the event of a faulty file transfer, the State will initiate subsequent transfers until a successful transmission is completed. The bank will be notified immediately in the event of a file transfer failure; likewise, the Judiciary Information Technology Office (ITO) must be notified in case of a transmission failure from the bank to the State. The bank must work with Judiciary ITO to resolve the issue. Judiciary ITO contact personnel will be established upon contract award.

If it is determined, by the State, that both parties have exhausted all acceptable electronic file transmission options available, a CD-ROM will replace the electronic transmission file. The Judiciary ITO personnel will call the bank to instruct the bank to make courier arrangements for CD-ROM pickup at no cost to the State.

The bank must have a documented contingency plan in place, either manual or other, as a backup to receive the ACH data. The contingency plan documentation or procedure should be available for the State to review upon request.

1. ACH Debit Origination File

Each evening, **seven (7) days** a week, the Judiciary will transmit a standard NACHA formatted ACH Debit Origination File to the bank at **9:00 p.m. E.T.** The bank is responsible for submitting this file to the Clearing House for processing by **10:00 p.m. E.T.** This file will contain the consolidated daily ACH transaction data conducted for the Judiciary Attorney Collateral ACH Account and the Client

Protection Fund ACH Account, containing transactions from **9:00 p.m. E.T.** the previous day until **9:00 p.m. E.T.** on transmission day. The funds associated with the transaction items contained in the file transmissions must be deposited into the appropriate accounts the next banking business day.

The method of transmission will conform to transmission protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide.** It is the State's preference to use SFTP for ACH file transmissions and the bank(s) providing this data transmission option will be rated favorable during the evaluation process.

In Fiscal Year 2017, there were approximately **350 ACH file transmissions** sent to the bank containing approximately **33,000 ACH transaction items.**

The bank must be able to receive the ACH Debit Origination File in a standard NACHA format. See **EXHIBIT J ACH Debit Origination File Layout and Data Elements.**

Upon successful receipt of the ACH Debit Origination file transmission, the bank must send, via the same file transfer protocol, an ACH Debit Origination Confirmation File to Judiciary ITO, indicating the file was accepted. The confirmation must be received by Judiciary personnel **between the hours of 9:30 p.m. and 11:30 p.m. E.T.** every night.

In the event of a faulty file transfer, the State will initiate subsequent transfers until a successful transmission is completed. The bank will be notified immediately in the event of a file transfer failure; likewise, the bank must notify Judiciary personnel by **9:30 p.m. E.T.** if the nightly file is not received. The bank must work with Judiciary ITO to resolve the issue. Judiciary ITO contact personnel will be established upon contract award.

The Confirmation File from the bank must include the same data elements listed in the ACH Debit Origination File. If the bank assigns a unique Transaction ID to each ACH transaction, the bank must report this unique transaction ID on the Confirmation File for each ACH transaction as well. These unique Transaction ID's will be used by the Judiciary for reconciliation and customer service purposes.

All ACH debit originated transaction items must be accessible to the State via the bank's Web-based Inquiry/Communication System the same day of settlement.

All other transaction items (NOC's and ACH returns) must be accessible to the State via the bank's Web-based Inquiry/Communication System the same day the transaction item is received by the bank. Users must have the ability to search for ACH return items by selecting an account number and return date.

2. ACH Return Item File

Upon the bank processing the returned ACH transactions, the bank must transmit an ACH Return Item File to the State that contains all returned transactions with the appropriate NACHA return codes assigned.

On a daily basis, the bank must transmit the ACH Return Item File between **9:30 p.m. E.T. and 11:30 p.m. E.T.** The bank must provide the ACH Return Item File even when there are no returns.

In the event of a faulty file transfer, the Judiciary Information Technology Office (ITO) must be notified in case of a transmission failure from the bank to the State. The bank must work with Judiciary ITO to resolve the issue. Judiciary ITO contact personnel will be established upon contract award.

The bank must follow the standard NACHA return reason codes. See **EXHIBIT K ACH Return Item File Layout and Data Elements.**

If the bank assigns a unique Transaction ID to each ACH transaction, the bank must report this unique transaction ID on the Judiciary's Return Item File for each ACH return. These unique Transaction ID's will be used by the Judiciary for reconciliation and customer service purposes.

E. Check Disbursement Requirements and Services

The following check disbursement information and check disbursement service requirements will not be repeated in other sections. The below services will be required for all **nine (9) check disbursement accounts** listed below.

1	Probation Disbursement Account
2	Bail Disbursement Account
3	Special Civil Disbursement Account
4	Superior Court Trust Fund Disbursement Account
5	Appellate Disbursement Account
6	Attorney Collateral Disbursement Account
7	Supreme Court Disbursement Account
8	Board on Continuing Legal Education Disbursement Account
9	Board on Attorney Certification Disbursement Account

All check disbursement accounts will be established as controlled disbursement, positive pay accounts and are to be properly funded by daily funds transfers from accounts which are not part of the Judiciary Disbursements RFP. The bank must be able to accept and process void/cancel, stop, and issue information daily, weekly, and monthly.

In Fiscal Year 2017, there were approximately **2,100 funds transfers** into the disbursement accounts to cover check activity totaling approximately **\$110 million.**

The bank must provide statewide check cashing services for recipients of State of New Jersey Judiciary issued checks at no cost to the Judiciary and its customers.

1. Check Issue

The State will transmit check issuance information to the bank for all check disbursement accounts.

If it is determined by the State that both parties have exhausted all acceptable electronic file transmission options available, a CD-ROM, or other suitable durable medium agreed upon by both parties will replace the electronic transmission file. OIT personnel will call the bank to instruct the bank to make courier arrangements for pickup of the media at no cost to the State.

The bank must immediately notify the New Jersey OIT team in the event of a transmission failure or the inability to receive/transmit required files in accordance

to the State's time requirements. The State prefers to be notified via email in the event of a transmission failure.

The bank's system must be compatible with the State's systems in order to update the bank's database upon receiving check issue information. A backup file will be kept by the State for **seven (7) working days** for use in the event of a faulty or failed transmission. All files must remain the property of the State.

When data is received, delivered manually or transmitted electronically to the bank or by the bank, the bank must utilize adequate security techniques in order to ensure the protection of the data and the integrity of the system.

See **EXHIBIT A State of New Jersey OIT File Transfer Guide** for a detailed description of the file protocol and methods of transmission supported by the State. The bank must clearly identify that it can support the file protocol and methods of file transmission described in **EXHIBIT A State of New Jersey OIT File Transfer Guide**.

a. Check Issue File Transmission

The State of New Jersey, Office of Information Technology (OIT), will transmit a Check Issue File to the bank for only the **three (3) check disbursement accounts** listed below, with file totals included. Although the standard frequencies and times are listed below, the State reserves the right to send files at varying frequencies, according to agency needs.

1	Bail Disbursement Account (daily)	Each business day approximately between the hours of <u>8:30 a.m. E.T.</u> to <u>11:00 a.m. E.T.</u>
2	Special Civil Disbursement Account (weekly)	The first business day of each week approximately between the hours of <u>9:00 a.m. E.T.</u> and <u>10:30 a.m. E.T.</u>
3	Probation Disbursement Account (monthly)	Once within the first six (6) days of the month approximately between the hours of <u>10:00 a.m.</u> and <u>11:00 a.m. E.T.</u>

See **EXHIBIT L Check Issue File Layout and Probation Void File Layout** for the Check Issue File layout and data elements for the above accounts.

Currently, only the Special Civil Disbursement Account will require a monthly Paid Check File from the bank. However, the Judiciary has future plans to expand the use of this file for other disbursement accounts. The bank must be able to provide this file in the required format for all disbursement accounts, if requested by the Judiciary.

The method of transmission will conform to transmission protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide**. It is the State's preference to use Connect:Direct Secure+ when transmitting check information and the bank(s) providing this data transmission option will be rated favorably during the evaluation process.

Upon successful receipt of the Check Issue Files for the Probation, Bail, and Special Civil Disbursement Accounts, the bank must send a Check Issue File Confirmation to OIT indicating the file was accepted. The State prefers to be notified via email. The confirmation must be received by OIT personnel **within 30 minutes** of the file transmission being received by the bank. The confirmation must contain the following items for each individual file received:

1	Date and time file is received by bank
2	Account Number
3	Account Name
4	Batch Number
5	Date and time file is captured by bank
6	Amount of registered and stopped items received
7	Dollar amount of registered and stopped items received
8	Stops Received
9	Registered Items Captured
10	Registered and stopped items rejected

In the above table, registered items indicate the total number of records on the transmitted file. Stop items indicate any line items that are rejected due to formatting errors, if any.

The bank must provide the State with account reconciliation reporting for each check disbursement account and the reporting should be included in the full ARP Service the bank provides. (See page 66 of this RFP for a description of the automated bank reconciliation services requirements.)

b. Check Issue via Web-Based Inquiry/Communication System

The New Jersey Judiciary will transmit check issue information for the **six (6) check disbursement accounts** listed below, to the bank, via the bank's Web-based Inquiry/Communication System, with file totals included.

The bank must be able to minimally accept a CSV (delimited) file layout via the bank's Web-based Inquiry/Communication System. Due to the low volume of checks issued from these accounts, check issue information will be sent on an as needed basis.

1	Appellate Disbursement Account
2	Attorney Collateral Disbursement Account
3	Superior Court Trust Fund Disbursement Account
4	Supreme Court Disbursement Account
5	Board on Continuing Legal Education Disbursement Account
6	Board on Attorney Certification Disbursement Account

See **EXHIBIT M** for the **Check Disbursement Accounts Transaction Statistics** for Fiscal Year 2017.

The transmission of the file must require dual approval through the web-based application before the file is added to the bank's database.

The State must also be able to send the bank stop information for the above **six (6) accounts**, via the bank's Web-based Inquiry/Communication System.

Stops should also require dual approval through the web-based application before being uploaded to the bank's database.

The bank must provide the State with account reconciliation reporting for each check disbursement account and the reporting should be included in the full ARP Service the bank provides. (See page 66 of this RFP for a description of the automated bank reconciliation services requirements.)

Related reporting of individual issues transmitted to the bank for processing is also required.

c. Probation Void File

New Jersey OIT will transmit a Daily Void File with void/cancels and/or stop information for the Probation Disbursement Account only, most, but not all, business days at approximately **4:05 p.m. E.T.** OIT does not transmit a file to the bank if there were no records to send. The bank must process voids/cancels and/or stops so that the voids/cancels and/or stops are in effect as soon as the requests are received by the bank, whether the void/cancel and/or stop is received by the bank manually or electronically.

The bank must not charge a fee for voids/cancels done via file transfer or via the bank's Web-based Inquiry/Communication System.

See **EXHIBIT L Check Issue File Layout and Probation Void File Layout** for the Probation Void File layout and data elements.

The method of transmission will conform to transmission protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide**.

Related reporting of individual issues transmitted to the bank for processing is also required.

Upon successful receipt of the Probation Void File, the bank must send a confirmation to OIT indicating the file was accepted. The State prefers to be notified via email. The confirmation must be received by OIT personnel **within**

30 minutes of the file transmission being received by the bank. The confirmation must contain the following items for each individual file received:

1	Date and time file is received by bank
2	Account Number
3	Account Name
4	Batch Number
5	Date and time file is captured by bank
6	Amount of registered and stopped items received
7	Dollar amount of registered and stopped items received
8	Stops Received
9	Registered Items Captured
10	Registered and stopped items rejected

In the above table, registered items indicate the total number of records on the transmitted file. Stop items indicate any line items that are rejected due to formatting errors, if any.

In the future, the Judiciary may require that the bank must be able to receive a Void File for all of the check disbursement accounts in this RFP, sent via file transmission and/or the bank's Web-based Inquiry/Communication System.

2. Paid Check File

On a monthly basis (except for Federal Reserve Banking System holidays), the bank will be required to transmit a Paid Check File to Judiciary ITO for the Special Civil Disbursement Account only. The vendor must provide a schedule via email of Federal Reserve/Banking holidays prior to December 15th of each year for the subsequent calendar year.

See **EXHIBIT N** for the **Special Civil Paid Check File Layout** and data elements.

This file must be sent to Judiciary ITO on the fifth business day of each month at **8:00 a.m. E.T.** for the prior month's check activity.

The method of transmission must conform to transmission protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide**. It is the State's preference to use SFTP when receiving the Paid Check File and the bank(s) providing this data transmission option will be rated favorably during the evaluation process.

The bank must clearly identify that it can support the file protocol and methods of file transmission described in **EXHIBIT A State of New Jersey OIT File Transfer Guide**.

When data is received, delivered manually or transmitted electronically to the bank or by the bank, the bank must utilize adequate security techniques in order to ensure the protection of the data and the integrity of the system.

In the future, the Judiciary may require that the bank must be able to send a Paid Check File for all of the check disbursement accounts in this RFP, sent via file transmission and/or the bank's Web-based Inquiry/Communication System.

3. Web-based Positive Pay Services

All checks presented for payment must be processed through the bank's positive pay system. Each day, as the bank clears the checks, a computer match will be made against the check issue information sent by the State, by check number and dollar amount.

Checks that are not bank errors and do not exactly match to the State's issue file are to be considered exception items. If the exception item(s) cannot be corrected by the bank, the item(s) must be presented to the Judiciary via the bank's Web-based System for review and "pay/no pay" instructions. Once a check is processed through the bank's positive pay system and a decision/determination is made by the Judiciary, the item/check must not be resubmitted.

The default for all check disbursement accounts must be for the bank to return all exception items unless the Judiciary indicates otherwise.

The Judiciary must be able to download and print the front and back of check images, pay or no pay decisioning reports, and final posted pay or no pay decisions for Positive Pay via the bank's Web-based Inquiry/Communication System.

In Fiscal Year 2017, there were approximately 127,000 checks processed through the bank's positive pay system.

4. MICR Testing

The State will initially provide the bank with 25 checks per account for testing purposes. If the bank requires any amount other than 25 checks, please stipulate the quantity required in your proposal submission. Test checks will be made available to the bank when requested. The State should not incur cost for MICR testing services. MICR testing results should be available to the State within five (5) business days.

The State continuously monitors its current processes and procedures in order to evaluate the cost effectiveness of its current systems and to explore the viability of alternatives in the industry. Therefore the State reserves the right to make enhancements and changes to its current check printing equipment and check stock. Although the Judiciary will not be utilizing the bank for check stock or printing, the bank must support the State in its efforts to enhance its check printing process and be willing to MICR re-test all checks impacted by State enhancements, at no cost to the State.

The bank must accommodate the following check numbering convention, unless otherwise specified by the Judiciary:

The first two (2) digits of the Magnetic Ink Character Recognition (MICR) check number must identify the county (01 through 23), except where the Judiciary designates. Using the first two (2) digits of the check number, the bank shall identify the county initiating the check on all of its systems used to track Judiciary disbursements and in all of its reporting and reconciliations.

5. “No Fee” Check Cashing Requirements

Due to the nature of the funds being disbursed from these accounts, the chosen bank must maintain a strong branch presence throughout the State and commit to providing **“no fee” check cashing services** to the Judiciary and its customers. It is the State's requirement that the vendor bank has locations with check cashing capabilities in or in close proximity to each county of the State. The Judiciary defines close proximity as within 30 minutes of normal travel time one way. The bank's capability and commitment to provide state-wide check cashing service will be a factor considered in the technical analysis of this proposal.

The bank must provide a current list of all its check cashing facilities in the State of New Jersey. The list should be organized by county. The bank should also include a map of the State with locations of all available check cashing facilities depicted.

Upon presentation of acceptable identification (to be identified by each bidding bank) the bank must cash all checks presented for payment at all member bank locations in New Jersey or other New Jersey locations as contracted by the bank, and **at no cost** to the Judiciary and its customers.

A check may not be cashed if any one or more of the following conditions exist:

- Postdated check;
- Improperly endorsed check;
- Endorsement missing;
- Incorrect or missing “authorized signature” (The authorized signers will be provided to the bank for each account after contract award);
- Check amount altered or any other alteration affecting the bank to process the check;
- Security watermark missing or altered;
- Void/cancel and/or stop payment information has been communicated to the bank;
- Third party check

6. Stale Dated Checks

Disbursement checks will contain the legend “VOID after the stipulated number of days”. The bank should provide Stale Dated service, which should require that any check presented after the void stipulation period expires should be returned unpaid. It is the State’s preference for the bank to provide Stale Dated Check service.

The bank should address situations where a Judiciary customer may have presented a check timely to a bank of first deposit but the check had become stale dated by the time it was presented to the vendor bank. The State prefers, in these instances, that the check be honored by the vendor bank if the date received by the bank of first deposit is within the stipulated void period.

7. Paid Check Image Retrieval and Retrieval Performance

The State requires that the vendor provide the following services: imaging, storage, retrieval, and destruction services for paid and canceled checks as it offers efficient use of state and bank resources. Checks are required to be scanned, converted to electronic images, stored on computer media, and retrieved via the Internet.

Under no circumstances shall the bank release any state record including copies and images of checks, bank statements, logs, etc., to anyone except authorized individuals of the State. All requests for State records should be referred to the Judiciary. Images should be stored in a manner that allows immediate retrieval via the Internet for checks imaged within **one (1) year** of cancellation and **24 hours** for older records.

8. Check Forgery Investigations

The vendor bank will be responsible for the prompt investigation of all forgery claims and subsequent payment(s) to the State for all resolved claims.

Upon the receipt of a forgery claim, the vendor bank must immediately begin its investigation and assign each forgery claim with a unique case/reference number. The bank must acknowledge the receipt of each forgery claim by sending an email

to the Judiciary containing the unique case/reference number, the name of the payee and the check number.

The vendor bank must complete each forgery investigation within **sixty (60) calendar days** of receipt of the forgery affidavit. If it is found that a thorough investigation cannot be completed within the aforementioned time frame (e.g. the cashing bank fails to make restitution or provide a "Letter of Denial") the vendor bank must issue a cashier's check(s) to the State for the amount of the outstanding forgery claim(s).

If the vendor bank neglects to complete a forgery investigation within **sixty (60) calendar days** of receipt of the forgery affidavit, the State of New Jersey reserves the right to withhold the total check amount under investigation from the bank's monthly invoice.

If a forgery claim is found to be legitimate, the vendor bank must notify the Judiciary via email and send a cashier's check made payable, as directed by the Judiciary to either:

- The payee (claimant) with the case and check number referenced (or)
- The State of New Jersey, with the name of the payee (claimant), case and check number referenced.

If a forgery claim is found to be not legitimate, the vendor bank must notify the Judiciary via email and forward the original forgery affidavit, image copy of the canceled check and "Letter of Denial" along with a detailed explanation of the bank's findings. The cause for denial of the forgery claim must be consistent with the general law of negotiable instruments and accepted by the State of New Jersey.

If the bank accepts/cashes an improperly endorsed check (i.e. not endorsed as drawn) or altered check (i.e. changed payee name or address) the bank must not treat the improperly endorsed check(s) as a forged item. Instead, the bank must issue a check to the State for the entire amount within ten (10) banking business days.

A credit to the Judiciary bank account is NOT an acceptable form of payment to settle a forgery claim. The bank must not charge the State of New Jersey or the payee/claimant a fee for issuing or replacing a previously issued cashier's check.

In Fiscal Year 2017, there was 1 forgery investigation initiated for any of the Judiciary accounts.

F. 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 Inquiry/Communication system. The authorized personnel will be identified after contact award. It is estimated that 55 State employees will require web-based account access to the bank's system.

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 information other than their own.

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 six (6) months of historical activity. The user must be able to create queries so reports can be sorted by the following parameters (including, but not limited to):

1	Account Number
2	Settlement Date
3	Transaction Type (Check, ACH debit origination, NOC, ACH return)
4	Transaction Amount
5	Check Number
6	Check Date

1. 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 **7:00 a.m. E.T.** the same day as settlement:

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

2. Web-based ACH Inquiry/Communication System

The bank's Web-based ACH Inquiry/Communication System must provide State personnel access to all ACH activity including exception items (i.e. ACH debit originations, NOC's, and ACH returns) by **7:00 a.m. E.T.**

All ACH debit originated transaction items must be accessible to the State via the bank's Web-based Inquiry/Communication System the same day of settlement.

All other transaction items (NOC's and ACH returns) must be accessible to the State via the bank's Web-based Inquiry/Communication System the same day the

transaction item is received by the bank. Users must have the ability to search for ACH return items by selecting an account number and return date.

ACH return transaction items must contain the following transaction details:

1	Incorrect account number
2	Effective date
3	Amount
4	NACHA Return Code
5	Transaction ID
6	Name
7	ACH trace number

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

The bank's Web-based Inquiry/Communication System must be able to warehouse data until the transmission execution date.

The State must be able to generate ACH debit originations and ACH payments via the bank's Web-based Inquiry/Communication System.

3. Web-based Check Inquiry/Communication System

The bank's Web-based Check Inquiry/Communication System must provide State personnel access to all check activity detail by **7:00 a.m. E.T.** The bank's Web-based Check Inquiry/Communication System should contain a **minimum of eighteen (18) months of the most recent outstanding items**, and a minimum of **eighteen (18) months of paid activity**.

The bank's Web-based Check Inquiry/Communication System must be updated daily to reflect new issues, paid items, voided/canceled items and stop payments.

Only authorized personnel from the State will be permitted to initiate inquiries. Authorized personnel will be identified for each account after contract award.

a. Web-based Check Status Inquiry Module

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 such as "Check Status Inquiry", the bank must provide a 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.
- Cancel/Void
- 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 a given check.

b. Web-based Paid Check Imaging

State personnel must have the ability to view all check disbursement activity for all accounts and any additional accounts that are added. The bank must capture all paid check images (front and back). The front and back of the check must constitute as **one (1) image.**

The majority of image retrieval usually occurs within **nine (9) months** from the check issue date; however, the State occasionally needs to retrieve

images dating back **seven (7) years** from the date of check issue; therefore, paid check images must be archived for **seven (7) years**. The bank's Web-based System must provide an image and data archive, enhanced search and user capabilities and provide multiple users access to the system at one time. All account data must be stored and accessible within 24 hours. All paid check images (front and back) must be stored and accessible within 48 hours.

No external Personal Computer (PC) based application will be accepted for the retrieval of check copies.

The bank must provide security features in the Web-based System including a secure internet connection between the bank and State servers, password access to the bank's website and user access limited by bank account. The bank must not permit unauthorized State or bank personnel to initiate inquiries.

The bank must provide retrieved images that display both front and back of checks and print locally as a single document. The bank must include a certification of authenticity statement such as, *"This is a legal copy of your check. You can use it the same way you would use the original check."*

The Web-based Check Inquiry System must be updated daily to reflect new issues, paid items, rejected items, voided/canceled items and stop payments.

Paid check activity should be stored and accessible via the bank's Web-based System covering a minimum of **eighteen (18) months**.

Outstanding items should remain on the bank's Web-based Inquiry/Communication System covering a minimum of **eighteen (18) months**.

The bank's Web-based Inquiry/Communication System must offer check images (front and back) of all paid checks. The bank must provide the State with paid check image retrieval accessibility based on individual and

multiple checks and information contained in the MICR line including account number, amount of check, and check number and date range.

The Judiciary must be able to search for a check's status, including but not limited to the following classifications:

1	Location Code
2	Amount
3	Amount Range
4	Check Number
5	Check Number Range
6	Bank Account Number
7	Date Period Covered
8	Beginning Check Number
9	Check Issue Date
10	Check Paid Date
11	Outstanding (Not Paid)
12	Stop

Once an inquiry has been received by the bank's system, the bank should provide search inquiry results within **five (5) seconds**.

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 bank of first deposit's deposited check within **three (3) business days**.

The bank must only require the check number and account number when the Judiciary retrieves/requests paid check images.

The bank should provide copies of paid checks beyond the **seven (7) year retention period**, if requested by the Judiciary.

c. Web-based Stop Payment, Void/Cancel Module

The State must have the ability to electronically request stop payments, stop payment removals, and voids/cancels on checks via the bank's Web-based Inquiry/Communication System. Users must have the ability to select the account number and enter either a single check serial number or a range of check serial numbers without the need to sign in for each individual stop payment request, stop payment range request, or void/cancel. Other than access security, the check number and account number must be the only required information for requesting the placement or removal of a stop payment or void/cancel.

The bank must provide a stop payment and void/cancel contingency plan that functions the same as an electronically issued stop payment or void/cancel. State personnel must have the ability to issue these manual stop payments and voids/cancels via a contingency method, such as telephone, and have the ability to include a single check serial number or a range of check serial numbers.

All stop payments, voids/cancels must be effective immediately when placed electronically or upon receipt by the contingency method, and continue for **eighteen (18) months** or until removed by the Judiciary.

Stops should require dual approval through the web-based application before being uploaded to the bank's database.

Voids/cancels should require dual approval through the web-based application before being accepted by the bank.

The bank must not charge a fee for voids/cancels done via file transfer or via the bank's Web-based Inquiry/Communication System.

The bank must provide for void/cancels and stop payments that protects the State from the time of communication of the void/cancel and/or stop is communicated to the bank. The bank must have systems in place to

perform voids/cancels and stops on a real time basis that reflects the most up-to-date status of any check drawn on its bank.

In Fiscal Year 2017, the Judiciary placed approximately **450 stop payments.**

4. 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 amount to be entered.

The vendor bank must also provide the State the ability to complete draw-downs to/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, **7:00 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.

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 <u>7:00 a.m. E.T.</u> to <u>4:30 p.m. E.T.</u> 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.

The Judiciary 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 and PDF formats and it must include the following details:

- Value 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 the Judiciary via email, telephone, or the bank's Web-based Inquiry/Communication System if a wire fails or is rejected. The Judiciary contacts will be established after contract award.

In Fiscal Year 2017, there were approximately **12 wires** transmitted out of the Judiciary Attorney Collateral ACH Account totaling **\$49 million.**

In Fiscal Year 2017, there were approximately **212 wires** transmitted out of the Client Protection Fund ACH Account totaling approximately **\$1.6 million.**

G. Bank Statements and Reporting

As part of processing payments, the bank must provide the following reports for all accounts, where applicable:

1	Daily Automated Balance Report
2	Monthly Bank Statement
3	Daily Controlled Disbursement Report
4	ARP Reports

The bank must provide monthly reports that contain information through the close of the last business day of the month.

The bank must provide account activity information including, but not limited to, paid checks, stops, voids/cancels, returns, reconciliation information, on a daily, weekly, or monthly basis, as designated by the State.

The bank must maintain reporting retention for **seven (7) years** from the report issue date.

The bank must provide a **hard copy** of all monthly ARP reports and bank statements to the below address, no later than the **seventh (7th) business day of the month**, immediately following the month the services are provided. The bank may send one (1) monthly package containing all reports. All reporting must be provided to the Judiciary via hard copy for active and non-active accounts.

Judiciary Banking and Cash Management Unit
Hughes Justice Complex – 8th Floor North
P.O. Box 980
Trenton, NJ 08625

1. Daily Prior Day Balance Reporting

All accounts established in **EXHIBIT I New Jersey Judiciary 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 will pull the file from the bank's server using Secure File Transfer Protocol (SFTP). 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.

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, the State requires that the chosen bank remain flexible throughout the term of this contract and any extensions as it relates to the method of balance reporting in unencrypted BAI2 format.

2. Monthly Bank Statements

The State requires a monthly bank statement be provided for each account on a “calendar month basis” via the bank’s Web-based System.

The State must have the ability to download and save the monthly bank statements in the PDF format (for auditing purposes the State cannot accept a file that can be altered in any way). The Judiciary must also have access to its bank statement, reconciliation report and support documents no later than **3:00 p.m. E.T. three (3) working days** after the months’ end.

The bank must maintain the Monthly Bank Statement for all accounts established as result of this RFP for **seven (7) years**.

A monthly bank statement must be provided for all accounts under this contract even if there was no banking activity in the account(s) during a monthly reporting and reconciliation cycle.

All bank statements must include the following information:

1	Bank Account Number
2	Transaction Date
3	Settlement Date
4	Transaction Type
5	Transaction Amount
6	Name

7	ACH Trace Number and Other Related ACH Information
8	Any Other Addenda Supplied
9	Wire Related Information
10	Location Code
11	Check Number
12	Check Date

3. Daily Controlled Disbursement Reporting

The bank must provide same day and previous day disbursement reporting for all disbursement accounts via the bank's Web-based Inquiry/Communication System. The bank must provide final notification of the disbursement totals per account no later than **10:00 a.m. E.T.** each business day. In the event of an electronic failure, the bank must provide disbursement information to the Judiciary through an alternate means within the specified timeframe. The bank must have an alternative reporting method.

See **EXHIBIT O** for a sample of the **Controlled Disbursement Summary Report.**

4. Automated Bank Reconciliation Services

The vendor bank must provide all check disbursement accounts with full bank reconciliation services.

The vendor bank must provide the State with reconciliation reporting, including all supporting documents, via the bank's Web-based Inquiry/Communication System and in hard copy.

The reconciliation data must be downloadable in Excel, CSV/comma separated value, or a text file as in fixed length text file or delimited American Standard Code for Information Interchange (ASCII) text file format. Data delivery must be accomplished via a download from the bank's website. The bank must provide the required standard and account reconciliation reporting via its Web-Based

Inquiry/Communication System. All reports and files using data submitted by the bank must be reconciled against any statements and reconciliations by the bank.

The bank must ensure reporting retention for **seven (7) years** from the report issue date.

The vendor must note all exceptions or irregularities in the reconciliation. The vendor must list the exceptions and/or irregularities per account, by check number, date and amount. The vendor must also provide a description of the exception and/or irregularity. The vendor must clear up these items whenever possible within the current reconciliation period but no later than **ten (10) business days** after the close of the current reconciliation period. No exceptions or irregularities shall remain beyond **thirty (30) days**.

The vendor shall reconcile the accounts monthly. Monthly is defined as the first day of the calendar month to the last day of the calendar month.

For all the Account Reconciliation Program (ARP) accounts, together with the bank statement, the vendor bank must provide the Judiciary with an ARP reconciliation report package to be received no later than **seven (7) business days** after the last activity date of the statement period. The vendor bank must be consistent in its method of ARP reconciliations from month-to-month. The bank must explain, in writing to the Judiciary, any change in the manner in which transactions are handled before any such change takes place.

The bank must provide support for all accounting items on the monthly reconciliation report summary page with detail backup information. All items which remain unsubstantiated, undocumented, missing, or otherwise unable to be justified by the bank must be reversed by the bank within **fifteen (15) business days**.

The vendor must respond within **ten (10) business days** to all Judiciary inquiries, discrepancy notifications and other reconciling items. Items remaining unresolved beyond the **ten (10) business days** due to a lack of the bank's response, no identification, or inadequate substantiation shall be communicated

to the Judiciary in writing and reversed by the bank within the next **five (5) business days.**

The Judiciary must receive all of the following ARP reports by the **7th business day** after month's end.

1	Bank Proof ARP Reconciliation
2	Debit/Credit Adjustment Report
3	Recap of Posted Items Report
4	Monthly Consolidated Account Detail Summary Recap Report
5	Monthly Unpaid Items Report (2 copies)
6	Monthly Open Paid No Issue Report
7	Current Period Stop Payment Report (2 copies)
8	Current Period Stops Removed Report
9	Current Period Void/Cancel Report (2 copies)
10	Current Period Voids/Cancel Rejected Report
11	Monthly Paid Only Report

Please see **EXHIBIT P Account Reconciliation Reporting** for the required reconciliation reporting layouts and data elements needed on each report.

For each report with a county identifier, the bank must provide subtotals by county and account. The bank must also provide grand totals which includes the sum of all county totals for each report.

H. Customer Service/Inquiries

The bank must provide the State with multiple options for opening a support ticket and must respond to all State inquiries in a prompt, efficient and courteous manner.

The bank must provide access to designated customer service contacts during normal State hours of operation, Monday thru Friday between **7:00 a.m. and 4:30 p.m. E.T.**

The bank must provide access to designated customer service representative via phone, web conference, email, or other method of communication, **24 hours a day, seven (7) days a week.**

Performance standards regarding the number of rings prior to calls being answered and the average “on-hold” time must be consistent with current industry standards.

System down requests should be handled within **one (1) hour** of contacting customer support. An E-Notification process should be used for planned and unplanned downtime or equivalent, to inform the Judiciary or designee of changes to the test and production systems. The bank should provide technical support engineers and developers to incorporate the bank’s information system into the Judiciary’s information systems.

I. 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 must provide proper lines of communication including: names and titles of contact personnel, locations of operation, office hours, telephone number(s) (office and cell), fax number, email address for immediate response to any request for information pertaining to this RFP.

The State requires that the vendor designate a **minimum of two (2) individuals** for each category noted below (not necessarily all inclusive) who will be responsible for responding to daily inquiries, resolving on-going problems and providing initial and on-going training, etc. Please note that a customer service group does not meet this requirement.

Primary and backup contact for each category:

1	General Customer Service contacts
2	ARP Reconciliation contacts
3	ACH Services (including file transfer) contacts
4	Check status inquiry problems contacts
5	Controlled disbursement reporting contacts
6	Web-based Inquiry/Communication System contacts
7	Daily balance reporting/daily disbursement reporting contacts
8	Training personnel contacts
9	Account adjustments

In the event a personnel change results in a different contact being assigned to the State, written notification will be provided **15 days prior** to the change becoming effective. The same notification requirements apply to a change in contact at the subcontractor level.

The Judiciary prefers that the tracking of routine inquiries are done via the bank's Web-based Inquiry/Communication System. The Judiciary should enter issues and see the resolution of those issues in the Web-based Inquiry/Communication System. Inquiry history should remain on the system for **sixty (60) calendar days.**

J. 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 Trenton 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.

K. 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 the New Jersey Judiciary during the implementation and testing phases.

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.

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

The bank must be certain that the Web-based Inquiry/Communication System is operating satisfactorily and that State personnel have been properly trained on its use.

The State estimates approximately **55 State employees** will require training.

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 Section VII., Vendor Response.
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 all required reports and documents.
The adequacy of the security measures, contingency plans and backup procedures.
Check disbursement services, check cashing services, and all related reporting.
Full Bank Reconciliation Service.
The bank's commitment to provide adequate technical and personnel resources to satisfactorily meet the requirements of the RFP.
ACH receiving and reporting capabilities.
Web-based Inquiry/Communication System reliability, capabilities and ease of use.
The State's overall assessment of client references.
Completeness and feasibility of the bank's implementation, testing and training plans.
Ability to accommodate any future State-mandated program changes within the time frame acceptable to the State.
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 II. TERMS AND CONDITIONS**, **SECTION III. OTHER MANDATORY PROVISIONS** and **SECTION IV. 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. Confirm the bank maintains a branch presence throughout the State of New Jersey. Include a detailed list of all bank locations throughout the State, broken down by county. The bank should also include a map of the State with locations of all available check cashing facilities depicted.

Provide specific demographics pertaining to these locations; e.g. maximum number of tellers and hours of operation, etc. Define what forms of identification will be considered “acceptable forms of identification” by all bank locations in New Jersey.

If a branch location closure/merger has recently occurred or been announced prior to or during the vendor’s proposal preparation period the bank must disclose that information.

Confirm the bank will cash all checks presented for payment at all member bank locations in New Jersey at “no cost” to the Judiciary and its customers.

3. 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’s understanding that the State will not amend its requirements to accommodate a sub-contractor’s unwillingness to provide required documents or its inability to deliver services exactly as stated/required in this RFP.

4. 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.

Confirm the bank and any successor vendor (in the event of merger/acquisition or other change in operating status), will assume sole responsibility for the complete effort of any contract(s) awarded to the bank 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.

Confirm the bank and any successor vendor (in the event of merger/acquisition or other change in operating status) will assume sole responsibility for providing in person training to essential State employees.

5. 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.

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

Per **EXHIBIT A State of New Jersey OIT File Transfer Guide**, it is OIT's preference to use Connect:Direct Secure+ for all check issue file transmissions.

However, it is Judiciary ITO's preference to use SFTP for the paid check file and all ACH related file transmissions. A bank's ability to support these data transmission options will be rated favorably during the evaluation process. List all the file transfer protocols supported by the bank.

7. Confirm that the 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 vendor-generated transaction records will be made available to the State for a period of **seven (7) years from the date of transaction**.

8. Respond to **SECTION III. 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 Policy Statement: Department of the Treasury 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). As mandated by Public Law 2001, Chapter 134, failure to submit a copy of the Business Registration

Certificate within the bid proposal will be considered materially non-responsive and result in disqualification of the bid proposal.

- 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 Source Disclosure Certification Form**, 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. **Public Law 2005, Chapter 51 / Executive Order 117 (2008) Dual Certification:** Vendors must complete and submit **EXHIBIT F Two-Year Chapter 51/ Executive Order 117 Vendor Certification and Disclosure of Political Contributions Form** within **five (5) business days** from the date on the "Intent to Award" letter issued by the Office of Management and Budget, Cash Management Unit.
- h. **Disaster Recovery Plan:** Vendor must include a summarized Disaster and Recovery Plan in the vendor's proposal and detailed plans must be made available for State review. Specifically address your contingency plans for data processing systems, equipment, power, information reporting, or other failures that would affect services or reporting of data. Confirm that the bank's system will be completely functional **within 48 hours of a major disaster**.

Confirm the bank is able to receive and process data files from the State in the following formats: electric transmission, CD-ROM.

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.

- i. **Destruction Requirements:** Confirm if the bank will destroy all public documents in accordance with State regulations and follow the retention schedule promulgated by NJDORES.
9. Confirm the compensating balance will be considered as the total average collected balance of each 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.
10. 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.
11. 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. account adjustments, daily operations, hard copy reports, electronic reports, account reconciliation reporting, file transmission issues, daily balance reporting, invoices/analysis, bank statements, earnings credit rate, controlled disbursement, positive pay, ACH services including ACH debit blocks, Web-based Inquiry Communication System to perform account detail and summary look ups, paid check images, transaction detail information and to initiate transactions (i.e. stop payments and payment voids/cancels), disaster and recovery, technology issues, customer services, implementation and 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. (Please note that a customer service group does not meet this requirement):

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

12. 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; check disbursement services, controlled disbursement services, ACH debits and debit block services, earnings credit rate, daily balance reporting, access to the bank’s Web-based Inquiry/Communication System to complete inquires 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.

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 has electronic CCD, CCD+, PPD, PPD+ and CTX file transfer sending and receiving capabilities.

14. Acknowledge the bank understands that the State reserves the right to increase, decrease, and/or consolidate the number of accounts, as the need arises, during the course of the contract term.

15. Confirm that all accounts established as a result of this RFP will be protected against unauthorized ACH debit activity. Confirm the bank will assist the Judiciary with obtaining funds if the Judiciary identifies unauthorized debit activity.

Confirm that the bank is a member of the Federal Reserve direct wire system and will accept incoming wire transfers and process outgoing wire transfers. Confirm if the bank

can prevent unauthorized Fed wires. Confirm the bank will assist the Judiciary with returning funds if the Judiciary identifies unauthorized wire activity.

16. Confirm the bank will accommodate the Judiciary's check numbering convention, unless otherwise specified by the Judiciary. The first **two (2) digits** of the MICR check number must identify the county (01 through 23), except where the Judiciary designates. Using the first **two (2) digits** of the check number, the bank must identify the county initiating the check on all of its systems used to track Judiciary disbursements and in all of its reporting and reconciliations.

17. Confirm that all accounts established as a result of this RFP will be established as "Preferred Status" accounts. Confirm that all accounts will be established with a credit line sufficient to cover all daylight overdrafts without penalty or additional charge to the State, and all checks, ACH's, and wires will be honored regardless of the current balance in the account(s). Confirm the bank will cover overdrafts on those occasions when there is a non-bank holiday.

In the rare situation that an overnight overdraft occurs, confirm the bank will honor all checks, ACH's, and wires without penalty or additional charge to the State.

18. Confirm the bank is capable of receiving and effectively processing approximately **32,000 ACH debit origination transactions** per year that total approximately **\$207 million**.

Explain if the bank has any ACH file transfer size or transaction volume limitations.

19. Confirm the bank will establish an ACH delivery system for ACH debit origination and ACH payments via the bank's Web-based Inquiry/Communication System for the Automated Traffic System ACH Account.

Confirm the bank will follow all requirements in the Automated Traffic System ACH Account section of this RFP.

20. Confirm the bank can receive and process all ACH files that are received by the bank, whether via the bank's Web-based Inquiry/Communication System or file transfer protocol,

and that the funds associated with the transaction files will settle into the appropriate Judiciary ACH account the next banking business day.

21. Confirm the bank is capable of receiving the nightly ACH Debit Origination File **seven (7) days a week at 9:00 p.m. E.T.** and will submit this file to the Clearing House for processing by **10:00 p.m. E.T.**

Confirm the bank will provide Judiciary ITO with a file confirmation between the hours of **9:30 p.m. and 11:30 p.m. E.T.** via the same file transfer protocol the ACH Debit Origination File was transmitted, upon successful receipt of the nightly ACH Debit Origination File, containing all required data elements.

Confirm that the bank will notify Judiciary personnel by **9:30 p.m. E.T.** if the nightly file is not received.

22. Confirm all ACH debit originated transaction items will be accessible to the State via the bank's Web-based Inquiry/Communication System the same day of settlement and that all other transaction items (NOC's and ACH returns) will be accessible the same day the bank receives the transaction.

Confirm Judiciary users will have the ability to search for ACH return items by selecting an account number and return date.

23. Confirm the bank will have a documented contingency plan in place, either manual or other, as a backup to receive ACH data and that the contingency plan documentation or procedure will be available for the State to review upon request.

Summarize the bank's documented contingency plan, manual or other, in the event of file transfer failures.

24. Confirm that the bank, upon processing returned ACH transactions, will transmit a daily ACH Return Item File to the State that contains all returned transactions with the appropriate NACHA return codes, between the hours of **9:30 p.m. E.T. and 11:30 p.m. E.T.** daily after the ACH Debit Origination File is transmitted.

Confirm the bank will notify Judiciary ITO immediately and work with the State to resolve file transfer failures.

State whether the bank assigns a unique Transaction ID to each ACH transaction. Confirm the bank will report this unique Transaction ID on the Judiciary's Return Item File for each ACH return.

25. Confirm the bank's ability to receive check issue information via file transmission according to the frequencies and times listed in the RFP.

Confirm the bank will provide the State with a confirmation upon successful receipt of the Check Issue file transmissions **within 30 minutes** of the file being received by the bank, containing all required data elements. State how the bank will provide this confirmation.

26. Confirm the bank's ability to receive check issue information via the bank's Web-based Inquiry/Communication System on an as needed basis.

Confirm the bank can accept the check issue files in a CSV (delimited) file layout from the State via the bank's Web-based Inquiry/Communication System. Confirm the bank will require dual approval through the web-based application before the check issue file is added to the bank's database.

27. Confirm the bank's ability to receive a Probation Void File with void/cancels and/or stops information for the Probation Disbursement Account, most, but not all, business days at approximately **4:05 p.m. E.T.**

Confirm the bank will provide the State with a confirmation upon successful receipt of the Probation Void File transmissions **within 30 minutes** of the file being received by the bank, containing all required data elements. State how the bank will provide this confirmation.

28. Confirm the bank will process voids/cancels and/or stops so that voids/cancels and/or stops are in effect as soon as the requests are received by the bank, whether received manually or electronically. Confirm the bank will not charge a fee for voids/cancels and/or stops done via file transfer.

Confirm if the bank will require dual approval for stops done through the web-based application before being uploaded to the bank's database.

Confirm if the bank will require dual approval for voids/cancels done through the web-based application before being accepted by the bank.

29. Confirm the bank will transmit a Paid Check File to Judiciary ITO for the Special Civil Disbursement Account, on the fifth business day of each month at **8:00 a.m. E.T.** for the prior month's check activity.

30. Describe the bank's Positive Pay services and procedures. Detail the bank's procedures and turnaround times, given the State's requirements as outlined in this RFP. Confirm the default for all check disbursement accounts will be for the bank to return all exception items unless the State indicates otherwise.

Confirm checks that do not exactly match the State's Check Issue File information will be electronically presented to the Judiciary for review and "pay/no pay" instructions.

31. Describe the bank's MICR Rejection Standards and what penalties will be incurred by the State if these standards are not met.

If different than the 25 test checks suggested in the RFP, define the number of checks that will be required for initial MICR testing purposes and how often testing will be required. Confirm the State will not incur a fee for MICR testing services (both initially and on-going).

Confirm the bank will deliver MICR testing results to the Judiciary within **five (5) business days.** Define how the bank will deliver the MICR testing results (i.e. hardcopy, email or secure web page format).

32. Confirm that checks will not be cashed if any one or more of the following conditions exist: postdated check; improperly endorsed check; endorsement missing; incorrect or missing "authorized signature"; check amount altered or any other alteration affecting the bank to process the check; security watermark missing or altered; void/cancel and/or stop payment information has been communicated to the bank; third party check.

33. Confirm if the bank is able to meet the State's stale dated checks services requested in this RFP.
34. Confirm the bank can meet the Check Forgery Investigation requirements as stipulated in the RFP text, including the stipulated **sixty (60) day turnaround time** for payment to the State.
35. Provide a detailed description of the bank's Web-based Inquiry/Communication System. Include sample reports and screen shots of the requested modules. For evaluation purposes, provide a CD ROM or access to a web-based tutorial that highlights the capabilities and functionality of the bank's Web-based Inquiry/Communication System. Confirm the bank will provide all ACH and check activity, including exception items by **7:00 a.m. E.T.**
36. Confirm the bank's Web-based Inquiry/Communication System provides report generating capabilities reflecting all transactions processed for a **minimum of six (6) months.** Confirm the bank's system will permit users the ability to search, view, print and download/save reports in Microsoft Excel and PDF formats.
37. Confirm the bank's Web-based Inquiry/Communication System contains a Check Status Inquiry Module. Confirm this module will permit users the ability to search by check status (i.e. outstanding, paid, stop, cancel/void, no information on file) according, but not limited to, the classifications depicted in the RFP.

Confirm if the bank's system can provide search inquiry results within **five (5) seconds** once an inquiry has been received by the bank's system.

38. Confirm the bank's Web-based Inquiry/Communication System contains access to Paid Check Imaging. Confirm the bank will capture paid check images (front and back). Confirm the front and back of each check will constitute as **one (1) image.**

Confirm if all paid check activity will be accessible via the bank's Web-based Inquiry/Communication System covering a minimum of **eighteen (18) months** and if the outstanding items will remain on the bank's system covering a minimum of **eighteen (18) months.**

Confirm that Judiciary employees will have immediate access to paid check images that span back **seven (7) years** from the check paid date via the bank's Web-based Inquiry/Communication System or some other bank provided archive.

39. Confirm the bank's Web-based Inquiry/Communication System contains a Stop Payment, Void/Cancel Module that permits authorized State employees to electronically request stop payments, remove stop payments, and void/cancel checks via the bank's Web-based Inquiry/Communication System. Confirm users will have the ability to select an account number and enter either a single check serial number or a range of check serial numbers without the need to sign on for each individual stop payment request, stop payment range request, or void/cancel.

Confirm all stop payments, voids/cancels will become effective immediately when placed electronically or upon receipt of the contingency method, and continue for **eighteen (18) months** or until removed by the Judiciary.

40. Provide a detailed description of the bank's Web-based Wire Transfer System and include sample screen shots. Confirm the bank can comply with the requirement to wire transfer funds out 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 out.

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

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 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 State with a monthly bank statement for each account via the bank's Web-based Inquiry/Communication System and PDF format containing

the required data elements. Confirm the bank is able to maintain a Daily Bank Statement for all accounts established as a result of this RFP for **seven (7) years.**

43. Confirm the bank can provide same day and previous day controlled disbursement reporting for all disbursement accounts via the bank's Web-based Inquiry/Communication System.

Confirm the bank will provide final controlled disbursement notification of the disbursement totals per account no later than **10:00 a.m. E.T.** each business day.

44. Describe in detail the bank's Automated Reconciliation Service. Confirm the bank will provide all check disbursement accounts with full monthly bank reconciliation services as depicted in the RFP text and in **Exhibit P Account Reconciliation Reporting.** Confirm the bank will provide all reconciliation reports via the bank's Web-based Inquiry/Communication System and in hard copy.

The bank should include in its proposal a sample report or mock-up of all the ARP reports described in the RFP with explanations for codes, abbreviations, etc.

Confirm the bank will ensure reporting retention for **seven (7) years** from the report issue date.

Confirm the bank will list exceptions and/or irregularities per account, by check number, date, and amount, if applicable and that no exceptions or irregularities will remain beyond **thirty (30) days.**

45. Provide a detailed implementation schedule to achieve the **July 1, 2018** contract commencement requirement. Provide beginning and end dates for each of the critical RFP requirements: 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 implementation schedule must include at least one face to face post implementation meeting.

Detail the timeframes and resources required to establish and test the information exchange communications between the State and the bank pertaining to testing, file transfer testing, and automated balance reporting testing. Define both State and bank personnel commitment requirements during the conversion process.

Disclose any factors that may impact the proposed deliverable schedule and contract commencement requirement.

46. Confirm the bank acknowledges that 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, transmission, and any needed state approvals it requires.
47. Confirm the bank's ability to meet ALL the requirements outlined in this RFP, including but not limited to: account services and maintenance, daily automated balance reporting, required bank reports/files, monthly invoice and analysis, ACH services (including debit block), ACH reporting, ACH file transfers, check disbursement services, positive pay, controlled disbursement and related reporting, access to the bank's Web-based Inquiry/Communication System (including: account data information, paid check images, ACH detail information and wire transfer functionality). The bank must reveal all services defined in the RFP that it cannot provide according to the specifications. The bank should indicate why the bank cannot deliver the service or standard as 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 should 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 may be appropriate for this RFP. It is not necessary to provide pricing for each category. When completing the pricing schedule, place a "NA" in each category for which a charge is not applicable.

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

	Account Services and Maintenance		
1	Account Maintenance Fee	\$	/Account/Month
2	Full Account Reconciliation (including ARP reporting)	\$	/Account/Month
3	Daily Balance Reporting (Prior Day) (in BAI2 format)	\$	/Month
4	Funds Transfers In	\$	/Per Funds Transfer
5	Wires Out	\$	/Wire
	ACH Services		
6	ACH Files Originated (to Bank)	\$	/Per File
7	ACH Debit Origination	\$	/Per Item
8	ACH Payments Out	\$	/Per Item
9	ACH Returns	\$	/Per Item
10	ACH Debit Block	\$	/Account/Month
	Check Disbursement Services		
11	Positive Pay Maintenance	\$	/Account/Month
12	Positive Pay File Transmission	\$	/Transmission
13	Positive Pay Returned Item	\$	/Per Item
14	Check Paid (Positive Pay)	\$	/Per Check
15	Forgery Investigation	\$	/Per Item
16	Stop Payment (Manual)	\$	/Per Stop
17	Stop Payment (Web-based)	\$	/Per Stop
18	Stop Payment (Range)	\$	/Per Range
	Web-Based Services		
19	Controlled Disbursement Account Maintenance	\$	/Account/Month
20	Controlled Disbursement Reporting Current & Previous Day	\$	/Account/Month
21	ACH Reporting	\$	/Account/Month
22	Web-based Product Maintenance	\$	/Month

23	Web-based Account Inquiry	\$	/Per Inquiry
24	Web-based ACH Inquiry	\$	/Per Inquiry
25	Web-based ARP Reporting	\$	/Account/Month
26	Web-based Check Inquiry	\$	/Per Inquiry
27	Web-based Paid Check Image Maintenance	\$	/Month
28	Web-based Paid Check Image (All Checks Processed)	\$	/Per Item Imaged
	(OR)		
	Web-based Paid Check Image (Per Item Viewed)	\$	/Per Image Viewed
	Programming Fees		
29	Programming Fees (If Applicable)	\$	/Per Hour