



**THE NEW JERSEY DIVISION OF PENSIONS AND BENEFITS
ACH COLLECTION SERVICES**

REQUEST FOR PROPOSAL

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I. PURPOSE AND INTENT

The State of New Jersey Division of Pensions & Benefits (NJDPB) administers 10 separate pension systems for public employers throughout the State. The Division also administers the State Health Benefits Program (SHBP) and three supplemental retirement savings programs. This RFP will require services specific to the below three (3) State pension funds/systems and one (1) State Health System.

- Teachers' Pension and Annuity Fund (TPAF)
- Public Employees' Retirement System (PERS)
- Police and Firemen's Retirement System (PFRS)
- Health Benefits System (HEAL)

Administrative code 17:1-2.2 requires that pension contributions from local and State government entities be paid to the State of New Jersey Division of Pensions and Benefits via electronic funds transfer.

The purpose of this request is to solicit proposals from qualified New Jersey banks to collect pension and health obligations electronically via the debit origination process. The vendor bank is responsible for the establishment and daily maintenance of a Government Employer Database known as the Transmittal Electronic Payment System (TEPS). The bank is also responsible for the establishment and daily maintenance of a corresponding TEPS web-based payment system (with a NJDPB storefront) that allows government employers to remit pension and health benefits payments, related to the four (4) funds/systems listed above.

The TEPS Government Employer Database must work in conjunction with the TEPS web-based payment system.

Other required services include the accurate and timely processing of new and changed government employer enrollments and confirmation of document receipt to users. The bank is responsible for the entire ACH debit origination and pre-note processes. The bank must have file transfer sending capabilities, must provide the State with a wire transfer system for daily wire transfers out, a TEPS hotline call center to address government employer questions regarding TEPS, and must provide a Web-based Inquiry/Communication System for electronic reporting purposes.

There are approximately **1,700 local and State government employers** registered to pay their pension and health benefits electronically via TEPS.

The TEPS web-based payment system enables State and local government employers to electronically transmit up to **eight (8) different payment types**:

1	Pension Contributions
2	Contributory Group Life Insurance Premiums
3	Supplemental Annuity Collective Trust
4	Supplemental Annuity Collective Trust - Tax Sheltered Annuity
5	Pension and Contributory Insurance Underpayments (from prior reporting periods)
6	Retroactive Employee Contributions
7	Employer Pension Appropriation
8	Health Benefits Premium Payments (for both active and retired personnel)

Payment types 1 through 7 are applicable to the Pension funds/systems (TPAF, PERS, PFRS). Payment type 8 is only applicable to the Health Benefits System (HEAL). The vendor bank must be able to maintain and organize data according to fund/system.

The State reserves the right to increase and decrease the number of EFT payment types processed through the Division of Pensions and Benefits ACH Depository Account, during the course of the contract term. New payment types must be added within a reasonable timeframe; **not to exceed one (1) month, at no cost to the State**.

The State reserves the right via the unanticipated service clause to extend this contract to additional State agencies that require similar banking services during the contract term.

Note: Government employers are not offered the option of initiating wire transfers or ACH credits to the NJDPB and these types of transactions **must** be prevented. The State will, however, initiate wire transfers out of the Division of Pensions and Benefits ACH Depository Account on a daily basis.

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

The State of New Jersey agrees to comply with all current NACHA Operating Rules and regulations. The entire content of this RFP, all addenda and the bank's proposal will become the basis for award and contract and serve as the contractual agreement between *Originator* (State of New Jersey) and *Originating Depository Financial Institution* (bank), as required by NACHA and its Governing Regulators.

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

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

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

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

The **TERMS AND CONDITIONS, OTHER MANDATORY PROVISIONS** and **PAYMENT METHOD AND TERMS** of this Request for Proposal (RFP) will supersede any and all conflicting terms and conditions, including bank agreements, submitted by the bank/contractor. The State of New Jersey will not modify its terms and conditions or execute separate bank agreements.

Proposals that do not conform with or take exception to the State of New Jersey's terms and conditions, other mandatory provisions and payment methods and terms, as set forth in this RFP, **will be considered non-responsive and therefore rejected.**

The State of New Jersey will also not sign any documentation or 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:

Brittany Melnick, 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) 984-1533
<mailto:Brittany.Melnick@treas.nj.gov>

C. Project Management

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

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

Francis Peterson
Division of Pensions and Benefits
PO Box 295
Trenton, New Jersey 08625-0295
Phone: (609) 292-5804
E-mail: Francis.Peterson@treas.nj.gov

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	May 15, 2018
Deadline to Submit Questions	May 30, 2018
Proposal Due Date	July 12, 2018
Anticipated Award Date	August 15, 2018
Implementation & System Testing	August 16, 2018
Contract Commencement	July 1, 2019

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. ET** on the date indicated in the Timetable of Events. Written questions received after the deadline will **not** be recognized or addressed.

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

The subject line of the 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. ET on July 12, 2018.**

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

Brittany Melnick
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:

Brittany Melnick
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 their 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 that submit a proposal may be required to give an oral presentation to the evaluation committee. This will provide an opportunity for the vendor to clarify or elaborate on its proposal. However, an oral presentation does not provide the vendor the opportunity to change the original bid or correct any deficiencies in its proposal.

Vendors should not construe the invitation for an oral presentation to imply any acceptance or rejection of bids.

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

At the time of proposal evaluation, the State reserves the right to inspect the vendor's 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 its response to the State the price increases, from and to, for each of the line item charges, along with supporting Labor Statistics documentation. The State will then independently verify the price adjustment.

L. Vendor Right to Protest

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

For all 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 effect 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 its internal system within **90 days** after State approval. The cost estimate will be based on the hourly rates included in the vendor's response as specified in **SECTION VIII. COST SCHEDULE** of this RFP.

P. Prime Contractor Responsibilities

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

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

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

Q. Subcontracting

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 it has the ability to support these updates to the electronic funds transfer system.

The bank and all subcontractors will be required to use reasonable care to protect the confidentiality of the data. All 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 that, 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 their bid proposal considered to be confidential and/or proprietary. The designated sections/materials must be listed on the cover letter and clearly marked at the bottom of each page in the footer section. The State reserves the right to make the determination and will advise the bidder accordingly.

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

D. Collateralization of Deposits

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

For the total bank balances resulting from the account, the collateralization requirement must adhere to **EXHIBIT C 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 that 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, which had on contract award declared that services would be performed in the United States, proceeds to shift the performance of the services outside of the United States, the contractor shall be deemed in breach of the contract, which contract shall be subject to termination for cause, unless the Treasurer shall have first determined in writing that extraordinary circumstances require a shift of services or that a failure to shift the services would result in economic hardship to the State.

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

G. 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 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:

The Department of the Treasury
Office of Management and Budget
Cash Management Unit
P.O. Box 221
Trenton, New Jersey 08625-0221

See **EXHIBIT H** for the Division of Pensions and Benefits' **Monthly Analysis Sample Format.**

V. SCOPE OF WORK

A. General Account Requirements

The State’s requirements include the establishment and maintenance of **one (1) State account**, and the accurate and timely processing of all banking services related to the account including, but not limited to: establishing and maintaining a Government Employer Database, the entire ACH debit origination and ACH pre-note processes, ACH processing capabilities, access to the bank’s Web-based Inquiry/Communication System to view all ACH transaction detail and to conduct wire transfers, ACH debit block, earnings credit rate, along with a variety of electronic reporting and communication needs.

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

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

Fed wires **should not** be accepted into this account and should be prevented.

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.

B. Account to be Established

The State will establish **one (1) account** in the vendor bank as follows:

1	Division of Pensions and Benefits ACH Depository Account
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The State's initial requirements will include the establishment and maintenance of the above account and the accurate and timely processing of all banking services and reports related to this account.

The Division of Pensions and Benefits ACH Depository Account will be funded Monday through Friday, excluding Federal Reserve Banking System holidays, via ACH debit origination payments initiated by local and State government employers. Government employers are not permitted to send payments via the ACH credit or wire transfer payment methods. The State will wire funds out of the account each banking business day.

See **EXHIBIT I** for the **Division of Pensions and Benefits Account Structure and Funds Flow.**

The Division of Pensions and Benefits will oversee the day-to-day operations related to this account.

The State reserves the right to increase and decrease the number of EFT payment types processed through the Division of Pensions and Benefits ACH Depository Account, during the course of the contract. Currently, there are **eight (8) EFT payment types** supported by this contract. However, the Division of Pensions and Benefits anticipates adding two (2) new payment types throughout the course of this contract term.

See **EXHIBIT J** for a current list of **EFT Payment Types and Due Dates.**

The peak volumes fall in a cluster around the due dates. If the payment due date is on a weekend or holiday, the due date becomes the following business day.

New payment types (along with the related programming adjustments to the TEPS web-based payment system) must be added within a reasonable timeframe from the date of request. The State defines a reasonable timeframe as not to exceed **one (1) month, at no cost to the State,** from the date of request, throughout the lifetime of the contract.

All accounts established as a result of this RFP must be protected against unauthorized ACH debit activity.

The State does not issue checks from this account and therefore, the bank must automatically decline any check presented for payment as it would be a fraudulent check.

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

C. Account Data Information

The State will establish the Division of Pensions and Benefits ACH Depository Account to receive local and State government employer pension and health benefit payments.

There are approximately **1,700 local and State government entities** authorized to remit pension related contributions via the ACH debit origination process.

Approximately **1,650 local and State government entities** of the above 1,700 entities are authorized to remit health benefit related contributions via the ACH debit origination process.

During Calendar Year 2017, there were approximately **59,849 deposits** into the Division of Pensions and Benefits ACH Depository Account totaling approximately **\$7.1 billion**.

See **EXHIBIT K Calendar Year 2017 Transaction Volumes and Dollar Amounts** for a detailed breakdown of the transactions.

D. Establishment and Maintenance of a Government Employer Database

1. Establishment of the TEPS Database

The vendor bank must have the ability to receive and store data from the existing TEPS database upon contract award, database maintenance capabilities throughout the life of the contract, and the ability to transmit the database upon contract termination.

Upon contract award, the vendor bank must have the ability to receive the Government Employer Database known as the Transmittal Electronic Payment System (TEPS) that is held with the State's current vendor via a mutually agreed upon format.

The Government Employer Database **must** be thoroughly tested and completely functional by the vendor prior to the established **July 1, 2019 contract live date.**

This database must be solely owned and operated by the vendor throughout the life of the contract.

Government entities remit payments for the New Jersey Pension Funds/Systems (TPAF, PERS, PFRS) and the New Jersey Health Benefits System (HEAL). The TEPS database must be able to store and process data for the following **eight (8) EFT payment types:**

1	Pension Contributions
2	Contributory Group Life Insurance Premiums
3	Supplemental Annuity Collective Trust
4	Supplemental Annuity Collective Trust - Tax Sheltered Annuity
5	Pension and Contributory Insurance Underpayments (from prior reporting periods)
6	Retroactive Employee Contributions
7	Employer Pension Appropriation
8	Health Benefits Premium Payments (for both active and retired personnel)

Payment types 1 through 7 are applicable to the Pension funds/systems (TPAF, PERS, PFRS). Payment type 8 is only applicable to the Health Benefits System (HEAL). The vendor bank must be able to maintain and organize data according to fund/system.

2. TEPS Employer Authorization Form

The vendor bank must create the TEPS Employer Authorization Form to be sent to the NJDPB for review and approval during the implementation phase of this

contract. This form is subject to change prior to contract commencement and during the course of the contract term to adhere to departmental and legislative changes.

The TEPS Employer Authorization Form will be submitted by government employers in order to authorize ACH debit originations to be made against the account provided on the form.

The TEPS Employer Authorization Form will be available via the NJDPB website for government employers who are looking to add a new account to the TEPS database or change an existing account. Government employers will be able to download the form from the NJDPB website and must be able to email the form to a bank provided and maintained centralized email mailbox for processing. The bank must provide a contingency method in its bid for any government employer who does not have the ability to email a PDF version of the completed document.

Instructions on how to complete this form must also be created by the bank (and sent to NJDPB for review) and will be provided in the link on the NJDPB website. A voided check must be attached upon submission of this form and the bank must use the voided check to verify the banking details provided.

A summary of the TEPS Employer Authorization Form required fields are below:

Type of Activity	Add or change account details
Payment System	TPAF, PERS, PFRS, HEAL
Employer Location Number/ID	6 digits (provided by the NJDPB prior to obtaining this form)
Employer Name	Limit 25 spaces
Primary Contact Name	
Address, City, State, Zip	
Primary Phone Number	
Email Address	
Secondary Contact Name	
Secondary Contact Phone Number	

Secondary Contact Email	
Financial Institution Information	ABA and Account Number
Authorization	Approval by certifying officers

See **EXHIBIT L** for a sample of the **TEPS Employer Authorization Form** and the required fields.

The TEPS database must store the banking details and contact information found in the TEPS Employer Authorization Form.

In Calendar Year 2017, there were approximately **24** TEPS Employer Authorization Forms processed for new enrollments and **350** TEPS Employer Authorization Forms processed for enrollment changes/updates.

a. Processing TEPS Employer Authorization Form

The bank will be responsible for the accurate and timely processing of the TEPS Employer Authorization Forms as instructed by the government employer or the NJDPB. Upon receiving a form to the centralized email mailbox, forms must be processed (entered into the TEPS database) **within two (2) banking business days**, at no cost to the State. The vendor must be able to store all of the data included on the form in the TEPS database.

Upon receipt of a TEPS Employer Authorization Form, the vendor bank must provide new users with a Welcome Packet **within two (2) banking business days** via email. The Welcome Packet email must contain the following:

- TEPS Welcome Letter
- User PIN
- TEPS User Guide

The vendor bank must create the Welcome Letter and send it to the NJDPB for review and approval during the implementation phase of this contract.

This letter is subject to change prior to contract commencement and during the course of the contract term to adhere to departmental and legislative changes.

The TEPS Welcome Letter must appear to the user as a NJDPB letter (on State letterhead) and must contain the following information:

➤ Confirmation that the government employer is enrolled in TEPS
➤ The system the government employer is authorized to use in TEPS (TPAF, PERS, PFRS, HEAL)
➤ The TEPS website link
➤ Information regarding the TEPS User Guide
➤ PIN (the bank must generate a PIN for each new user)
➤ Information on how to change TEPS login password (bank must create these instructions)
➤ TEPS Hotline Number (see page 48 of this RFP)

See **EXHIBIT M** for a **Sample TEPS Welcome Letter.**

In Calendar Year 2017, there were approximately **210** TEPS Welcome Letters sent by the vendor.

The TEPS User Guide, included in the Welcome Packet email, must be created by the vendor bank and sent to the NJDPB for review and approval during the implementation phase of this contract. The TEPS User Guide is subject to change prior to contract commencement and during the course of the contract term to adhere to departmental and legislative changes.

The TEPS User Guide must contain detailed instructions on how to use the TEPS system in its entirety. The TEPS User Guide will also be made available via the NJDPB website.

See **EXHIBIT N** for the **TEPS User Guide.**

In the case an existing TEPS user submits the TEPS Employer Authorization Form to update/change existing banking details, the bank does not need to provide the user with a Welcome Packet email.

All TEPS Employer Authorization Forms must be maintained for the course of the contract term and any extension options utilized. At the end of the contract term, either by termination or contract expiration, it is the responsibility of the vendor to transfer all original TEPS Employer Authorization forms to the new vendor and, if requested, to the State, **within thirty (30) days**, at no cost to the State.

b. ACH Pre-Notes

The bank must pre-note all new and updated accounts submitted via the TEPS Employer Authorization Forms in accordance with the NACHA rules and procedures governing pre-notes.

Upon notification of a successful pre-note, the bank must send a confirmation email to the government employer within **two (2) banking business days**.

Upon notification of a pre-note failure, the bank must send an email to the government employer requesting to correct the banking information and re-submit the pre-note, **within two (2) banking business days**.

E. TEPS Web-based Payment System

1. General Requirements

The bank must have the ability to develop and maintain a secure web-based payment system for TEPS that is compatible with and appears to the user as a NJDPB website. The website must be designed for government employers who have already submitted their TEPS Employer Authorization Forms and received their TEPS Welcome Packet emails from the bank, as well as already registered TEPS users. This website will allow employers to log-in, register an account, create a user profile, remit Pensions and Health Benefits payments via the debit

origination process, warehouse payments, cancel payments, and view account history **24 hours/day, 7 days/week.**

Each web page of the TEPS website must include browser navigational buttons (back and next/forward), a 'Return to Main Menu' button, a 'Payments' button to remit a payment, an 'Account' button to review account information, a 'Help' or frequently asked questions (FAQ's) button that includes a compilation of all of the frequently asked questions (and their answers) by other users, and a logout button.

See **Exhibit N TEPS User Guide** for detailed instructions and specific requirements on the TEPS web-based payment system and the sequence of prompts (web pages) that must be provided to each user, dependent on each user's State required remittance(s).

Prior to a user accessing the TEPS web-based payment system, the State will provide each government employer a Location Number (for Pension users) or an Employer ID (for Health users), as well as each individual user's required Payment Type to be used when registering and making payments in TEPS. TEPS users should only be prompted with web pages and field options related to each user's specific payment type.

Pension users must be able to remit Transmittal Payments, Transmittal Shortage Payments, Annual Employer Appropriations, and Retroactive Employee Contributions. Health Users must be able to remit Local Employer Active Bills, Local Employer Retired Bills, and State Monthly Employer Bills.

Note: If a Health user chooses to remit a State Monthly Employer Bill payment, the user must have the option to enter health, dental, and prescription drug amounts separately.

The web-based payment system must provide each user with a verification page containing all input data elements to be reviewed by the payer prior to final payment submission. Upon the successful completion of a web-based payment, reversal, or payment cancellation, the website must immediately provide the government employer with a confirmation/reference number for proof of activity. This reference number must serve as the payment's tracking number if users wish

to later inquire, cancel, or research the item.

The NJDPB will discuss the design and text of the web pages in detail following the contract award. NJDPB will be responsible for end product review and approval prior to posting.

See **EXHIBIT O** for samples of the **TEPS Web Pages**.

The TEPS web-based payment system must be made accessible to users **24 hours a day**; however, the days of ACH debit origination settlement opportunity are limited to Monday through Friday, all holidays excluded. Payments made on a Saturday or Sunday are subject to settle on the next banking business day. The holidays observed by the Federal Reserve System and the NJDPB, when payments cannot be processed, are below:

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

In the future, the State may consider a solution that would allow government employers to enroll directly in a vendor hosted website which would allow them to create their own user name and password, eliminating the TEPS Employer Authorization Form and Welcome Packets (TEPS Welcome Letter, TEPS User Guide, and PINs).

a. Cutoff Times

Payments keyed by government employers prior to **5:30 p.m. ET** must be deposited into the Division of Pensions and Benefits ACH Depository Account the next banking business day. Payments keyed after **5:30 p.m. ET** must be deposited on the second succeeding banking business day. This payment cutoff time must be included in the TEPS website when users are keying payments. It will be the bank's responsibility to ensure timely processing and credit to the State.

b. Payment Warehousing

Users must have the ability to warehouse payments for up to 30 days in advance with the employer's choice of a debit origination date. The payment must not be withdrawn from the employer's designated bank account until the date specified.

c. Payment Cancellations and/or Inquiries

The TEPS web-based payment system must allow users to recall payments and must support cancellation of any unsettled payment. Users must be able to cancel a payment subject to next-day settlement or inquire on any payment made up to 60 days prior.

Payment history must be displayed to users for the last 100 transactions or 360 days, whichever occurs first. Cancellations must be completed before the **5:30 p.m. ET** cutoff deadline on the day the payment was reported. Once a payment has been cancelled, it must be re-reported in its entirety before the **5:30 p.m. ET** cutoff deadline, to settle on the next business day.

In Calendar Year 2017, there were approximately **460 payment cancellations.**

F. 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.

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 receive ACH data. The contingency plan documentation or procedure should be available for the State to review upon request.

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.

The bank will be responsible for maintaining and updating the Government Employer Database and for the entire ACH debit origination and ACH pre-note processes.

Each evening, Monday through Friday, the vendor bank must create and transmit a standard NACHA formatted ACH debit origination file to the Clearing House for processing. This file must include all debit origination transactions received prior to **5:30 p.m. ET** of the current day, and any transactions that were received after **5:30 p.m. ET** the prior day.

The bank must process all ACH transactions within this file by **8:00 p.m. ET**. The funds associated with these transactions must be deposited into the Division of Pensions and Benefits ACH Depository Account the next banking business day. It will be the bank's responsibility to ensure timely processing and credit to the State. The bank must process payments completed after the **5:30 p.m. ET** deadline, not on the next banking business day, but on the second succeeding banking date.

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 (NOCs, pre-notes, pre-note failures, and ACH returns) must be accessible to the State via the bank's Web-based Inquiry/Communication System the morning after the transaction item is received by the bank.

1. ACH File Transmission Requirements

See **EXHIBIT A State of New Jersey OIT File Transfer Guide** for a detailed description of the file protocols and methods of transmission supported by the State. It is the State's preference to use FTPS and the bank(s) providing this data transmission option will be rated favorably during the evaluation process.

The bank must clearly identify any/all file protocols and methods of file transmission depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide** that it can support. 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 bank must clearly identify any/all file protocols and 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 file protocols and methods of file transmission in **EXHIBIT A State of New Jersey OIT File Transfer Guide** are supported by the bank.

The bank must demonstrate its ability to deliver the file listed below in a format that conforms to the protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide**.

The bank will be responsible for transmitting one (1) EFT file to the NJDPB each banking business day, Monday through Friday, excluding holidays.

a. EFT File

Every Monday through Friday, excluding holidays, the bank must electronically provide the EFT file to the State by **7:30 a.m. ET** the morning of settlement, except for Federal Reserve Banking System holidays. 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 for the bank to deliver the EFT File to its own secure server no later than **7:30 a.m. ET** the morning of settlement, except Federal Reserve Banking System holidays and for the State to then pull the file from the bank's server using FTPS. The bank(s) providing this data transmission option will be rated favorably during the evaluation process.

If the bank cannot provide the EFT File via the State's preferred file transmission method, the bank must clearly define the file transmission method it will use and how the EFT file will be provided to the State no later than **7:30 a.m. ET** the morning of settlement, except for Federal Reserve Banking System holidays.

In the event of a faulty file transfer, the bank must initiate subsequent transfers until a successful transmission is completed. The bank **must** notify the State immediately in the event of a file transfer failure. OIT contact personnel will be established after contract award. Additionally, the bank should provide a dedicated technical customer service contact for the NJDPB to contact in the case of transmission failure.

The EFT File must contain one record for each individual transaction (ACH debit origination, ACH return) that was received and processed by **8:00 p.m. ET** the prior night. The funds associated with all successful debit originations must be deposited into the Division of Pensions and Benefits ACH Depository Account the same day the State receives the EFT File.

All ACH debit originated transaction items reported by the bank on the EFT file must be reported on date of settlement.

All other transaction items (ACH returns) must be reported in the EFT file the morning after the transaction item is received by the bank. The original settlement date must be noted for all ACH returns.

The EFT File will be subject to revision and updates as needed by NJDPB in order to meet system compatibility requirements for the various NJDPB payment types that interface with TEPS.

See **EXHIBIT P** for the **EFT File Layout**, including the required detailed data elements and fields.

2. ACH Security Procedures – ACH Debit Block Requirement

The bank must use reasonable care to protect the confidentiality of data. All data contained in documents, emails, and the Government Employer Database are to be considered confidential and must 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 bank, 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 bank.

The bank must ensure the highest level of security is utilized when electronically transmitting or receiving files to or from the State. All necessary security procedures must be followed to ensure the protection of the data and the integrity of the ACH system.

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.

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 NJDPB immediately via email (contacts will be established after contract award).

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

3. ACH Returns

Per current NACHA regulations, the bank must allow ACH Returns for a specified period of time after the receipt of the original transaction.

During Calendar Year 2017, there were approximately **110 ACH Returns** processed, totaling approximately **\$40 million.**

Upon a government employer submitting a payment via the TEPS web-based payment system, the vendor bank must only attempt to debit the account once. If the first debit origination attempt fails, the bank must report it once as an ACH return in the EFT file the morning after the transaction is received by the bank.

The bank must also honor all ACH reversal requests to return funds that were erroneously taken from an employer's account. The bank must be able to process reversals by sending a credit back to the employer's account.

Government employers are instructed to go to their bank to request a reversal, which will occur in a NACHA approved timeframe.

All ACH returns (including ACH reversals) must be reported by the bank on the EFT File the morning after the transaction item is received by the bank. The EFT File must include the original settlement date for each ACH return.

All ACH returns (including ACH reversals) must also be accessible via the bank's Web-based Inquiry/Communication System the morning after the transaction item is received by the bank.

G. TEPS Hotline to Address Government Employer Inquiries

The bank must create, maintain and provide access to a toll free Customer Service TEPS Hotline during the hours of **8:00 a.m. ET and 5:00 P.M. ET** to address government employer inquiries. In addition, the bank must respond to all inquiries in a prompt, efficient and courteous manner.

Performance standards regarding the number of rings prior to being answered and the average 'on hold' time must be consistent with current industry standards. Turnaround time to research current information (up to 30 days following settlement date) must be immediate or no more than 24 hours.

Turnaround time to research information (beyond 30 days of settlement date) must be no more than 48 hours, unless granted a grace period by NJDPB.

All inquiries from a government employer must be handled immediately if possible. For example, "Did I initiate my payment for this month? Did I initiate a payment this month for \$XXXXX.CC?" If off-line research is required, the bank must respond within **two (2) banking business days.**

In Calendar Year 2017, there were approximately **650 TEPS hotline customer service calls.**

H. Web-Based Inquiry/Communication System

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

Only authorized State personnel will be permitted to initiate inquiries via the bank's Web-based Inquiry/Communication System. The authorized personnel will be identified after contract award. It is estimated that 20 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 other than their own information.

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

The State requires the bank to provide web-based reports reflecting all transaction items processed. The Web-based Inquiry/Communication System must have report generating capabilities allowing reports to be generated which include **six (6) months** of historical activity. The user must be able to create queries so reports can be sorted by the following headings:

1	Government Employer (NJDPB assigned) Identification Number
2	Settlement Date
3	Transaction Type (ACH debit origination, NOC, pre-note, pre-note failure, and ACH return)
4	Transaction Amount

1. ACH Web-based Inquiry/Communication System

The bank's Web-based Inquiry/Communication System must provide State personnel access to all ACH activity including exception items (ACH debit originations, NOCs, pre-notes, pre-note failures, and ACH returns) by **8:00 a.m. ET.**

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 (NOCs, pre-notes, pre-note failures, and ACH returns) must be accessible to the State via the bank's Web-based Inquiry/Communication System the morning after the transaction item is received by the bank.

The ACH Web-based Inquiry/Communication System should provide users the ability to generate reports that can be downloaded into Microsoft Excel and PDF formats.

2. Web-based Access to Account Activity Detail and Balance Summary Information

The bank's Web-based Inquiry/Communication System must provide State personnel access to account activity detail and balance summary information by **8:00 a.m. ET.**

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

a. Account Activity Detail

The account activity detail must be available for viewing via the bank's Web-based Inquiry/Communication System by **8:00 a.m. ET.**

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

All other transaction items (NOCs, pre-notes, pre-note failures, and ACH returns) must be available for viewing via the bank's Web-based Inquiry/Communication System the morning after the transaction item is received by the bank.

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

1	Bank Account Number
2	Government Employer Bank Account Number
3	Government Employer (NJDPB assigned) Identification Number
4	Original Settlement Date
5	Failure Date (if applicable)
6	Transaction Amount

7	Transaction Type (ACH debit origination, NOC, pre-note, pre-note failure, and ACH return)
8	Transaction Code (explaining reason for failures and returns)

See **EXHIBIT Q** for **Account Activity Detail**.

b. Balance Summary and Detail 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 current day and previous day balance summary and detail information must be available for viewing via the bank's Web-based Inquiry/Communication System **8:00 a.m. ET** the same day as settlement:

1	Account Balance Summary
	Opening Available
	Closing Ledger
	Closing Available
2	Credit Summary
	ACH Credits
3	Debit Summary
	ACH Debit
	Wire Transfer Out
4	Credits
	Total Break Down by Fund Type (TPAF, PERS, PFRS, HEAL)
	Credit Transactions Total
5	Debits
	ACH Debits Total
	Wire Transfer Out Total
	Debit Transactions Total

3. 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 30 days** until the transmission execution date. The system should have the capability of maintaining repetitive wires requiring only date and amount. The wire transfer system must also provide the State the ability to complete draw-downs from State bank accounts located at other banks. The system must contain the proper security features to ensure the protection of the data and to maintain the integrity of the system.

The bank must adequately train State personnel on the use of its Web-based Wire Transfer System and provide **a minimum of five (5) user manuals**. Additional training and updated user manuals will be required prior to the bank implementing any major Web-based Wire Transfer System changes.

The State must have access to a toll-free telephone “wire transfer help desk” during normal State working hours, **8:00 a.m. ET to 5:00 p.m. ET**. 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 Department of the Treasury, Division of Investment will initiate **approximately one (1) daily wire transfer** from the Division of Pensions and Benefits ACH Depository Account, based on the current day’s settlement transaction totals.

Below is the estimated number of wires NJDPB keys per month:

Month	Wires Out
January 2017	145
February 2017	133
March 2017*	22
April 2017	19

May 2017	22
June 2017	22
July 2017	19
August 2017	23
September 2017	20
October 2017	21
November 2017	19
December 2017	20

*Note: In March 2017, the NJDPB began initiating only **one (1) daily outgoing wire.**

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 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 five (5) user manuals and updates if warranted
4	Access to a toll-free telephone "wire transfer help desk" between the hours of 8:00 a.m. ET to 5:00 p.m. ET 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

I. Bank Statements and Reporting

1. Daily Prior Day Balance Reporting

All accounts established in **EXHIBIT I Division of Pensions and Benefits Account 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. ET.**

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 bank must maintain the Monthly Bank Statement for all accounts established as a result of this RFP for **seven (7) years**. The bank must deliver an electronic Monthly Bank Statement within **five (5) business days** from the last day of the reporting month. The statement must be broken down and labeled by fund/system name (TPAF, PERS, PFRS, HEAL) with grand totals also included.

The Monthly Bank Statement must contain balance summary information and detailed break-downs of account activity as follows:

1	A single entry for all State debit originated items
2	A separate entry for each wire transfer out (incoming wires are prohibited)
3	A separate entry for all other miscellaneous postings

3. ACH Origination Report

Every banking business day, the bank must provide the NJDPB with an ACH Origination Report containing summary information for all ACH items received for the day. This report must be accessible to the State via the bank's Web-based Inquiry/Communication System the morning after the transactions are received by the bank. The summary must be broken down and labeled by fund/system name (TPAF, PERS, PFRS, HEAL) with grand totals also included.

The ACH Origination Report must contain the following information:

➤ TPAF volume of debit originations and amount
➤ TPAF volume of returned/rejected debit originations and amount
➤ PERS volume of debit originations and amount
➤ PERS volume of returned/rejected debit originations and amount
➤ PFRS volume of debit originations and amount
➤ PFRS volume of returned/rejected debit originations and amount
➤ HEAL volume of debit originations and amount
➤ HEAL volume of returned/rejected debit originations and amount
➤ Total volume of debit originations and amount
➤ Total volume of returned/rejected debit originations and amount

See **EXHIBIT R** for a sample of the **ACH Origination Report**.

4. ACH Return/NOC Report

Every banking business day, the bank must provide the NJDPB with an ACH Return/NOC Report containing individual detail information for all ACH returns and NOCs. This report must be accessible to the State via the bank's Web-based Inquiry/Communication System the morning after the transactions are received by the bank.

The ACH Return/NOC Report must contain the following information:

➤ Returns:
Recipient ID, Name, and Company Entry Description
Time and Date of Return
Amount
Reason Code
➤ NOCs:
Recipient ID, Name, and Company Entry Description
Time and Date of Return
Amount (should all be zero dollars)
Reason Code
➤ Total returns and total NOC's

See **EXHIBIT S** for a sample **ACH Return/NOC Report.**

J. 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
2	Bank statements, credits and debits
3	Daily balance reporting
4	Invoice and bank analysis
5	File transfer
6	ACH services
7	Wire transfer
8	Web-based Inquiry/Communication System
9	Implementation and testing
10	Training personnel

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.

K. 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.

L. 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 NJDPB during the implementation and testing phases.

A minimum of **five (5) 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 **20 State employees** will require training.

M. Contract Termination/File Transfer

At the end of the contract term, either by termination or contract expiration, it is the responsibility of the vendor to transmit the Government Employer Database file(s) in a mutually agreed upon format(s), and transfer all original TEPS Employer Authorization forms to the new vendor and, if requested, to the State **within thirty (30) days**, at no cost to the State.

This transmission must occur within a reasonable timeframe from the request of the State to send the information. The State considers a reasonable timeframe to be **no more than thirty (30) days from the date of request**.

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.
The bank's ability to meet the TEPS database and TEPS web-based payment system requirements
The bank's commitment to provide adequate technical and personnel resources to satisfactorily meet the requirements of the RFP.
ACH processing 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 Questions

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 from 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 in the State of New Jersey.
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 the State's preference to use FTPS. A bank's ability to support this data transmission option 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: electronic 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 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. daily operations, electronic reports, file transmission issues, daily balance reporting, invoices/analysis, bank statements, earnings credit rate, ACH services including ACH debit blocks, Web-based Inquiry Communication System to perform account detail and summary look ups, transaction detail information wires, 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

Confirm that 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. Confirm that the same notification requirements will be applied to a change in contact at the subcontractor level.

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; ACH debit origination services, ACH 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 wires. 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. Confirm that all accounts established as a result of this RFP will be protected against unauthorized ACH debit activity.

Confirm that the bank is a member of the Federal Reserve direct wire system. Confirm if the bank can prevent unauthorized Fed wires.

15. 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.
16. Confirm the bank will increase or decrease the number of EFT Payment Types processed through the Division of Pensions and Benefits ACH Depository Account (along with the related programming adjustments to the web-based payment system), **within one (1) month** of the State's request, at no cost to the State.

17. Confirm the bank will automatically decline any checks presented for payment against this account as the State of New Jersey does not issue checks from the Division of Pensions and Benefits ACH Depository Account.
18. Confirm the bank is capable of receiving and effectively processing the volume of ACH transactions depicted on **EXHIBIT K Calendar Year 2017 Transaction Volumes and Dollar Amounts**. Acknowledge the bank's understanding that ACH payment volumes usually peak on payment due dates as depicted in **EXHIBIT J Payment Types and Due Dates**. Describe what steps the bank will take during peak times to ensure all ACH transactions are processed and deposited into the Division of Pensions and Benefits ACH Depository Account the next business day.

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

19. 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.

20. Confirm the bank is capable of receiving the Government Employer Database known as the Transmittal Electronic Payment System (TEPS) that is held with the State's current vendor via a mutually agreed upon format upon contract award. Confirm the Government Employer Database will be thoroughly tested and completely functional prior to the established **July 1, 2019 contract live date**.
21. Confirm the bank is capable of operating and maintaining the TEPS database as required in this RFP throughout the life of this contract.
22. Confirm the bank will create the TEPS Employer Authorization Form per the RFP text requirements and **Exhibit L TEPS Employer Authorization Form** and will send to the NJDPB for review and approval during the implementation phase of this contract. Confirm the bank will maintain a centralized email mailbox to receive TEPS Employer Authorization Forms and will process each form within two (2) banking business days, after receipt, at no cost to the State.

23. Confirm the bank will provide new users with a Welcome Packet (containing the TEPS Welcome Letter, User PIN, and TEPS User Guide) via email **within two (2) banking business days**. Per the RFP text requirements and **Exhibit M Sample TEPS Welcome Letter** and **Exhibit N TEPS User Guide**, confirm the bank will create the TEPS Welcome Letter and TEPS User Guide, and is able to generate and provide a User PIN for each new user.
24. Confirm the bank will maintain all TEPS Employer Authorization Forms for the course of the contract term and any extensions utilized. Confirm the bank will transfer all TEPS Employer Authorization Forms to the new vendor and, if requested, to the State, **within thirty (30) days**, at no cost to the State.
25. Confirm the bank will process a pre-note upon receipt of a TEPS Employer Authorization Forms for new and updated banking details. Confirm that all NACHA rules and procedures governing pre-notes will be followed.

Confirm the bank will send a confirmation to the government employer **within two (2) banking business days** upon the receipt of a successful pre-note, via email. Confirm the bank will send an email to the government employer requesting to correct the banking information and re-submit the pre-note, **within two (2) banking business days**, upon the receipt of a failed pre-note.

Confirm that all pre-notes and pre-note failures will be accessible via the bank's Web-based Inquiry/Communication System by **8:00 a.m. ET** the morning after the transaction item is received by the bank.

26. Confirm the bank's ability to develop and maintain a secure web-based payment system for TEPS that is compatible with and appears to the user as a NJDPB website. Confirm the website will allow employers to log-in, register an account, create a user profile, remit Pensions and Health Benefits payments via the debit origination process, warehouse payments, cancel payments, and view account history **24 hours/day, 7 days/week**.

Confirm the bank is capable of creating the TEPS web pages as required in the RFP text and **Exhibit O TEPS Web Pages**.

Confirm the TEPS web-based payment system will provide the user with a verification page containing all input data elements to be reviewed by the payer prior to final payment submission and will provide a confirmation/reference number for proof of activity.

27. Please provide a bank solution that would allow government employers to enroll directly in a vendor hosted website which would allow employers to create their own user name and password, eliminating the TEPS Employer Authorization Form and Welcome Packets (TEPS Welcome Letter, TEPS User Guide, and PINs).
28. Confirm payments keyed in TEPS prior to **5:30 p.m. ET** will be deposited into the Division of Pensions and Benefits Depository Account the next banking business day. Confirm payments keyed after **5:30 p.m. ET** will be deposited on the second succeeding banking business day.

Confirm the bank acknowledges that the days of ACH debit origination settlement opportunity are limited to Monday through Friday, all holidays excluded, and that payments made on a Saturday or Sunday are subject to settle on the next banking business day.

29. Confirm users will have the ability to warehouse payments for up to 30 days in advance with the employer's choice of a debit origination date. Confirm the bank will not withdraw from the employer's designated bank account until the date specified.
30. Confirm the TEPS web-based payment system will provide users the ability to recall payments and cancel a payment subject to next-day settlement or inquire on any payments made up to 60 days prior. Confirm payment history will be displayed to users for the last 100 transactions or 360 days, whichever occurs first.
31. Confirm the bank acknowledges it is responsible for maintaining and updating the Government Employer Database and for the entire ACH debit origination and ACH pre-note processes.
32. Confirm the bank is capable of creating and transmitting a standard NACHA formatted ACH debit origination file to the Clearing House for processing each evening, Monday through Friday, that includes all debit origination transactions received prior to **5:30 p.m. ET** of the current day, and any transactions that were received after **5:30 p.m. ET** the prior day.

Confirm the bank will process all ACH transactions within this file by **8:00 p.m. ET** and the funds associated with these transactions will be deposited into the Division of Pensions and Benefits ACH Depository Account the next banking business day.

33. Confirm the bank can electronically provide the EFT File (including all requested detail information) to the State no later than **7:30 a.m. ET** the morning of settlement, except for Federal Reserve Banking System holidays.

Confirm if the bank can provide the EFT File to its own secure server no later than **7:30 a.m. ET** for the State to then pull the file via FTPS. If the bank cannot provide the State the EFT File in its preferred file transmission method, clearly define the file transmission it will use and how the EFT File will be provided to the State.

Confirm the bank can provide the EFT File in the layout depicted in **Exhibit P EFT File Layout**.

Confirm the file will contain one record for each individual transaction.

Confirm all ACH debit originated transaction items will be reported by the bank on the date of settlement and that all other transaction items (ACH returns) will be reported by the bank the morning after the transaction item is received.

Indicate if and why the bank is unable to provide any detail information requested in the EFT file.

34. Confirm that in the event of a faulty file transfer, the bank will initiate subsequent transfer until a successful transmission is completed. Confirm the bank will notify the State immediately in the event of a file transfer failure.

Please provide a dedicated technical service phone number for the NJDPB to contact in the case of transmission failure.

35. Confirm the bank will use reasonable care to protect the confidentiality of data and that all data contained in documents, emails, and the Government Employer Database are to be considered confidential and must be solely for the use of the State. Confirm the bank will protect State data and ensure that all State information remains confidential.

Confirm the bank acknowledges any use, loss, sale or offering of this data in any form by the bank, 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 bank.

Confirm the bank will ensure the highest level of security is utilized when electronically transmitting or receiving files to or from the State and all necessary security procedures must be followed to ensure the protection of the data and the integrity of the ACH system.

36. Confirm the bank will only attempt to debit a government employer's account once and report it on the EFT file the morning after the transaction is received by the bank.

Confirm the bank will honor all ACH reversals requested to return funds that were erroneously taken from an employer's account and is able to process reversals by sending a credit back to the employer's account.

Confirm all ACH returns (including reversals) will be reported by the bank on the EFT file the morning after the transaction item is received by the bank and will include the original settlement date for each ACH return.

Confirm all ACH returns (including reversals) will be accessible via the bank's Web-based Inquiry/Communication System the morning after the transaction item is received by the bank.

37. Confirm the bank is able to create, maintain, and provide access to a toll-free Customer Service TEPS hotline during the hours of **8:00 a.m. ET and 5:00 p.m. ET** to address government employer inquiries.

38. 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.

39. Confirm the bank's ability to provide access to all account activity detail and balance summary information by **8:00 a.m. ET**. Confirm that all ACH debit originated transaction items will be reported by **8:00 a.m. ET** the day of settlement and all other ACH transaction items (NOC, pre-notes, pre-note failures, and ACH returns) will be reported by **8:00 a.m.**

ET the morning after the transaction item is received by the bank. Confirm the account activity detail will contain the following information for all ACH debit originations posted to the account:

1	Bank Account Number
2	Government Employer Bank Account Number
3	Government Employer (NJDPB assigned) Identification Number
4	Original Settlement Date
5	Failure Date (if applicable)
6	Transaction Amount
7	Transaction Type (ACH debit origination, NOC, pre-note, pre-note failure, and ACH return)
8	Transaction Code (explaining reason for failures and returns)

Confirm the balance summary information will contain the following information for current day and previous day balances:

1	Account Balance Summary
	Opening Available
	Closing Ledger
	Closing Available
2	Credit Summary
	ACH Credits
3	Debit Summary
	ACH Debit
	Wire Transfer Out
4	Credits
	Total Break Down by Fund Type (TPAF, PERS, PFRS, HEAL)
	Credit Transactions Total
5	Debits

<input type="checkbox"/>	ACH Debits Total
<input type="checkbox"/>	Wire Transfer Out Total
<input type="checkbox"/>	Debit Transactions Total

40. 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.

41. 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.

42. 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. ET.**

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.

43. Confirm the bank can provide the State with an electronic monthly bank statement for each account resulting from this RFP, including the required balance summary information and detailed breakdowns of account activity, **within five (5) business days** from the last day of the reporting month. Confirm the bank statement will be broken down and labeled by fund/system name (TPAF, PERS, PFRS, HEAL) with grand totals also included.

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.**

44. Confirm the bank can provide an ACH Origination Report as depicted in **Exhibit R ACH Origination Report**, containing summary information for all ACH items received for the day, via the bank's Web-based Inquiry/Communication System, the morning after the transactions are received by the bank. Confirm the summary will be broken down and labeled by fund/system name (TPAF, PERS, PFRS, HEAL) and contain the total dollar amount and total item count of the EFT file as well.
45. Confirm the bank can provide an ACH Return/NOC Report as depicted in **Exhibit S ACH Return/NOC Report**, containing individual detail information for all ACH returns and NOCs, via the bank's Web-based Inquiry/Communication System the morning after the transactions are received by the bank.
46. Provide a detailed implementation schedule to achieve the **July 1, 2019** 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.

47. 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.

48. 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 files, monthly invoice and analysis, ACH services (including debit block), ACH reporting, access to the bank's Web-based Inquiry/Communication System (including: account data information, 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. The Cost Schedule submitted must include all charges to meet the specifications of this RFP. 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, abbreviations and service names must be clearly defined.

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

All services that supplement or extend beyond the State's basic Scope of Work service requirements **must** be clearly identified as "optional services". All optional service pricing must be **clearly** listed on a secondary, separate cost sheet 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.

In the event your bank requires additional pricing categories to fulfill the State's Scope of Work requirements of this RFP, each additional pricing category **must** be included on your primary Cost Schedule submission. Provide clear methods of measurements and service descriptions for each price item added.

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	Daily Balance Reporting (Prior Day) (in BAI2 format)	\$	/Month
3	Daily Balance Reporting (Intra Day) (If Applicable) (in BAI2 format)	\$	/Month
ACH Services			
4	ACH Service Maintenance Fee	\$	/Month
5	ACH Files Originated (to Bank)	\$	/Per File
6	ACH Debit (Originated by Government Employers)	\$	/Per Item
7	ACH Returns	\$	/Per Item
8	ACH Debit Block	\$	/Account/Month
Web-Based Services			
9	Web-based Product Maintenance	\$	/Month
10	Web-based Account Inquiry	\$	/Per Inquiry
11	Web-based ACH Inquiry	\$	/Per Inquiry
12	Web-based Wires Out	\$	/Per Wire
13	Web-based Payment	\$	/Per Item
14	Web-based Payment Cancellation	\$	/Per Item
Customer Service & Database Maintenance			
15	Customer Service Calls	\$	/Per Item
16	New Enrollment Setup	\$	/Per Item
17	New Enrollment Welcome Package	\$	/Per Item
18	Enrollment Changes/Updates	\$	/Per Item
Programming Fees			
19	Programming Fees (If Applicable)	\$	/Per Hour