

REQUEST FOR PROPOSALS FOR

**ELECTRONIC PAYMENT CARD SERVICES FOR
UNEMPLOYMENT COMPENSATION BENEFIT PAYMENTS,
STATE WORKERS' INSURANCE FUND INDEMNITY PAYMENTS,
AND ADDITIONAL PROPOSED PROGRAMS**

ISSUING OFFICE

**Pennsylvania Treasury Department
Bureau of Support Services
Procurement Division
Room 3T, Finance Building
Harrisburg, PA 17120-0018**

RFP NUMBER

RFP 14-001

DATE OF ISSUANCE

November 20, 2014

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CALENDAR OF EVENTS

The Pennsylvania Treasury Department intends to follow the following schedule. Modifications may become necessary; however, as the activities described in the schedule actually take place. Treasury will take reasonable steps to inform interested parties of such modifications, including posting them on the Treasury Website (as more fully discussed in Sections I-9 and I-10, below).

ACTIVITY	RESPONSIBILITY	DATE
Please monitor the Treasury Website (http://www.patreasury.gov/rfp14-001) for all communication regarding the RFP.	Issuing Office	Friday, November 14, 2014
Issue RFP 14-001 (posted to Website http://www.patreasury.gov/rfp14-001)	Issuing Office	Thursday, November 20, 2014
Deadline for Potential Offerors to submit advance clarification questions to be discussed at Pre-Proposal Conference via email to: rfp14-001@patreasury.gov	Potential Offerors	Friday, November 28, 2014 8:30 a.m. EST
Pre-Proposal Conference	Issuing Office/ Potential Offerors	Tuesday, December 02, 2014 1:30 – 3:00 p.m. EST Finance Building Room 114 Harrisburg, PA 17120
Answers to Potential Offerors questions discussed at the Pre-Proposal Conference will be posted to Website http://www.patreasury.gov/rfp14-001 no later than this date.	Issuing Office	Tuesday, December 9, 2014
Deadline for Potential Offerors to submit second-round clarification questions via email to: rfp14-001@patreasury.gov	Potential Offerors	Monday, December 15, 2014 8:30 a.m. EST
Answers to Potential Offerors' questions submitted by the deadline will be posted to Website http://www.patreasury.gov/rfp14-001 no later than this date.	Issuing Office	Friday, December 19, 2014

ACTIVITY	RESPONSIBILITY	DATE
Deadline for Potential Offerors to submit any remaining clarification questions via email to: rfp14-001@patreasury.gov	Potential Offerors	Wednesday, January 07, 2015 8:30 a.m. EST
Answers to Potential Offerors' remaining questions submitted by the deadline will be posted to Website http://www.patreasury.gov/rfp14-001 no later than this date.	Issuing Office	Wednesday, January 14, 2015
Sealed proposals must be received by the Issuing Office at: Pennsylvania Treasury Department Bureau of Support Services Procurement Division Room 3T, Finance Building Harrisburg, PA 17120 Attention: Mark Lavelle	Potential Offerors	Monday, January 26, 2015 8:30 a.m. EST
Treasury requests for clarification sent	Issuing Office	Monday, February 09, 2015
Responses to request for clarification must be received by the Issuing Office	Potential Offerors	Monday, February 16, 2015
Presentations from finalists in Harrisburg, Pennsylvania	Issuing Office/Selected Offerors	Monday, March 09, 2015 and Tuesday, March 10, 2015
Best and Final Offer letters sent (optional)	Issuing Office	Friday, March 20, 2015
Responses to Best and Final Offer must be received by the Issuing Office	Selected Offerors	Friday, March 27, 2015
Offeror selected for negotiations	Issuing Office	Tuesday, March 31, 2015
Contract signed	Issuing Office/Selected Offeror	Saturday, May 30, 2015

ACTIVITY	RESPONSIBILITY	DATE
Contract approved by the Pa. Attorney General's Office	Issuing Office	Tuesday, June 30, 2015
Transitional activities	Issuing Office/Selected Offeror	Monday, June 01, 2015
Offeror to mail notification materials required by Regulation E	Selected Offeror	no later than Wednesday, September 09, 2015
Offeror IVR/Website Live and CSRs available	Selected Offeror	no later than Wednesday, September 09, 2015
Offeror to mail new EPCs (if necessary)	Selected Offeror	no later than Wednesday, September 16, 2015
Offeror prepared to demonstrate readiness accept deposits from Treasury	Selected Offeror	no later than Wednesday, September 16, 2015
New EPC Program takes effect – first deposits from Treasury (first funding)	Issuing Office/Selected Offeror	Thursday, October 01, 2015

PART I

GENERAL INFORMATION

I-1. Purpose. This request for proposals (“RFP”) provides sufficient information to enable those interested (“Offerors”) to prepare and submit proposals for the Pennsylvania Treasury Department’s (“Treasury”) consideration, on behalf of the Commonwealth of Pennsylvania (“Commonwealth”), to provide Electronic Payment Card (“EPC”) services for Unemployment Compensation (“UC”) Benefit Payments, State Workers’ Insurance Fund (“SWIF”) Indemnity Payments, and additional proposed programs at no cost to Treasury using an EPC that is either VISA or MasterCard branded (“Project”).

I-2. Issuing Office. Treasury (“Issuing Office”) has issued this RFP on behalf of the Commonwealth. The sole point of contact in the Commonwealth for this RFP shall be Mark Lavelle, Chief Administrative Officer, and the Issuing Officer for this RFP. Please direct all inquiries to the Issuing Officer by e-mail at: rfp14-001@patreasury.gov.

I-3. Scope. This RFP contains instructions governing the requested proposals, including the requirements for the information and material to be included; a description of the services to be provided; requirements which Offerors must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFP.

I-4. Problem Statement. In 2012, Treasury entered into an agreement with JP Morgan Chase (“Chase”) for the administration of EPC services for UC and SWIF disbursements. Following development of plans to transition from Treasury’s incumbent EPC services provider, initial deposits to Chase-issued EPCs were made on March 14, 2013.

The initial term of the agreement between Treasury and Chase expires on March 14, 2016. The agreement confers upon Treasury options to extend the period of required services until as late as March 2019. In January 2014, however, Chase advised Treasury that it had determined to exit the government EPC cards business area at its earliest responsible opportunity.

In light of this decision by Chase, Treasury desires to secure a replacement provider of EPC services as soon as it can responsibly do so. Treasury defines responsible replacement to require it to secure Cardholder terms of service, ATM availability, and other significant program and contractual benefits that are substantially similar – or superior – to those provided by its current agreement with Chase.

Additional detail is included in Part IV of this RFP.

I-5. Type of Contract. The Issuing Office desires to enter into a Contract at no cost to the Commonwealth, and containing the Standard Contract Terms and Conditions as referenced in **Appendix A** of this RFP. The Issuing Office, in its sole discretion, may undertake negotiations

with Offerors whose proposals, in the judgment of the Issuing Office, show them to be qualified, responsible and capable of performing the Project.

I-6. Rejection of Proposals. The Issuing Office reserves the right, in its sole and complete discretion, to reject any proposal received as a result of this RFP.

I-7. Incurring Costs. The Issuing Office is not liable for any costs an Offeror incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of the Contract.

I-8. Pre-Proposal Conference. The Issuing Office will hold a Pre-Proposal Conference as specified in the Calendar of Events. The purpose of this conference is to provide opportunity for clarification of the RFP. Attendance at the Pre-Proposal Conference is not mandatory; Offerors may submit proposals, without any penalty, even if they choose not to attend the conference. Offerors are encouraged to forward questions to the Issuing Office in accordance with Part I, Section I-9, to allow the Issuing Office time to be able to prepare answers to provide at the Pre-Proposal Conference. Offerors will also be able to ask questions at the conference. In view of the limited facilities available for the conference, Offerors should limit their representation to 4 (four) individuals per Offeror. The Pre-Proposal Conference is for information only. The Issuing Office will attempt at that time to provide oral responses to all questions, including both those submitted in writing in advance and those asked during the Pre-Proposal Conference. **Any answers furnished during the conference, however, will be considered preliminary, and will not be official until the Issuing Office has provided them in writing.** Following the Pre-Proposal Conference, all questions and written answers will be posted on the Treasury website <http://www.patreasury.gov/rfp14-001> as an addendum to, and shall become part of, this RFP.

I-9. Questions & Answers. Other than at the Pre-Proposal Conference, an Offeror *must* submit questions regarding this RFP by email (**with the subject line "RFP 14-001"**) to the Issuing Office named in **Part I, Section I-2** of the RFP. Questions must be submitted by the Offeror and received by the Issuing Office **no later than** the dates and times indicated on the Calendar of Events. The Offeror shall not attempt to contact the Issuing Office by any other means. The Issuing Office shall post all questions, and their answers (including questions relating to cost submissions), on the Treasury website at <http://www.patreasury.gov/rfp14-001>. The Issuing Officer reserves the right to answer questions filed after the last deadline if it determines that responding will clarify or correct a previously undetected ambiguity or error, allowing all Offerors the ability to provide better proposals and advancing the interests of the Commonwealth.

All questions and responses as posted on the Treasury website are considered as an addendum to, and part of, this RFP in accordance with **RFP Part I, Section I-10**. Each Offeror shall be responsible to monitor the Treasury website for new or revised RFP information. The Issuing Office shall not be bound by any oral information communicated to or by it, and it shall not be bound by any written information that is not either contained within the RFP or formally issued as an addendum by the Issuing Office. The Issuing Office does not consider questions to be a

protest of the specifications or of the solicitation. Treasury has elected to utilize the Pennsylvania Department of General Services (DGS) protest process for this procurement. Interested parties are required to follow that process, which can be found on the DGS website.

I-10. Addenda to the RFP. If the Issuing Office deems it necessary to revise any part of this RFP before the proposal response date, the Issuing Office will post an addendum to the Treasury website for this RFP. It is the Offeror's responsibility to periodically check the website for any new information or addenda to the RFP. Answers to the questions asked during the Pre-Proposal Conference and the Questions & Answers period also will be posted to the website as addenda to the RFP.

I-11. Response Date. To be considered for selection, hard copies of proposals as indicated in **PART I, Section I-12**, must arrive at the Issuing Office on or before the time and date specified in the RFP Calendar of Events. The Issuing Office **will not** accept proposals via email or facsimile transmission. Offerors who send proposals by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the Treasury office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission will be automatically extended until the next Treasury business day on which the office is open, unless the Issuing Office otherwise notifies Offerors. In the event of an extension of the response date, the hour for submission of proposals shall remain the same. The Issuing Office will reject, unopened, any late proposals.

I-12. Proposals. To be considered, Offerors should submit a complete response to this RFP, using the format provided in **Part II**, providing **ten (10) paper copies of the Technical Submittal in a separate sealed shipping container, ten (10) paper copies of the Cost Submittal in a separate sealed shipping container, and two (2) paper copies of a Small Diverse Business (SDB) participation submittal in a separate sealed shipping container.** The Offeror may combine the three separate sealed shipping containers into a single shipping container if desired. Each proposal page should be numbered for ease of reference. Each Submittal should be in a three-ring binder with tabs to indicate, at a minimum, each major section heading (example II-1 to II-7). The Offeror shall also include tabs to indicate each subsection A. through M. included under Section II-7 (the Work Plan). An official authorized to bind the Offeror to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet (Appendix B to this RFP) and the Proposal Cover Sheet is attached to the Offeror's proposal, the requirement will be met.

In addition to the paper copies of the proposal, Offerors shall submit two (2) complete and exact copies of each proposal on separate media for each proposal (Technical, Cost, and SDB, along with all requested documents) using DVD, CD-ROM, or Flash drive in Adobe PDF, Microsoft Office, or Microsoft Office-compatible format. The Offeror shall utilize navigation headings (Microsoft Word) or bookmarks (Adobe PDF) that match the physical tabs it includes in its proposal. Minimally, there should be six (6) media devices (two (2) for each of the three submittals that make up a complete proposal), included in the separate shipping container for

each applicable submittal. The electronic copy must be identical to the paper copy and any spreadsheets must be in Microsoft Excel. The Offerors may not lock or protect any cells or tabs. **Offerors should ensure that there is no cost information in the technical submittal.** The CD or Flash drive should **clearly identify the Offeror and include the name and version number of the virus scanning software used to scan the CD or Flash drive prior to submittal.** The Offeror shall make no other distribution of its proposal to any other Offeror or Commonwealth official or Commonwealth consultant.

For this RFP, the proposal must remain valid for 150 days from the date that an Offeror is selected for negotiation or until a Contract is fully executed, whichever is earlier. If an Offeror's proposal results in a final executed Contract, the contents of the Offeror's proposal will become, except to the extent the contents are changed through Best and Final Offers or final contractual provisions, contractual obligations.

Each Offeror submitting a proposal specifically waives any right to withdraw or modify it, except that the Offeror may withdraw its proposal by written notice received at the Issuing Office's address for proposal delivery prior to the exact hour and date specified for proposal receipt. An Offeror or its authorized representative may withdraw its proposal in person prior to the exact hour and date set for proposal receipt, provided the withdrawing person provides appropriate identification and signs a receipt for the proposal. An Offeror may modify its submitted proposal prior to the exact hour and date set for proposal receipt only by submitting a new sealed proposal or sealed modification that complies with the RFP requirements and that explicitly requests the Issuing Office to disregard and remove from consideration any prior submitted proposals.

I-13. Other Communications and Submissions. Other than the complete response to this RFP described in I-12, all communications between Offerors and Treasury shall be sent to – and will originate from – the email address rfp14-001@patreasury.gov. Except as otherwise indicated in the Calendar of Events, all responses must be submitted no later than 5:00 p.m. EST.

I-14. Small Diverse Business Information. The Issuing Office encourages participation by small diverse businesses as prime Contractors, and encourages all prime Contractors to make a significant commitment to use small diverse businesses as Subcontractors and suppliers.

A Small Diverse Business is a DGS-verified minority-owned business, woman-owned business, veteran-owned business, or service-disabled veteran-owned business. The additional eligibility requirements that must be met for one of these businesses to be considered a Small Diverse Business by the Department of General Services include any for-profit business in the United States that is independently owned, not dominant in its field of operation, employs no more than 100 full-time or full-time equivalent employees, and does not exceed the following three-year average gross sales amounts based on business type: \$7 million for building design businesses, \$20 million for construction, sales and services businesses, and \$25 million information technology sales or service businesses.

The Bureau of Small Business Opportunities (“BSBO”) verifies eligibility for this certification.

Questions regarding this Program can be directed to:

Department of General Services
Bureau of Small Business Opportunities
Room 611, North Office Building
Harrisburg, PA 17125
Phone: (717) 783-3119
Fax: (717) 787-7052
Email: gs-bsbo@pa.gov
Website: www.dgs.state.pa.us

The Department’s directory of BSBO-verified minority, women, veteran and service-disabled veteran-owned businesses can be accessed at [this link](#).

I-15. Economy of Preparation. Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror’s ability to meet the requirements of the RFP.

I-16. Alternate Proposals. The Issuing Office has identified the basic approach to meeting its requirements, allowing Offerors to be creative and propose their best solution to meeting these requirements. The Issuing Office will not accept alternate proposals.

I-17. Discussions for Clarification. Offerors may be required to provide an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and Offeror responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification. Clarifications may be sought from Offerors at any stage of the evaluation and selection process prior to Contract execution.

I-18. Prime Contractor Responsibilities. The Contract will require the Offeror to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. The Issuing Office will consider the Offeror to be the sole point of contact with regard to contractual matters.

I-19. Proposal Contents.

A. Confidential Information. The Treasury is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of Offeror’s submissions in order to evaluate proposals submitted in response to this RFP. Accordingly, except as provided herein, **Offerors shall not label proposals as confidential or proprietary or trade secret protected.** Any Offeror who determines that it must divulge such information as part of its proposal must submit the signed written

statement described in **Subsection C.** below and must additionally provide a redacted version of its proposal, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

- B. Treasury Use.** All material submitted with the proposal, and any work products developed as an outcome of the Contract from this RFP, shall be considered the property of Treasury. Treasury has the right to use any or all ideas not protected by intellectual property rights that are presented in any proposal regardless of whether the proposal becomes part of a Contract. Notwithstanding any Offeror copyright designations contained on proposals, Treasury shall have the right to make copies and distribute proposals internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.
- C. Public Disclosure.** RFP responses are subject to being requested pursuant to Pennsylvania's Right-to-Know Law ("RTKL") (65 P.S. 67.101 et seq.). Except as otherwise noted, Treasury recognizes RFP responses to be public records, and will produce them if requested to disclose under RTKL. If an Offeror wishes to redact any part of its RFP response from disclosure under RTKL, it must submit (in addition to the unredacted proposals required to be submitted by Article I-11) a complete and identical proposal except for those provisions it chooses to redact (in two versions: one on paper and one in PDF format on a CD). Redacted RFP responses must be appropriately labeled to enable them to be readily distinguished from unredacted responses. All redactions must be in accordance with the exceptions set forth in RTKL, and must be detailed to Treasury in an accompanying letter. Treasury will not provide legal advice on RTKL or redactions to any Offerors. If an Offeror does not submit a redacted response, Treasury will treat the entire RFP response as a public record under RTKL and will provide to requesters as such.

I-20. Best and Final Offers.

- A.** While not required, the Issuing Office reserves the right to conduct discussions with Offerors for the purpose of obtaining best and final offers. To obtain best and final offers from Offerors, the Issuing Office may do one or more of the following, in any combination and order:
- 1.** Schedule oral presentations;
 - 2.** Request revised proposals;
 - 3.** Conduct a reverse online auction; and
 - 4.** Enter into pre-selection negotiations.

B. Even in an instance where the Issuing Office elects to solicit best and final offers, the following Offerors will **not** be invited by the Issuing Office to submit a best and final offer:

1. Those Offerors that the Issuing Office has determined to be not responsible or whose proposals the Issuing Office has determined to be not responsive.
2. Those Offerors that the Issuing Office has determined, in accordance with **Part III, Section III-5** from the submitted and gathered financial and other information, do not possess the financial capability, experience or qualifications to assure good faith performance of the Contract.
3. Those Offerors whose score for their technical submittal of their proposal is less than 70% of the total number of points allotted to the technical submittal.

The Issuing Office may further limit participation in the best and final offers process to those remaining responsible Offerors that the Issuing Office has, within its discretion, determined to be within the top competitive range of responsive proposals.

- C.** The Evaluation Criteria described in **Part III, Section III-4**, shall also be used to evaluate the best and final offers.
- D.** Price reductions offered through any reverse online auction shall have no effect upon the Offeror's Technical Submittal. Dollar commitments to Small Diverse Businesses can be reduced only in the same percentage as the percent reduction in the total price offered through any reverse online auction or negotiations.

I-21. News Releases. Offerors shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office.

I-22. Restriction of Contact. From the issue date of this RFP until the Issuing Office selects a proposal for award, the Issuing Officer is the sole point of contact concerning this RFP. Any contact with the Issuing Officer must be through the email address rfp14-001@patreasury.gov. Any violation of this condition may be cause for the Issuing Office to reject the offending Offeror's proposal. If the Issuing Office later discovers that an Offeror has engaged in any violations of this condition, the Issuing Office may reject the offending Offeror's proposal or rescind its Contract award. Offerors must agree not to distribute any part of their proposals beyond the Issuing Office. An Offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror personnel may be disqualified. Publicly distributed and generally available marketing materials or specifications are not subject to this restriction.

I-23. Term of Contract. The term of the Contract will commence on the Effective Date and will end on June 30, 2018, with non-exclusive one (1) and two (2) year renewal options. The Contract must grant to Treasury sole discretion to determine the exercise of renewal options, if any, in single or multiple year increments. The Effective Date for the Contract shall be the date of the last signature required to create a legally binding Contract with the Commonwealth (which will be the signature of a designated official of the Pennsylvania Office of Attorney General). The Offeror shall not start the performance of any work prior to authorization by Treasury.

I-24. Offeror's Representations and Authorizations. By submitting its proposal, each Offeror understands, represents, and acknowledges that:

- A.** All of the Offeror's information and representations in the proposal are material and important, and the Issuing Office may rely upon the contents of the proposal in awarding the Contract(s). The Commonwealth shall treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the Proposal submission, punishable pursuant to 18 Pa. C.S. § 4904.
- B.** The Offeror has arrived at the price(s) and amounts in its proposal independently and without consultation, communication, or agreement with any other Offeror or potential Offeror.
- C.** The Offeror has not disclosed the price(s), the amount of the proposal, or the approximate price(s) or amount(s) of its proposal to any other firm or person who is an Offeror or potential Offeror for this RFP. The Offeror shall not disclose any of these items until a vendor is selected for negotiations.
- D.** The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal on this Contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- E.** The Offeror makes its proposal in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- F.** To the best knowledge of the person signing the proposal for the Offeror, the Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any government agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction involving conspiracy or collusion with respect to bidding or proposing on any public Contract, except as the Offeror has disclosed in its proposal.

- G. To the best of the knowledge of the person signing the proposal for the Offeror, and except as the Offeror has otherwise disclosed in its proposal, the Offeror has no outstanding delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Offeror that is owed to the Commonwealth.
- H. The Offeror is certifying that it is not currently under suspension or debarment by the Commonwealth, any other State or the Federal government, and if the Offeror cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.
- I. The Offeror has not made, under separate Contract with the Issuing Office or otherwise, any recommendations to the Issuing Office concerning the need for the services described in its proposal or the specifications for the services described in the proposal.
- J. The Offeror, by submitting its proposal, authorizes Commonwealth agencies to release to Treasury information concerning the Offeror's Pennsylvania taxes, Unemployment Compensation and Workers' Compensation liabilities.
- K. Until the Offeror receives a fully executed and approved written Contract from the Issuing Office, there is no legal and valid Contract, in law or in equity.
- L. The Offeror has identified and disclosed in its human resources plan for the project the names of any former L&I or Treasury employees, or relatives of current L&I or Treasury employees.

I-25. Notification of RFP Outcome.

- A. Contract Negotiations.** The Issuing Office will notify all Offerors in writing of the Offeror(s) selected for Contract negotiations after the Issuing Office has determined, taking into consideration all of the evaluation factors, the proposal(s) that is(are) the most advantageous to the Issuing Office.
- B. Award.** Offerors whose proposals are not selected will be notified when Contract negotiations have been successfully completed and the Issuing Office has awarded the final negotiated and fully executed Contract to the selected Offeror.

I-26. Debriefing Conferences. Upon notification of award, Offerors whose proposals were not selected will be given the opportunity to be debriefed. The Issuing Office will schedule each debriefing at a mutually agreeable time. The debriefing will not compare the Offeror with other Offerors, other than the position of the Offeror's proposal in relation to all other Offeror proposals. An Offeror's exercise of the opportunity to be debriefed does not constitute nor toll

the time for filing a protest (See Section I-25 of this RFP).

I-27. RFP Protest Procedure. Questions regarding the Protest Procedures can be directed by e-mail (with the subject line “RFP 14-001 Protest Procedures”) to the Issuing Officer named in Part I, Section I-2 of the RFP.

A protest by a party not submitting a proposal must be filed within **seven (7)** business days after the protesting party knew or should have known of the facts giving rise to the protest, but no later than the proposal submission deadline specified in the Calendar of Events of the RFP.

Offerors may file a protest within **seven (7)** business days after the protesting Offeror knew or should have known of the facts giving rise to the protest, but in no event may an Offeror file a protest later than **seven (7)** business days after the date the notice of award of the Contract is posted on the Treasury e-Contracts website. The date of filing is the date of receipt of the protest. All protests must be filed in writing with the Issuing Office. To be timely, the protest must be received by 4:00 p.m. on the seventh (7th) day.

I-28. Use of Electronic Versions of this RFP. This RFP is being made available by electronic means. If an Offeror electronically accepts the RFP, the Offeror acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of a conflict between a version of the RFP in the Offeror’s possession and the Issuing Office’s version of the RFP, the Issuing Office’s version shall govern.

I-28. Definitions and Acronyms. The following words and acronyms are defined as follows, unless the context of their usage in this RFP clearly indicates a different meaning.

Account: A compilation of all information regarding a Claimant, or regarding a Cardholder’s receipt of UC payments or SWIF indemnity payments by EPC, including the record of the amounts of money made available to the Claimant by Credits, the record of the Cardholder’s transactions with his/her EPC and any other debits or credits charged to the Cardholder, and the amount of money available to the Cardholder through his/her EPC at any given time.

APO: Army Post Office.

ATM: Automated Teller Machine, a device that accepts EPCs and, when activated by a Cardholder through use of an EPC containing a compatible magnetic stripe, is capable of dispensing currency directly from such device and responding to account inquiries.

Cardholder: A UC Claimant or SWIF Claimant who has been issued an EPC.

Claimant: Person filing an Unemployment Compensation or Workers’ Compensation claim.

Contract: A written agreement between two or more parties creating obligations that are enforceable or otherwise recognizable as law, the performance of which the law recognizes to

be a duty and for breach of which the law confers a remedy.

Contractor: The Offeror selected by Treasury as a result of this RFP.

Credit: UC or WC benefit payments deposited to a Cardholder's account or a refund from a merchant.

CSR: Customer Service Representative.

Days: All references to days shall be calendar days unless specified otherwise.

DUA: Disaster Unemployment Assistance.

Effective Date: The date of the last signature required to create a legally binding Contract.

EFT: Electronic Fund Transfer.

EPC: Generally, an Electronic Payment Card. In relation to this RFP, an EPC is an electronic payment card that the Cardholder may use to electronically request and receive his/her UC payments or SWIF indemnity payments in the form of cash, make payments, and conduct inquiries regarding his/her account information, which functions by directly or indirectly debiting an account established in a financial institution to receive electronic fund transfers from Treasury or by processing inquiries or other activities relating to the account.

Extended Benefits: Special programs designed to address periods of high unemployment.

FDIC: Federal Deposit Insurance Corporation.

FPO: Fleet Post Office.

In-Network: An Offeror's network of ATM or teller locations at which a Cardholder can conduct transactions without any charge, up to the maximum number of such transactions provided by the Offeror.

IVR: Interactive Voice Response System, a transaction system allowing phone callers to use an ordinary telephone to interact with a computer through speech or dialed instructions. Each response by the caller triggers another recorded message until the transaction is completed. An IVR system may also include an option to speak to a live customer service representative.

L&I: Pennsylvania Department of Labor & Industry.

Load: The dollar value transferred to, or credited to, a Cardholder's account as determined by Treasury.

NACHA: National Automated Clearing House Association, a not-for-profit association that represents more than 11,000 financial institutions through direct memberships and a network of regional payments associations, and 650 organizations through its industry councils. NACHA develops operating rules and business practices for the Automated Clearing House (ACH) Network and for electronic payments in the areas of Internet commerce, electronic bill and invoice presentment and payment, e-checks, financial electronic data interchange, international payments, and electronic benefits services. The website for ACH Rules online is: <http://www.achrulesonline.org/>.

NCUSIF: National Credit Union Administration – Share Insurance Fund.

New Claim: A claim for UC payments or SWIF indemnity payments that establishes a monetary entitlement to payments provided that the Claimant meets all other ongoing provisions for eligibility.

Offeror: The vendor making an offer in response to this RFP. In certain usages, “Offeror” will refer to the vendor selected on the basis of its response to this RFP to provide the requested services.

Out-of-Network: A network of machines that are not In-Network, where a Cardholder may be charged fees, surcharges, or both using the EPC. An Offeror may include a prescribed number of transactions Out-of-Network that will be available to Cardholders without charge or at reduced costs.

PIN: Personal Identification Number, a number associated with the EPC, that is known only to the Cardholder and the EPC issuer. This number is used for verification of Cardholder identity.

POS: Point of Sale, a retail establishment or Internet location from which Cardholders can purchase goods or services using their EPCs.

PPD: Pre-Authorized Payment and Deposit, a NACHA format for transmitting payment-related data.

Refund: Depending upon usage, the return of money to the Cardholder’s account or the amount returned. An example would be the amount credited back to a Cardholder’s account when an item is returned to a merchant who charged the original purchase to the account based upon use of the EPC.

Regulation E: 12 CFR Part 205, issued by the Board of Governors of the Federal Reserve System pursuant to the Electronic Fund Transfer Act (15 U.S.C. § 1693, *et seq.*), which establishes the basic rights, liabilities, and responsibilities of consumers who use electronic fund transfer services and of financial institutions that offer these services. The primary objective is the protection of individual consumers engaging in electronic fund transfers. Regulation E may be accessed online at [this link](#).

Reversal: Consistent with NACHA regulations, the process of deducting money from a Cardholder's account due to death, duplication, or being not entitled to the payment.

Subcontractor: Any individual, not an employee of the Offeror or company that provides products or services on behalf of an Offeror that are required for the performance of any Contract resulting from this RFP, either on the Offeror's site or its own site.

SWIF: State Workers' Insurance Fund.

TRA: Trade Readjustment Allowance.

Teller: A bank or credit union location where a Cardholder can access funds held on the EPC.

Treasury: The Pennsylvania Treasury Department.

TTY: Teletypewriter, a common name for a telecommunications device for the deaf.

UC: Unemployment Compensation.

WC: Workers' Compensation.

PART II

PROPOSAL REQUIREMENTS

Offerors must submit their proposals in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Offerors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the Proposal. All Small Diverse Business cost data should be kept separate from and not included in the Technical Submittal.

Each Proposal shall consist of the following three (3) separately sealed submittals:

- A. Technical Submittal, in response to RFP **Part II, Sections II-1 through II-7.**
- B. Small Diverse Business participation submittal, in response to RFP **Part II, Section II-8;** and
- C. Cost Submittal, in response to RFP **Part II, Section II-9.**

The Issuing Office reserves the right to request additional information that, in the Issuing Office's opinion, is necessary to assure that the Offeror's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Issuing Office may make investigations as deemed necessary to determine the ability of the Offeror to perform the Project, and the Offeror shall furnish to the Issuing Office all requested information and data. The Issuing Office reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Offeror fails to satisfy the Issuing Office that such Offeror is properly qualified to carry out the obligations of the RFP and to complete the Project as specified.

Technical Submittal (II-1 to II-7)

An Offeror's response to the information requested in this **Part II, Sections II-1 to II-7** constitutes the Technical Submittal. **The Technical Submittal shall be placed in a separate sealed shipping container, separated from the Cost and SDB Submittals.** The Offeror should not include any assumptions in its Technical Submittal unless explicitly stated by Treasury in this RFP. If the Offeror includes assumptions in its Technical submittal, the Issuing Office may reject the proposal. Offerors should direct in writing to the Issuing Office pursuant to **Part I, Section I-9**, of this RFP any questions.

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP by briefly addressing the task descriptions and numbering convention found in **Part II-7** of this RFP (Work Plan) in order to provide a narrative

summary of the Offeror's technical plan for accomplishing the work. Describe how the Offeror's plan will address project management, acceptance testing, quality management, change management, and risk management. Specifically describe the initial conversion process from the existing EPC Contractor. Describe the timeline to be ready to issue EPCs and accept deposits from Treasury. Treasury is interested in proposals that Offerors will be able to implement within 120 days of Contract signing. Describe the Offeror's capabilities in promptly implementing a program, including completing transitional activities and providing customer service within the desired timeframe. If the Offeror's plan will take longer than 120 days, please explain the reason for that. If appropriate, indicate recommended training of Treasury and L&I personnel (refer to **Part II, Section II-4** of this RFP). Include a Program Evaluation and Review Technique ("PERT"), or similar type, display, time related, showing each event.

II-2. Prior Experience. Describe the Offeror's experience in providing EPC services in general, and in particular, related to UC and WC, either currently or in the past. Provide examples of projects that involved the Offeror transitioning an EPC program from an existing Contractor to its own. Also, describe any experience in transitioning multiple government programs into a single EPC card. Summarize and provide examples of the scope and services in the performance of these projects. Describe experience in working with government agencies. Specifically describe interaction with customers and the handling of customer inquiries. Experience described should be work done by individuals who will be assigned to this project as well as that of Offeror's company. Studies or projects referred to must be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

Provide letters of reference from three (3) previous clients knowledgeable of the Offeror's performance on similar projects, and telephone number for each reference. Preferably, at least one (1) reference will be knowledgeable about the specific performance in providing EPC services in general, and in particular, EPC services with respect to UC and WC.

II-3. Personnel. Include a human resources plan including the number of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Describe where these personnel will be physically located during the time they are engaged in the Project. For key personnel (executive management, Contract manager, project/transition manager, team lead, assigned project team members, etc.), include the employee's name and, through a resume or similar document, the Project personnel's education and experience in providing EPC services, particularly for UC and WC benefit payments. Indicate the responsibilities that each individual will have in this Project and how long each has been with your company. Identify by name any Subcontractors the Offeror intends to use and the services each will perform.

II-4. Training. Please describe the type of training you will provide for Treasury and L&I personnel. Differentiate between the training that the Offeror will provide prior to first funding of EPCs at Treasury or L&I offices and the training that the Offeror will provide to Treasury and L&I on an ongoing basis upon request. Describe the training and support that will be available

to Treasury and L&I staff during transition and implementation, including test environments for exchanging sample data files and reporting. Include the type of Treasury and L&I personnel to be trained, duration of the training program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

II-5. Financial Capacity, Disclosure of Ongoing Litigation, Corrective Action, and Liquidated Damages. Describe your company's financial stability and economic capability to perform the Contract requirements. Provide your company's financial statements for the past three (3) fiscal years (electronic versions encouraged). If your company is a publicly traded company, please provide a link to your financial records on your company website; otherwise, provide three (3) years of your company's financial documents such as audited financial statements or recent tax returns. Financial statements must include the company's Balance Sheet and Income Statement or Profit/Loss Statements. Also, include a Dun & Bradstreet comprehensive report if available. The Offeror must include the disclosure of any ongoing litigation or any adverse actions (*e.g.*, Contract termination, corrective action, liquidated or actual damages, regulatory action) against it within the past five (5) years from any governmental organizations for which it has been providing similar disbursements. The disclosure must include the date of initiation, the nature of the litigation or adverse action, the parties involved in the action, and, if resolved, the resolution. The Offeror shall also include in its proposal its SSAE 16 opinion letters for the past two (2) years and details of any failed processes. The Offeror may submit such opinions in a separate submittal, as further described in Section I-17.A. The Commonwealth reserves the right to request additional information it deems necessary to evaluate an Offeror's financial capability.

II-6. Objections and Additions to Standard Contract Terms and Conditions. An Offeror must explicitly acknowledge that its proposal is submitted based upon acceptance of the Standard Contract Terms and Conditions ("Standard Terms") set out in **Appendix A**. The Issuing Office will reject any proposal that is conditioned on the negotiation of Standard Terms to be other than as those set out in **Appendix A**.

The Offeror may identify Standard Terms in **Appendix A** it proposes to modify (or remove) if it is selected for Contract negotiations. If it identifies any such terms or conditions, it shall also provide in full the alternative language it proposes and the rationale for the proposed change to (or removal of) the identified provision(s). The Offeror may also propose, in full, provisions it wishes to add to the Standard Terms if it is selected for Contract negotiations. The Offeror shall similarly provide a rationale for proposed additional terms. The Issuing Office will not accept references to the Offeror's, or any other, online guides or online terms and conditions contained in any other proposal or Contract.

The Issuing Office may, in its sole discretion, accept or reject during Contract negotiations any proposed changes to the Standard Terms, including any proposed changes submitted later than the deadline for submission of proposals, if, in the Issuing Office's sole discretion, they would be in the best interest of the Commonwealth. If the Issuing Office rejects a proposed change,

the Offeror shall be obligated to accept the respective Standard Term.

II-7. Work Plan. As part of the proposal, Offerors shall submit a work plan that includes a response to each numbered requirement below, utilizing the same numbering scheme to facilitate evaluation. Each Offeror shall confirm its compliance with the Treasury requirements in its response and detail how the Offeror will perform the tasks as described in each section.

Treasury has established certain requirements with respect to its evaluation of proposals submitted by Offerors. The use of "shall," "must," or "will" in the RFP indicates a requirement or condition that is mandatory. An Offeror failing to meet a mandatory Treasury requirement or providing a response that materially deviates from the mandatory requirement can result in Treasury awarding zero (0) points for the applicable section of the proposal and may lead to the proposal not receiving the required 70% of available Technical Submittal points to qualify for further evaluation. Treasury may waive a mandatory requirement or condition in its sole discretion if an Offeror fails to meet it, but provides a reasonable basis for its deviation from the prescribed requirement or condition and the deviation is not material. A deviation from a requirement or condition is material if the deficient response does not substantially comply with the RFP requirement or condition, provides an advantage to one Offeror over other Offerors, or has a potentially significant effect on the EPC program.

The words "should," "may," or "encouraged" in the RFP indicate desirable attributes or conditions, but are non-mandatory in nature. Deviation from, or omission of, such a desirable feature will decrease the number of points that a proposal will receive for that feature, but the Offeror will remain eligible to receive partial points for its response.

A. EPC Administration

1. There shall be no cost to the Commonwealth.
2. Offerors shall provide evidence of certification and/or membership and compliance with FDIC or NCUSIF and the Pennsylvania Department of Banking and Securities rules and regulations.
3. Offerors must be affiliated with either VISA or MasterCard and be Electronic Funds Transfer (EFT) capable using NACHA standards.
4. Offerors shall meet all Regulation E requirements, including those that may apply specifically to government programs.
5. Offerors shall identify the depository bank/card issuer for its proposed EPC program. Offerors that are, or utilize, one of Treasury's approved depositories for the Offeror's depository banks/card issuer for this EPC program will be evaluated more favorably. Please see Appendix E for a list of Treasury depositories.

6. The Offeror shall identify a full-time Contract Manager it will appoint for its Contract with Treasury. The Contract Manager shall be a designated individual with analytical skills, judgment, experience, and authority to respond to inquiries from designated Commonwealth staff on tasks including but not limited to Contract compliance, delivery of services, liaison with the bidder's vendor network and depository bank, and resolution of Cardholder complaints that have been elevated above the Customer Service Representative level. Preferably, the Contract Manager shall be familiar with Pennsylvania Treasury as well as L&I practices, or have work experience related to State government.

The Contract Manager will be available Monday through Friday during Treasury business hours and will have necessary systems access to respond to inquiries and to meet any needs of L&I or Treasury. The Contract Manager will respond to any written communication from L&I or Treasury within one (1) business day from receipt. In the event that the Contract Manager will be absent from work for more than three (3) consecutive business days, the Offeror will provide two-week prior notice to L&I and Treasury via e-mail (except in the instance of unanticipated absences, in which instance the Offeror will provide as much notice as is reasonably practical under the circumstances) and will designate a substitute Contract Manager for the period of absence.

The Offeror shall also identify a substitute full-time Contract Manager it will have available for its Contract with Treasury. The substitute Contract Manager should have similar system access, credentials and authority as those possessed by the full-time Contract Manager.

7. The Offeror must procure and maintain, at its expense, and require its Subcontractors to procure and maintain, as appropriate, the following types of insurance, issued by companies acceptable to the Commonwealth and authorized to conduct such business under the laws of the Commonwealth of Pennsylvania:
 - a) Workers' Compensation insurance for all of the Offeror's employees engaged in performing services in accordance with the Workers' Compensation Act (77 P.S. §1 *et seq.*). The Offeror shall ensure that its Subcontractors comply with this requirement.
 - b) Commercial General Liability insurance to protect the Commonwealth, as additional insured, and the Offeror from claims for damages for personal injury (including bodily injury), sickness or disease, accidental death, and damage to property, including loss of use from property damage, which may arise from its operations under this Contract by the Offeror or employees of the Offeror, or any of the Offeror's Subcontractors or their employees. The limits of such insurance shall be in an amount not less than One Million Dollars (\$1,000,000) per occurrence combined single limit for bodily injury and property damage and Two

Million Dollars (\$2,000,000) general aggregate, and shall be maintained throughout the duration of the Contract. Such policies shall be occurrence rather than claims-made policies and shall name the Commonwealth of Pennsylvania as an additional insured.

- c) Errors and Omissions insurance to protect the Offeror for loss due to Offeror's negligent acts, errors, or omission by the Offeror or any employee or officer thereof. Errors and Omissions insurance with limits of not less than fifteen million dollars (\$15,000,000) per claims made basis shall be maintained throughout the duration of the Contract. The Offeror shall ensure that its Subcontractors comply with this requirement.
 - d) Fidelity/Commercial Crime insurance covering the loss that may be incurred due to loss of money, securities, or inventory resulting from crime, including burglary, robbery, theft, disappearance destruction or embezzlement by the Offeror or employees of Offeror. Fidelity/Commercial Crime insurance with limits of not less than fifteen million dollars (\$15,000,000) per loss shall be in full force throughout the term of the Contract and shall name the Commonwealth of Pennsylvania as a joint loss payee as its interests may appear. The Offeror shall ensure that its Subcontractors comply with this requirement.
 - e) Offeror will provide the Commonwealth of Pennsylvania with a standard ACORD form certificate of insurance evidencing the aforementioned insurance coverage within ten (10) days of Contract award.
8. The Offeror must secure a financial instrument in the amount of one million dollars (\$1,000,000) from an independent financial institution to be readily available to address any corrective actions that Treasury may need to take to remedy Contractor deficiencies and also to satisfy any liquidated damages that may be due pursuant to **Section IV-3**. Prior to execution of any Contract resulting from this RFP, the Offeror will be required to provide Treasury with proof of such financial instrument. If at any point during the term of the Contract Treasury is required to take action to correct a deficiency of the Offeror, Treasury may exercise against such financial instrument an amount sufficient to cover the costs to Treasury. The Offeror will be required to maintain the financial instrument in the amount of one million dollars (\$1,000,000) throughout the duration of the Contract, including subsequent to any instances in which Treasury has drawn against the financial instrument.

Financial instruments that an Offeror may secure and provide to meet this requirement include an appropriate certified or bank (cashier's) check, letter of credit, or performance bond.

9. The Offeror shall hold the Commonwealth harmless and indemnify the Commonwealth against any and all claims, demands or actions based upon or arising out of any activities

performed by the Offeror or its employees or agents, including Subcontractors, under any Contract resulting from this RFP and shall, at the request of the Commonwealth, defend any and all actions brought against the Commonwealth based on any such claims or demands. The Commonwealth will not indemnify the Offeror.

10. Treasury and L&I shall have the right to inspect Offeror facilities, including those of Subcontractors, to ensure the Offeror's ability to meet all required Service Level Agreements contained in this RFP.
11. Treasury and L&I encourage all Offerors to utilize Pennsylvania's workforce and businesses to the greatest extent feasible to administer, and provide services for, any Contract resulting from this RFP. Treasury and L&I will evaluate more favorably Offerors that propose utilizing Pennsylvania's workforce and businesses for any Contract resulting from this RFP. Describe the Offeror's proposed commitment to utilizing Pennsylvania's workforce and businesses, including a detailed estimate of Pennsylvania's workforce that the Offeror will utilize and the dollar value of services secured from Pennsylvania businesses directly associated with supporting related services during the duration of the Contract. Include a methodology of how the Offeror arrived at its estimates. Examples include, but are not limited to, CSR call centers, printing services, specialized IT services, mail handling, card fulfillment, Contract management, and data infrastructure. The estimates provided by the Offeror in this section do not need to meet the criteria of the Small Diverse Business Submittal, but the Offeror can include any use of Small Diverse Businesses in its proposed commitment to Pennsylvania's workforce and businesses.

B. Confidentiality/Security

All Cardholder information and Cardholder account information created as a result of any Contract that results from this RFP must remain confidential and may not be sold or otherwise shared with any other entity not associated with the Contract or for any purpose other than the execution of the Contract, unless required by law. In addition, the Offeror may not use Cardholder information or Cardholder account information to solicit other business and must ensure Cardholder information and Cardholder account information is protected and kept confidential. The Offeror will be required to execute an agreement regarding the confidentiality of Cardholder information and Cardholder account information. Offerors must describe in detail all procedures for safeguarding confidential Cardholder information and Cardholder account information.

1. The Offeror shall conform to, and comply with, the Payment Card Industry (PCI) Data Security Standards ("DSS") as defined by The PCI Security Standards Council. The Offeror shall monitor PCI DSS standards and will promptly notify Treasury if its practices should not conform to such standards. The Offeror shall provide a letter of certification to attest to meeting this requirement within one week of the Offeror's receipt of the

annual PCI DSS compliance report.

2. There must be zero (0) breaches of confidentiality regarding Cardholder information and Cardholder account information during the life of the Contract and all security measures as specified in the Contract must be maintained at all times. Treasury considers any breach of confidentiality/security a material breach of any Contract resulting from this RFP. Any breach may result in Treasury's termination of the Contract. Treasury may exercise the financial instrument described in A.8. in an amount necessary to cover the cost to Treasury of issuing payments and procuring a new Offeror.
3. Describe any breaches of databases under the direct control of the Offeror that resulted in the unauthorized access or disclosure of Cardholder Personally Identifiable Information ("PII") for which applicable Federal and State law required that the Offeror notify affected Cardholders.
4. Describe your, and your Subcontractors', processes and procedures that will be used to ensure the confidentiality of Cardholder information and how Cardholder account information is protected, including but not limited to, the following measures:
 - a) Describe how access to data regarding Cardholder information and Cardholder accounts will be restricted to those individuals whose access is essential to the administration of the program.
 - b) Describe how individuals with access to Cardholder information or Cardholder accounts will be under the supervision and control of the Offeror.
 - c) Describe how you will ensure that each individual with access to Cardholder information or Cardholder accounts will have to execute a confidentiality agreement before access to this information is permitted. All individuals with access to confidential information will be required to execute a confidentiality agreement substantially similar to the sample agreement at **Appendix C** of this RFP.
 - d) Describe how you will monitor the use of the data by individuals with access to Cardholder information or Cardholder accounts to ensure that such information is being used only for purposes consistent with the administration of this program.
 - e) Describe how you will keep all information regarding Cardholders and Cardholder accounts secured in a manner that will ensure its confidentiality.
 - f) Describe how you will develop and require anyone with access to data regarding Cardholder information or Cardholder accounts to use security procedures to keep the data confidential and to limit its access to those authorized to access such information.

- g)** Describe how you will ensure that any Subcontractors will be bound by the same confidentiality requirements as the Offeror.
- 5.** Describe how records, both physical and electronic, are destroyed after the required minimum retention period of seven (7) years after the expiration of the Contract, the frequency of destruction, and what logging and reporting of the record destruction activity is provided to Treasury.
- 6.** The Offeror shall comply with all State and Federal data breach notification laws, including but not limited to the Breach of Personal Information Notification Act (73 P.S. § 2301 *et seq.*).
- 7.** In addition to meeting or satisfying the requirements of the Breach of Personal Information Notification Act, upon discovery of a breach, or upon reasonable grounds to believe that a breach has occurred on any system under the control of the Offeror or any of its Subcontractors, the Offeror shall provide immediate basic notification to Treasury. The Offeror shall provide timely notification and provide to Cardholders and a minimum of one year of credit monitoring services to those Cardholders who may be impacted by a breach or unauthorized access, use, release, or disclosure of personal information. The Offeror shall extend credit monitoring services to a minimum of two (2) years to any Cardholder against whom fraudulent activity is detected. The Offeror shall immediately implement prophylactic measures following a breach, protect affected Cardholders, and recover, where possible, released information. The Offeror shall provide, on a timely basis, periodic updates to Treasury regarding its activities, and coordinate and cooperate continuously with Treasury.

The Offeror must submit to Treasury, as promptly as possible under the circumstances, a detailed report including the following:

- a)** The manner in which the breach was effected and its duration.
- b)** The scope of information revealed.
- c)** The potential financial implications for affected Cardholders.
- d)** Appropriate measures to aid affected Cardholders in evaluating any real or potential injuries suffered and proposing restitution for those injuries.
- e)** A description of enhanced security measures that the Offeror intends to implement in order to prevent future recurrences.
- f)** The manner and timeframe by which you will provide timely, reliable, and convenient notification to Cardholders of any data breaches that might expose

Cardholders' individual account information.

- g)** The assistance you will provide to the Cardholder in the event his/her individual account information is compromised.
- 8.** Offeror shall provide immediate basic notification to Treasury upon learning of significant data breaches experienced by other financial institutions, payment processors, ATM networks, or large retail businesses that have the potential to affect Cardholders. The Offeror shall cooperate and coordinate with Treasury in identifying steps, if any, to maximize the security and integrity of Cardholder information.
- 9.** For either data breach instance described in this section, describe the considerations you would evaluate in determining whether to offer free replacement cards for Cardholders who might be exposed to, or express concern that they might be exposed to, fraudulent activity as a result of the data breach.
- 10.** Describe the security features associated with the EPC for activation, counterfeit prevention and fraud prevention.
- 11.** Describe the Offeror's proposal to integrate or comply with Europay, MasterCard, and Visa ("EMV") standards for this program.
- 12.** Describe your Patriot Act/Know Your Customer ("KYC") procedures. The Offeror shall clarify the responsibilities it will assume and those it will ask the Commonwealth to discharge.
- 13.** Describe your procedures for preventing identity theft and responding to fraudulent activities. Specifically describe the Offeror's:

 - a)** Reliance upon services from credit bureaus or credit/debit card processing networks (for example, Experian's Precise ID or Visa's Prepaid Clearinghouse Service) to identify individuals or other flags of possible fraudulent activity prior to establishing the accounts or printing the EPCs. Treasury is particularly interested in procedures that identify enrollment requests for individuals with stolen or compromised identities prior to the Offeror (or its Subcontractor) establishing the account or printing the EPCs.
 - b)** Ability to identify transactions that might indicate that an EPC account or Cardholder's identity has been compromised after card issuance and how the Offeror will notify the Cardholder, freeze the account to minimize losses, and provide the Cardholder with a replacement EPC in order to minimize the period of time the Cardholder does not have access to funds.

- 14.** Describe your procedures to resolve (prosecute) fraud, how and when you will notify Treasury, and what information you will provide.
- 15.** The Offeror shall identify in its proposal a dedicated fraud manager whom the Offeror will assign to work with Treasury and L&I to coordinate fraud investigations, including the Offeror's response to administrative subpoenas issued by L&I. The Offeror's fraud manager will meet in-person with Treasury and L&I during transition to discuss Treasury and L&I's expectations, and, at minimum, continue to host conference calls on a quarterly basis.
- 16.** The Offeror shall acknowledge its agreement with the following criteria pertaining to the processing of administrative subpoenas:
 - a)** L&I will submit administrative subpoena requests to the Offeror by email. Offeror shall comply with an administrative subpoena request within ten (10) business days of receipt; provided, however, that Offeror shall comply with administrative subpoena requests identified as "urgent" by L&I within three (3) business days of their receipt.
 - b)** The Offeror's response to administrative subpoena requests pertaining to ATM transactions will include the date, time, and location of ATM transactions.
 - c)** The Offeror shall not inform the Cardholder(s) referenced in an administrative subpoena that a request has been made.
- 17.** Under circumstances where L&I has reasonable suspicion of ongoing fraudulent activity, describe the Offeror's ability to provide L&I real-time responses to information requests related to current and future transactions made using EPCs, including the following:
 - a)** Any IP address used to access Cardholder accounts.
 - b)** Telephone numbers used to activate and make inquiries on EPCs.
 - c)** Voice recordings with the Offeror's CSRs.
 - d)** Any address where Cardholders had original or replacement EPCs mailed by the Offeror.
 - e)** The original photographs and signature samples, to the greatest extent possible.
 - f)** A list of all bank branches and ATM locations where transactions were processed and the time for each transaction.

18. Describe the Offeror's ability to offer L&I the following real-time alerts:

- a)** When a Cardholder has exceeded a consecutive fourteen (14) day period with multiple international transactions, including any of the following:
 - i.** International ATM transactions,
 - ii.** Inbound calls to the IVR/SCR from an out-of country telephone number, or
 - iii.** Access to the Offeror's customer service website from an out-of-country IP address.
- b)** Unusual card usage at one of the bank's branches, *e.g.* more than three (3) transactions conducted with different EPCs within a five (5) minute period at the same machine.
- c)** Fraudulent attempts by individuals or claimants attempting to withdraw benefit dollars illegally.
- d)** Multiple replacement cards issued on the same account.
- e)** Three (3) or more address changes in a three (3) month period.
- f)** Three (3) or more PIN changes in a three (3) month period.
- g)** Three (3) or more cards issued to the same mailing address within a ten (10) -day period.
- h)** Three (3) or more cards having the same pin number and same mailing address.

C. In-Network Locations

"In-network locations" refers to the Offeror's network of ATM and teller locations at which a Cardholder can conduct transactions without any charge, up to the maximum number of such no-cost transactions provided by the Offeror.

It is the position of the Treasury that any fee schedule, as beneficial as it may be, is of little value to the Cardholders if they do not have access to multiple in-network locations that are easily identified and conveniently located. Therefore, Treasury will be conducting a thorough evaluation of each Offeror's proposed in-network locations to ensure that each Cardholder has ample locations appropriately distributed across the Commonwealth.

Under the current EPC program, there are approximately 3,800 in-network ATM locations and 5,000 teller locations in Pennsylvania. Offerors are strongly encouraged to provide in-network locations that meet or exceed these levels and that are both convenient and geographically distributed across the Commonwealth in a manner that reasonably approximates local population densities. Treasury's evaluation of each Offeror's in-network proposal will include, but not be limited to, three factors: how the Offeror's in-network proposal compares to the existing 3,800 in-network ATM locations, how it compares to the number of in-network ATM locations offered by competing proposals, and how closely its distribution of locations reflects the Commonwealth's geographic population density.

With regard to the third in-network proposal evaluation factor cited above (distributional appropriateness), each Offeror's proposal will be evaluated with regard to how closely its ratio of in-network locations for each individual county to its total number of proposed in-network locations within the Commonwealth approximates (or replicates) the ratio of the population of each county to the total Pennsylvania population. The relative population of each county in the Commonwealth as compared to the total Commonwealth population (based on the U.S. Census Bureau's 2013 estimates) shall be an appropriate source of relevant population densities.

Offerors should also ensure that their networks include locations in counties bordering Pennsylvania and throughout the United States for the benefit of the Cardholders.

Offerors that include in-network locations that are associated with Treasury depositories will be evaluated more favorably (see Appendix D).

Please note that Section I-28 explicitly defines in-network ATM locations as those that provide particular transactions without any charge to Cardholders (up to the number of such completely free transactions provided by the Offeror in accordance with its proposal). Offerors are strongly encouraged to address the minimum in-network requirements clearly and directly. The Issuing Office will not include in the official count of ATM locations considered in-network (*i.e.*, those providing transactions at no charge) any locations that charge a fee but not a surcharge, or a surcharge but not a fee, for any transactions.

1. Describe how you will offer ATM access. Individuals who receive UC payments or SWIF indemnity payments from Pennsylvania may reside either in state or out of state, with some potentially living in other countries. Describe how the EPC will be compatible with diverse financial institutions in and out of the Offeror's proposed ATM in-network locations, and allow for withdrawal of cash through a normal ATM transaction.
2. Describe how you will offer bank teller access. Individuals who receive UC payments or SWIF indemnity payments from Pennsylvania may reside either in state or out of state, with some potentially living in other countries. Describe how the EPC will be compatible with diverse financial institutions in and out of the Offeror's proposed bank teller network.

3. The Offeror will maintain throughout the duration of the Contract the network of in-state ATMs and branch locations provided by the issuing bank and associated networks proposed in its response to this RFP; provided, however, that neither the actual number of ATMs nor branch locations may fluctuate upward without limit or downward by no more than five percent (5%) over the ordinary course of business. Should one or more of the Offeror's networks or partner banks discontinue its relationship with the Offeror, or otherwise reduce the number of ATMs or branch locations that Offeror can make available at in-state locations by more than five percent (5%) of the number of ATMs or branch locations proposed in its response to this RFP, respectively, the Offeror will replace ATMs or branch locations, as applicable, with a comparable bank or network, and corresponding number of ATMs and branch locations, within 90 days of the termination of the relationship with the network or partner bank or reduction in ATM locations or branch locations, as applicable. The Offeror will notify Treasury in writing no later than three (3) business days after receiving notice from any member of its network or any partner bank of an intention to discontinue its relationship with the Offeror or reduce the number of ATMs that the Offeror can make available at in-state locations. The Offeror shall advise Treasury and L&I in writing of the status of its efforts to provide such replacements no later than 45 days following termination of the relationship with the network or partner bank or reduction in ATM locations, as applicable, and obtain approval from Treasury in writing for the proposed replacement network.

The failure to provide alternative bank or ATM network availability comparable to those proposed by the Offeror in its response to this RFP shall be a material breach of any Contract resulting from this RFP and shall constitute a basis for termination of the Contract at Treasury's sole discretion. The resulting Contract shall also prescribe a methodology for calculating liquidated damages based upon the specific bank and ATM network attributes of the Offeror's proposal.

4. The Offeror shall provide summary information on its proposed in-network locations using Appendix E. If an Offeror's in-network will comprise more than one financial institution or network, the Offeror must complete a column for each financial institution or network. The Offeror shall also assign any ATM belonging to multiple networks to only one network of the Offeror's choosing to avoid any ATM being counted more than once. Treasury will review the files submitted as described in paragraphs 6-8 below to ensure that the Offeror has removed duplicate ATMs. Any duplicate ATMs found will be removed from the Offeror's total number of locations and, as a penalty, the Offeror will not receive credit for the original location.
5. The Offeror shall provide a detailed high resolution map of in-network ATMs and direct teller locations in Pennsylvania, nationally and internationally. Offerors that provide additional analysis of their in-network and teller locations based on population density and mean/maximum distance to in-network locations will be evaluated more favorably.

6. The Offeror shall provide two ATM location data files to support its summary information submitted in Appendix E; one each as outlined below:
 - a) **Pennsylvania** – All in-network ATMs located within Pennsylvania.
 - b) **National** – All in-network ATMs located within the United States and its territories.

7. The Offeror shall also provide two teller location data files to support its summary information submitted in Appendix E; one each as outlined below:
 - a) **Pennsylvania** – All in-network teller locations within Pennsylvania.
 - b) **National** – All in-network teller locations within the United States and its territories.

8. The files shall be submitted with the Technical Submittal on a CD or DVD and clearly labeled “ATM Location Files” and “Teller Location Files.” The acceptable file format is a Comma Separated Value (.csv) or Microsoft Excel (.xlsx). The field names to be used and a description are as follows:
 - a) **Location_ID:** Unique numerical identifier of the ATM or teller locations. The Location ID must not be a randomly generated number and must be consistently used in the reporting requirements.
 - b) **Location_Name:** Name given by the Offeror of where the machine is located, *e.g.*, Giant Eagle #xxxx
 - c) **Street_Address:** The physical U.S.P.S recognized address of the location, not including the City, State, or Zip Code.
 - d) **City:** The city where the ATM or teller is located
 - e) **State:** The state where the ATM or teller is located
 - f) **Zip:** Acronym for zone improvement plan code. A five-digit code that identifies the geographic delivery area served by an individual post office or metropolitan area delivery station.
 - g) **Zip+4:** An enhanced ZIP Code that consists of four additional digits that identify a specific geographic segment within the five-digit delivery area, such as a city block, office building, or other unit.
 - h) **County:** The primary legal subdivision of all U.S. states, except Alaska and Louisiana. The U.S. Census Bureau uses counties or equivalent entities (boroughs

in Alaska, parishes in Louisiana, the District of Columbia in its entirety, and municipios in Puerto Rico) as statistical subdivisions.

- i) **Latitude:** The angular distance, measured in degrees north or south of the equator. Express in Decimal Degrees to an accuracy of six (6) decimal places.
- j) **Longitude:** The angular distance, measured in degrees east or west of the Greenwich prime meridian. Expressed in Decimal Degrees to an accuracy of six (6) decimal places.

D. Transition Plan

The Offeror must provide a detailed project schedule and transition plan from the current EPC program to its proposed program, including timelines for developing, testing, and implementing the Offeror's proposed EPC program and articulated rationale for the elements of its transition strategy. The Offeror must include what milestones will require Treasury's activity before the Offeror can commence subsequent steps. At a minimum, the Offeror must provide the following:

1. Timeline and description of how the EPC conversion process, including initial EPC issuance for existing Cardholders, will occur. The Offeror must also describe how it will ensure the smooth transition from the current EPC Contractor to the issuance of its EPC.
2. Timeline and plan for how collateral materials (transition information, new cards, terms of service, card activation instructions, etc.) will be developed by the Offeror and provided to Cardholders. The Offeror shall have, at a minimum, Cardholder materials specified under Regulation E, and other applicable State and Federal regulations, mailed prior to September 9, 2015 and the EPCs mailed prior to September 16, 2015. Treasury must review and approve all instructional materials before they can be distributed to Cardholders.
3. A description of the Offeror's customer service capabilities that will be available to Cardholders to address questions and concerns prior to the commencement of the Offeror's proposed EPC program on October 1, 2015. The Offeror shall have the IVR system and CSRs available to Cardholders when the new EPCs and notification materials are mailed, no later than September 9, 2015.
4. Describe how the Offeror proposes to demonstrate readiness to be prepared to process payments by Treasury no later than September 16, 2015.
5. Describe how the Offeror will provide regular status reports and updates to Treasury and L&I throughout the transition plan

6. Acknowledgement that final approval of the transition plan resides with Treasury.

E. Data Management

1. Describe, from a hardware and software perspective, the primary platform(s) under the direct and indirect control of the Offeror that it will use to manage the data described in this section of the RFP, specifically those platform(s) directly utilized by Treasury and L&I, *e.g.*, processing Cardholder enrollments and deposits from Treasury, and Treasury and L&I accessing Cardholder account information. The Offeror must be able to demonstrate how its system will meet the demands of high volume transactions, while still faithfully following the necessary security procedures and protocols.
2. Provide a response to the following questions pertaining to the platform(s) in the Offeror's above response:
 - a) How long has the Offeror's platform been in operation?
 - b) Over the past year, how many hours has the Offeror's platform been down for planned maintenance?
 - c) Over the past year, how many hours has the Offeror's platform been down due to unplanned interruptions due to hardware or software malfunctions, or other issues?
 - d) Does the Offeror plan on replacing or upgrading its platform during the term of any Contract resulting from this RFP?
 - i. If so, what is the current planned time frame for such activity?
 - ii. Please describe the Offeror's plan to minimize the risk of failure from – and provide contingency capacity for – any such platform modifications.
 - iii. Please describe how Offeror plans to coordinate with Treasury and L&I to ensure that the transition of processing and customer support functions is accomplished with minimal resource demands and consumer inconvenience.
3. Treasury requires access to the Offeror's designated site to transmit and download files using Secure File Transfer Protocol (SFTP) as follows:
 - a) Every business day, Treasury will transmit set up and maintenance files using a standard format containing the follow elements: name, address, Claimant ID, DOB, and SSN.

- b)** No later than 6:00 a.m. on the following business day, the Offeror must provide a status file with the following minimum elements: account number, routing number, Claimant ID, DOB, and SSN.
 - c)** No later than 6:00 a.m. on the following business day, the Offeror must provide a file with any rejected set up and maintenance files.
 - d)** Every business day no later than 6:00 a.m., the Offeror must transmit a change file with updated Cardholder data such as address, city, state, zip, telephone, or name. Please provide Offeror's standard status and change file formats.
 - e)** Treasury requires the Offeror to maintain a test environment for enhancements and adjustments to standard file transmission described above.
 - f)** Treasury generally will transmit at least one payment file every business day via its disbursing bank through NACHA. The file will include a unique ID (payment) number that the Offeror must accept and retain. Treasury will designate an issuance date that typically will be the following business day.
 - g)** Treasury will adhere to NACHA guidelines regarding the recall and reversal of payment files and entries.
- 4.** The Offeror must provide to a limited number of Treasury and L&I employees access to the Offeror's administrative website in order to enable them to provide information to Cardholders to the fullest extent permissible by Federal and State regulations. At a minimum, Treasury and L&I employees must be able to access demographic information, account set-up, EPC issuance, payment, and fee information. The Offeror shall describe its system that Treasury and L&I would use to access Cardholder information using the Cardholder's SSN as an identifier, and describe in detail how Treasury and L&I would complete Cardholder requests. The Offeror shall provide to a limited number of Treasury and L&I staff access to the Offeror's administrative website to complete routine customer service inquiries, such as:
- a)** account creation;
 - b)** confirm and change demographic information (including: Cardholder name, address, date of birth, telephone number, email);
 - c)** view account information (including: last four digits of card, card activated date, card deactivated date, card status {active/deactivated}, method of card delivery for last card issued, history of all cards that were issued to a Cardholder by SSN, account status {open/closed}, account number, last deposit amount, last deposit date, deposit history, fee history);

- d) request replacement cards;
- e) obtain history of calls to debit card company; and
- f) view daily Cardholder-initiated address and telephone changes.

Describe any up-to-date online help guide that can assist the user with the application or system. This website must be available 365 days a year and might or might not be a separate website from the Offeror's website for reporting. Offerors are encouraged to provide Treasury with different administrative authorities based on staff responsibilities. Proposals that demonstrate the Offeror's commitment to establishing and supporting a robust and reliable online system will be evaluated more favorably.

5. Describe steps to prevent data processing interruptions and describe how you will notify Treasury when there is an interruption in processing data. The Offeror must provide Treasury technical support 24 hours a day, 365 days a year. Provide the Offeror's contact for peak and non-peak technical support.
6. Describe your data archiving and retrieval procedures. The Offeror shall be required to retain records, including but not limited to, financial records, supporting documents, statistical records, any other records, papers, logs, audit trails or books related to this RFP and any resulting Contract for a period of seven (7) years after the expiration of the Contract, or until Treasury or interested government agencies are satisfied that all audit and litigation matters are resolved, whichever period is longer. The Offeror may be requested to produce records or provide testimony as a keeper of records pursuant to a valid subpoena or court order. The Offeror shall immediately notify Treasury's Office of Chief Counsel of any subpoena or court order directing the release of information and shall consult with Treasury prior to releasing such information.

F. Account Set-up/EPC Issuance/Payments

1. The Offeror shall not deny any Claimant referred by Treasury participation in the EPC program unless required by state or federal law or regulations, is supported by evidence developed by the Offeror suggesting fraudulent activity by the Claimant, or required or requested by Treasury. Describe how you will notify Treasury within three (3) business days of any instances when a Claimant is denied participation, including sufficient information in order for Treasury to identify the Claimant, *e.g.*, Claimant ID or EPC number.
2. Describe how the EPC issuance process will work in detail, including the maximum time to process the creation of an EPC until receipt of the EPC and instructional materials by the Cardholder. Identify the location of your card production facility (or facilities) that will be used for this project, including whether the card production facility is owned by the Offeror or is a Subcontractor. Offerors who provide fulfillment locations that are

proximate to Pennsylvania and Pennsylvania's population density will be evaluated more favorably. Describe how you would handle a surge in demand due to a significant increase in UC or SWIF indemnity payments.

3. Describe the data required from a Cardholder to activate his/her EPC and the timeframe required for activation.
4. Describe how the Cardholder will be able to choose or change his/her PIN under the following circumstances:
 - a) After initial EPC issuance.
 - b) When an EPC is lost or stolen.
 - c) If a Cardholder forgets his/her PIN.
 - d) If the PIN is compromised.
 - e) In addition, explain alternative methods of PIN selection, if available.
5. The Offeror shall process one hundred (100%) percent of eligible Cardholder enrollments within four (4) hours of receiving all necessary Cardholder account information.
6. The Offeror shall mail one hundred (100%) percent of initial and replacement cards via pre-sorted first class mail containing intelligent mail barcode tracking and delivery to a regional postal facility no later than the business day following its processing of the Cardholders enrollment.
7. The Offeror shall entrust its Contract manager and his/her designee(s) with the discretion to expedite replacement cards, at no additional cost, to certain Cardholders upon request from Treasury or its designee, or upon request from those Cardholders who demonstrate that they would suffer hardship if the mailing of those cards did not occur on an expedited basis. Please describe any limit to these types of requests that the Offeror will accept on a monthly basis.
8. The Offeror must post one hundred (100%) percent of payments to the EPCs no later than 4:00 a.m. on the issuance date. Unless prohibited by NACHA, if the issuance date is the same date that the file is transmitted through NACHA, the Offeror must post payments to the EPCs no later than four (4) hours after being able to access the payment records through NACHA.
9. Describe and illustrate in detail the Offeror's payment posting process. The illustration must include a comprehensive flow chart that depicts the flow of funds from, at least,

the Commonwealth's transfer of funds for payments through posting of deposits into individual EPC accounts. Your description and illustration must also disclose the following:

- a) Details regarding any point in the payment posting process that takes place outside of Pennsylvania or otherwise crosses state lines.
 - b) The frequency and times at which the Offeror makes deposits after receiving NACHA files.
10. Describe how you will ensure that funds cannot be accessed from an EPC until the Cardholder activates the EPC. Describe how you will make any funds immediately available to the Cardholder upon EPC activation by the Cardholder.
11. Describe your procedures to deactivate accounts due to State or Federal regulations (*i.e.*, Office of Foreign Assets Control (OFAC) matches, U.S. Patriot Act regulations), risky behavior and/or suspected fraudulent activity.
12. Describe the expiration process for the EPC. Provide guidelines for EPC expiration dates and replacement policies. The Offeror shall be responsible for any costs associated with the replacement of expired EPCs.
13. Cardholders shall be able to receive one (1) replacement at no cost for each calendar year. Replacement of an expired EPC shall not count towards a Cardholder's one (1) replacement at no cost for each calendar year. Describe what constitutes a replacement EPC and the policy and timeline for replacement of EPCs. Describe how you will handle additional replacement EPCs (without disclosing information from the Cost Submittal).
14. Without disclosing information from the Cost Submittal, describe the procedures for expediting a replacement EPC at the request of the Cardholder or Treasury.
15. Describe the procedures for lost, stolen or damaged EPCs, including how funds will be provided to the Cardholder whose EPC is lost, stolen or damaged. Describe how your customer support package will include the capability for Cardholders to report lost, stolen or damaged EPCs; and describe this reporting process.
16. The Offeror must return funds for deceased Cardholders in accordance with 20 Pa. C.S. § 3101, or any other applicable statute, and must accept L&I's procedures that specify that the only requirements for payment of a deceased Cardholder's EPC balance to his or her family are a death certification and short certificate. Describe how funds remaining in accounts of deceased Cardholders are processed, including: how the accounts are frozen, how and when the funds are made available to the deceased Cardholders' estates or next of kin, how the deceased Cardholders' estates or next of

kin would navigate the IVR to get to a CSR, and how you will notify Treasury of the transactions.

- 17.** The Offeror shall annually report and deliver any abandoned or unclaimed property held by the Offeror or its agents, Subcontractors or assignees, as defined by and in accordance with the Disposition of Abandoned and Unclaimed Property Act (DAUPA), 72 P.S. §1301.1 *et seq.* A negative report must be filed if Contractor determines, after a records review, that there is no reportable unclaimed property. Instructions and assistance in filing the report are available from the Bureau of Unclaimed Property holder hotline at 1-800-379-3999 or via e-mail at unclaimedpropertyreporting@patreasury.gov. Contractor additionally agrees to submit an acceptable plan within 180 days from first deposit of Cardholder funds from Treasury, describing its procedures for accounting for inactive cards, accounting for cards never activated, and for segregating information for inactive accounts with remaining value from accounts that are otherwise inactive. Additional information regarding the Pennsylvania Abandoned and Unclaimed Property Program is located at www.patreasury.gov.
- 18.** The Offeror will develop a plan, acceptable to Treasury, to automate the return of payments from EPCs that have not been activated within 90 days of account setup ("unactivated payments"). The Offeror will return to the Commonwealth on a quarterly basis, via wire transfer to a designated Treasury account, any such unactivated payments as of the last day of the previous quarter. The Offeror's process shall include the following milestones:

 - a)** The Offeror will submit to Treasury notification and final query results by the close of business on the fifth business day following end of quarter. The Offeror's query results shall include in a comma separated TXT file in the following field order:

 - 1)** SSN separated by dashes.
 - 2)** Claimant full name.
 - 3)** Sequence number.
 - 4)** Check amount.
 - 5)** Effective date.
 - 6)** Bank account.
 - 7)** Transaction code.

- 8) Bank routing number.
- 9) Return code (Alpha).
- 10) Return code (Numeric).
- 11) Individual payment ID number.

EXAMPLE:

123-45-6789,JOHN Q PUBLIC,19,44,09-MAR-10,210001967765,22,072000096,R,68,1234567

- b) Treasury to approve the unactivated query results and send Offeror an approval notification by close of business on the third (3rd) business day following receipt of the query results from the Offeror.
- c) The official wire transfer of the payments from the Offeror to Treasury's account by close of business on the second (2nd) business day following approval by Treasury.

G. Use of EPC

- 1. The EPC shall have no line of credit.
- 2. Except for merchants making refunds, neither the Cardholder nor any other entity not specifically authorized by Treasury, shall be able to make deposits or add value to the EPC.
- 3. Describe how the EPC will be accepted by any participating merchant, including Point of Sale ("POS").
- 4. Describe how the EPC will allow for PIN-based and signature-based purchases.
- 5. There may be instances when Cardholders receive large dollar amount UC payments or SWIF indemnity payments at one time. Cardholders may also accumulate comparatively large amounts of funds in their EPC accounts for other reasons. Treasury and L&I desire for Cardholders to be able to access their funds, if desired, in a single day with the fewest limitations on number and amount of withdrawals possible consistent with best practices to detect fraud and protect Cardholders from unauthorized transactions.

To this end, please describe:

- a) Any limitations that you will place upon either the number of cash withdrawals or the total dollar amount of such withdrawals that will be permitted in a single day from ATM machines. If either the number of

withdrawals or total amount of cash will be subject to any limitations, please explain your rationale for both the existence of limits and for the particular limits you impose.

Please also describe any limits that owners of ATM machines might separately place upon cash withdrawals by Cardholders.

- b)** Any limitations that you will place upon either the number of cash withdrawals or the total dollar amount of such withdrawals that will be permitted in a single day from tellers at participating bank branches. If either the number of withdrawals or total amount of cash will be subject to any limitations, please explain your rationale for both the existence of limits and for the particular limits you impose.
 - c)** Any limitations that you will place upon either the number of cash transfers or the total dollar amount of such transfers that a Cardholder will be permitted to execute electronically in a single day from his or her EPC account to an account (or accounts) in a financial institution (or institutions). If either the number of transfers or total amount of cash will be subject to any limitations, please explain your rationale for both the existence of limits and for the particular limits you impose.
 - d)** Any limitations that you will place upon either the number of point-of-sale purchases or the total dollar amount of such purchases that a Cardholder will be permitted to make in a single day using his or her EPC. If either the number of purchases or total amount of cash will be subject to any limitations, please explain your rationale for both the existence of limits and for the particular limits you impose.
 - e)** If you impose any limitations on any of the foregoing methods of accessing funds, the procedure you provide to a Cardholder to request an exception from the limitations (including explanations or justifications accepted as sufficient to grant exception).
- 6.** Describe any transactions that will be disallowed, including transactions that cause the Cardholder to exceed the amount available in the account.
 - 7.** Describe how you will prevent overdrafts from transactions that are preauthorized online.
 - 8.** Describe policies regarding asset freezing, including how you handle any holds that may be placed on Cardholder accounts.

9. Describe the process for Cardholders to “cash-out” their EPC account balance. For example, describe how Cardholders can obtain amounts under the ATM minimum withdrawal amount, or the retailer minimum, or amounts less than one (1) dollar.
10. Describe any liability by Cardholders for fraud, stolen EPCs, lost EPCs, EPCs that are damaged or no longer work (for example, demagnetized), or unauthorized use of EPCs or EPC accounts. Treasury will not have any responsibility or obligation for lost or stolen EPCs.
11. Describe the Offeror’s Cardholder dispute resolution process. Offerors who agree that the litigation and resolution of any disputes between the Offeror and a Cardholder arising out of use of the EPC or the EPC Account shall be governed exclusively by the applicable laws of the United States of America and of the Commonwealth of Pennsylvania will be scored more favorably.

H. Customer Service

1. Marketing/Training Materials

- a) Describe the Cardholder communications and marketing information plan and the associated timelines. All marketing and instructional materials must be, at a minimum, in English and Spanish. Describe how you will provide specific information about Cardholder costs and fees. Proposed marketing and instructional materials and samples from previous clients must be included. Any material to the public must be approved by Treasury prior to release.
- b) The Offeror must include in its proposal samples of all Web pages, statements, dispute forms, and any other forms related to the EPC process in physical and PDF formats. The Offeror shall include in its response a guest user ID and password to its Cardholder website.
- c) The Offeror must provide each Cardholder with a wallet-sized reference card (Reference Card) outlining all fees associated with the use of the EPC and the manner in which Cardholders can access funds without incurring a fee. The Reference Card shall also identify the institutions that provide the Offeror’s in-network locations, the customer service website, and the toll-free phone number for customer service. Treasury will have the right to approve the Reference Card’s design and content. The Offeror will place a downloadable version of the Reference Card on its website, will mail it to Cardholders with new and replacement EPCs, will mail to Cardholders on an ad hoc basis, and will provide L&I and Treasury with an inventory of cards upon request.
- d) The Offeror shall provide in its proposal three (3) or more sample EPC designs for the Pennsylvania EPC program. Sample designs should maximize the

Cardholders' ability to distinguish between the new card and the card offered under the previous program and include all applicable in-network ATM logos on the back of the card. Any artwork created by the Offeror shall become property of Treasury. Treasury retains the right to edit, review, and approve the Offeror's EPC design, or to submit a design of Treasury's choosing. The Offeror shall work with Treasury in implementing Treasury's chosen design.

- e) Describe how you will immediately notify Cardholders and Treasury of changes in policy that affect them or their accounts. No such changes can violate the terms of this RFP or resulting Contract.
- f) Describe the customer process for completing an account inquiry, including various options such as IVR, ATM, customer support, online, etc.
- g) Describe all transaction descriptions/summaries that will be provided on paper and online statements (other than individual purchase data provided by retail establishments). Specifically, provide how you will describe deposits from Treasury and fees that a Cardholder may incur. Any Cardholder fees must not be identified or associated with L&I or Treasury.
- h) Describe training and instructional materials for Treasury and L&I staff on the use of the EPC program. Samples of such material should be included. Treasury will have the right to review and approve all materials and approaches.

2. Mail

- a) The Offeror must have a United States address for mailing and receiving EPCs and associated information. The Offeror must include language or graphics on its envelopes to indicate that mailings are official correspondence from Pennsylvania L&I and Treasury.
- b) Describe the process for EPCs returned by the United States Postal Service as undeliverable.
- c) Describe your capacity to count pieces of returned undelivered mail on a daily basis, distinguish between several types of mailings (such as initial EPC mailing; informational mailings; or replacement card mailings, for example), and provide those totals to Treasury and L&I in a timely manner.
- d) Describe services available to Cardholders outside of the United States including those with FPO and APO addresses.
- e) Describe how Cardholder address changes will be managed and how the Offeror will notify L&I and Treasury of address changes.

- f) Describe how you will provide, upon request, a monthly paper statement to Cardholders at no cost. Offerors shall supply a sample statement in the proposal response.

3. Internet

- a) Describe how you will provide a secure Internet-based management tool (website) that will allow Cardholders to view program information and financial transaction details posted to their accounts. Identify the website and describe how it will work. Treasury prefers that the Offeror provide a website that includes program information that potential Cardholders can access before requesting an EPC.
- b) Describe how the Offeror ensures that its website is available to the greatest number of Cardholders practical, regardless of their disability or functional limitation. For example, describe the recommendations of the Web Accessibility Initiative (available at [this link](#)) utilized by the Offeror.
- c) Describe how the Offeror ensures that its website is available to the greatest number of Cardholders practical, regardless of their choice of device or web browser.
- d) The website must be operational one hundred (100%) percent of the time except for normal maintenance; shall be inoperable no more than a total of eight (8) hours during any month for normal maintenance; and may be inoperable for no more than three (3) consecutive hours for normal maintenance in any 24-hour period. The Offeror must put a notification on the website seventy-two (72) hours prior to any normal maintenance, and leave it up until maintenance is complete. Planned maintenance that is anticipated to exceed a single two (2) consecutive hour period may not be conducted unless Offeror substitutes a rollover or disaster site that ensures no loss of availability to Cardholders. Offeror will provide written notice to Treasury of its intention to substitute a disaster or rollover site no less than 72 hours before such substitution occurs.
- e) The Offeror's Cardholder website shall be unavailable no more than a total of thirty (30) minutes in any calendar month other than as associated with normal maintenance.
- f) The Offeror must provide a method on the website for Cardholders to establish immediate deposit notifications to be received via text message, email, or automated telephone message at no cost to the Cardholder.

- g)** The Offeror should offer a method on the website for Cardholders to establish immediate low balance notifications (at the Cardholder's specified dollar amount) to be received via text message, email, or automated telephone message at no cost to the Cardholder.
- h)** The Offeror shall provide Cardholders online bill pay services and the ability to transfer funds to a Cardholder's personal account.
- i)** The Offeror's website must allow Treasury to provide Cardholders timely and urgent public service messages through a pop-up window or graphic. For example, such messages may include information on significant payment delays or updates on the status of benefit extensions. The Offeror shall have the ability to post such messages within two (2) hours of a request by Treasury.
- j)** Describe how you will provide a link to Treasury and L&I websites from the pages that display account information.
- k)** The Offeror will provide a web-based consolidated ATM locator. The ATM locator will enable a single search query or request to produce a solution that provides responsive in-network ATM locations within the United States. The ATM location data used in the web-based consolidated ATM locator will comprise all in-network ATMs, and will be updated no less frequently than quarterly.
- l)** The Offeror will provide a mobile consolidated ATM locator application. The ATM locator application will enable a single search query or request to produce a solution that provides responsive in-network ATM locations within the United States. The Application will conveniently utilize a mobile device's location services and/or user inputted address data to determine and display the closest ATMs to the device's current location, and then employ, upon user request, the device's functions to provide directions to a user-selected ATM. The Application will be compatible with a minimum of iOS versions 6.0 and later and Android OS versions 2.3.3 and later that have been released as of December 31, 2014. Thereafter, the Offeror will consult periodically with Treasury to identify those device operating systems with which the Application will be compatible, including the addition of other operating systems (and newer versions of the iOS and Android OS) that have achieved significant distribution after any Effective Date of the Contract resulting from this RFP, and the elimination of those operating systems (or versions of operating systems) that are no longer in common usage. To the extent practicable and reasonable, the Offeror will seek to maintain the Application's compatibility with the same proportion of all mobile devices in use at any time as will exist on the Effective Date of any Contract resulting from this RFP.

- m) The Offeror is encouraged to provide Cardholders with a comprehensive mobile application and/or mobile-friendly website solution that provides comprehensive account information, in-network ATM locators, and as Cardholder services described in this section as practical.

4. IVR System

- a) The Offeror shall provide Cardholders an IVR System to obtain account information, complete routine service requests, and to speak to a customer service representative (CSR) if necessary without cost. The Offeror shall make the IVR system accessible by touch-tone, pulse, and rotary dial telephones. The Offeror is also encouraged to make the IVR system available by voice recognition, but the voice response must be the secondary option provided to Cardholders at each prompt offered by the IVR system, *i.e.*, "To obtain balance information, press or say one."
- b) The IVR system must be operational seven (7) days a week, 24 hours per day, except for normal maintenance; shall be unavailable no more than a total of eight (8) hours during any month for normal maintenance; and may be inoperable for no more than two (2) consecutive hours for normal maintenance in any 24-hour period. Any maintenance that is anticipated to exceed a single two (2) hour period will require the Offeror to use a rollover or disaster system and Treasury must approve of the date/time in advance.
- c) The Offeror's Cardholder IVR shall be unavailable no more than a total of thirty (30) minutes in any calendar month other than as associated with normal maintenance.
- d) Describe how your customer support package will include TTY and communications relay capability as described in the Americans with Disabilities Act.
- e) The Offeror's IVR system shall provide services in a minimum of English and Spanish. Describe if the Offeror's system will offer and provide IVR services in additional languages without transfer to interpretation services. The initial IVR menu shall allow a Cardholder to enter a numeric or voice prompt to obtain IVR services in each included language and shall then continue offering numeric or voice prompts in no less than the next ten (10) most common languages in Pennsylvania so that no less than twelve (12) languages are included through a dedicated IVR menu or a voice prompt to transfer to a translation service. After a Cardholder selects one of these additional prompts, the call shall then be transferred to the IVR menu or an interpretation service, as applicable, so that the Cardholder can obtain information in his/her preferred language. The U.S. Census Bureau reports the ten (10) most common languages in Pennsylvania

after English and Spanish are Chinese, German, Italian, French, Russian, Vietnamese, Polish, Korean, Arabic, and Hindi.

- f)** A caller must be able to reach a CSR within no more than three (3) prompts in the IVR system. The IVR system must provide callers with clear instructions and a method, acceptable to Treasury, to reach a CSR within these three prompts without having to report their card lost or stolen.
- g)** The IVR system must include the reporting of a card lost or stolen as the second menu option presented. The IVR must not automatically cancel a Cardholder's EPC without first providing an opportunity to speak to a CSR. For example, the language may say: "If you agree to deactivate your card and have a replacement card sent to you, please press 1, otherwise press 2 and you will speak to a Customer Service Representative."
- h)** Describe your procedures for determining the identity of a caller prior to providing any account information, including those without an EPC card number or unable to enter a card number (for example, how an individual calling on behalf of a deceased or incapacitated Cardholder would navigate the IVR system to reach a CSR).
- i)** The Offeror shall provide a detailed IVR call flow diagram in its proposal. The Offeror shall also acknowledge that it will make changes to the IVR call flow diagram as requested by Treasury during Contract negotiations and during the Contract term. The Offeror shall provide a final IVR call flow diagram reflecting changes required by Treasury prior to implementation, and shall periodically provide to Treasury updates to the call flow diagram during the Contract term.

5. CSR

- a)** The Offeror shall provide Cardholders the ability to speak to a live customer service representative (CSR) to obtain account information and to complete service requests without cost.
- b)** The facilities that provide CSR services must be located within the geographical boundaries of the United States and be available 24 hours a day, 365 days per year.
- c)** The average wait time to reach a CSR shall be no more than forty-five (45) seconds.

- d) Describe how you will keep wait time to reach a CSR at a minimum to meet service level requirements.
- e) Describe what information a CSR will have available to address Cardholder requests in order to keep call time to a minimum.
- f) Describe how the Offeror will identify and transfer calls unrelated to the Offeror's responsibilities to L&I or Treasury.
- g) The Offeror shall provide to a limited number of Treasury and L&I staff a designated telephone number so that Commonwealth customer service staff can directly transfer a Cardholder to a CSR specialist. The Offeror shall allow Treasury and L&I staff to participate in the discussion following the transferred call in order to assist the Cardholder, with the Cardholder's permission.
- h) Describe your procedures to resolve account discrepancies. Describe how you will monitor calls to ensure quality customer service and address customer complaints. Describe how customer complaints are logged, categorized, resolved, and the timeframes associated with these processes. List the types of issues anticipated and explain how they will be resolved. Include information and reports that you will provide to Treasury to enable Treasury to monitor customer service and customer complaint resolution.
- i) Describe how you will make the call centers, including those of Subcontractors, accessible for visits from Treasury and L&I staff.
- j) Offerors must provide customer support in English, Spanish, and provide translation services for other languages. Describe how a CSR would identify that a caller is unable to speak English or Spanish and transfer the call to a translation service so that the caller can obtain services in his/her preferred language. Describe how many languages are included in the Offeror's translation services.

I. Value Added Services

1. The Offeror is encouraged to provide additional value added services beyond those services previously required that offer additional benefits to Treasury or the Cardholder. Treasury retains the right to accept or reject any services proposed by an Offeror in its proposal.

Examples may include:

- a) Ability for a Cardholder to get funds on an emergency basis in the event that he/she has not received or lost the EPC. Examples may include a wire to a

personal bank account or Western Union type service.

- b) Including the location information for the closest ATM or teller locations in the EPC delivery packet for each individual Cardholder based on his/her address on file.
- c) Ability for a Cardholder to obtain the closest ATM or teller to his/her current location through the IVR system.

J. Offeror's Proposal for Treasury's Bureau of Unclaimed Property

Section IV-2 of this RFP describes Treasury's intentions to offer EPCs as a payment option for citizens whom are reunited with the monetary proceeds of their unclaimed property. Please provide a thorough description of the Offeror's proposal to include Treasury's Bureau of Unclaimed Property (BUP) payments in the Offeror's EPC program for UC and SWIF payments. At a minimum, the Offeror's proposal should include the following:

1. Indicate, with either an "accept" or "reject" response, the Offeror's willingness to provide EPCs for unclaimed property payments made by Treasury in each of the following thresholds:
 - a) \$0.01 to \$10.00;
 - b) \$10.01 to \$100.00;
 - c) \$100.01 to \$1,000.00;
 - d) \$1,000.01 to \$10,000;
 - e) \$10,000.01 to \$50,000; and
 - f) \$50,000 and above.

Payments to single individuals or "Or" accounts only will be included. Treasury is excluding at this time payments to joint owners, "And" accounts, Estates, businesses, Uniform Gifts to Minors, In Trust For, and Custodial accounts.

Treasury will evaluate each Offeror's willingness to provide EPCs as a payment option for the greatest number of payment thresholds described above. No other aspect of an Offeror's scoring for its Technical Submittal will be affected, however, by a refusal to provide EPCs for any, or all, of the above thresholds.

2. Describe the Offeror's process for integrating Treasury's UP claims processing systems with the Offeror's system to establish EPCs. Specifically describe what characteristics Treasury should take into consideration and share with its new vendor when designing the new system.

3. Describe the Offeror's ability to manage different file specifications between programs in the event that BUP's file specifications might differ from UC and SWIF.
4. Treasury anticipates using – and prefers to use – the same EPC design and Cardholder materials for UC, SWIF, and BUP. Describe the Offeror's proposal for managing the creation of EPCs under a single program that might require unique marketing materials.
5. Describe the Offeror's ability to include a remittance advice or other documentation with the EPC to provide the Cardholder with claim information.
6. Treasury is only requesting that Offerors propose offering EPCs to single payee claims. Describe the Offeror's understanding of how it might in the future offer EPCs to claims paid by Treasury to multiple payees.
7. Describe the Offeror's understanding of any issues that might preclude Treasury from offering EPCs as a payment modality for unclaimed property.

K. Offeror's Proposal for the Inclusion of Additional Programs:

The Offeror is encouraged to include in its proposal a methodology to utilize any resulting Contract for EPC services to allow additional payments to be made pursuant to other programs to utilize the basic services provided under this agreement. The methodology shall incorporate a description of those details and characteristics that enable EPC payments to be made for such other programs, including an alternative fee schedule if appropriate. Treasury will score more highly proposals that offer to use a single fee schedule for all payments for which EPC payments are ultimately provided.

Information that an Offeror would include in its methodology may include:

1. Experience in combining additional programs into a single EPC program.
2. Capability in reconciling different systems platforms, data formats, and miscellaneous technical requirements prior to migrating EPC programs.
3. The average payment amount and volume that would need to be expected for the Offeror to commit to offering Cardholders its proposed fee schedule described in **Part II-9** for additional proposed programs that provide one-time payments. Examples of these types of payments may include, but are not limited to, tax refunds/rebates, disaster payments, and one-time assistance payments.
4. The average payment amount and volume that would need to be expected for the Offeror to commit to offering Cardholders its proposed fee schedule described in **Part II-9** for additional proposed programs that provide reoccurring payments. Examples of

these types of payments may include, but are not limited to, payroll, pension payments, and reoccurring assistance payments.

5. How withdrawals or purchases on the EPC card would be allocated to the payments from different programs.

L. Reporting, Auditing, and Program Management

The Offeror shall describe how it will provide Treasury and L&I with detailed reporting and query functions to the maximum extent permissible under Federal and State regulations in an electronic format approved by Treasury. The Offeror must submit in its proposal samples of required reports (as specified below) as well as of any additional reports it will make available.

1. The Offeror shall ensure that any reports requested by Treasury and L&I are available in summary and detail formats. Reports must be delivered to Treasury electronically in a format approved by Treasury. Reports must include data for all Cardholders under any Contract resulting from this RFP, along with segregated reports by program type, *e.g.*, unemployment insurance, workers' compensation, unclaimed property. All reports shall be delivered monthly, no later than five (5) business days after the last day of the preceding month, for the preceding month's activities, unless otherwise stated in this RFP or the Contract.
2. The Offeror will provide the ability to review reports over the Internet and schedule those reports for delivery via email in PDF and tab delimited formats.
3. The Offeror will be required to provide a demonstration of real time reporting and query functions for Treasury and L&I review and approval. Provide a sample user ID and password to the Offeror's reporting website, or screenshots of the Offeror's reporting and query functions.
4. The Offeror shall describe and provide samples of the reports that it will provide Treasury to substantiate the Offeror's ability to meet all required Service Level Agreements contained in this RFP.
5. The Offeror will provide the ability to drill down on report information in real time, from summary reports to the details of those reports.
6. The Offeror will provide a monthly summary report to Treasury and L&I for the preceding month's activities, including the total number of EPCs issued, deactivated, replaced, reasons for all replaced and deactivated, the daily count and amounts of deposits made to Cardholder accounts, and other items as requested.

7. Treasury and L&I will receive on a monthly basis an electronic file via the Offeror's web-based administrative terminal or an Excel spreadsheet, at a minimum, the following types of reports, including but not limited to:
 - a) **Volume:** Number of payments processed, number of EPCs activated, number of EPCs not activated by first payment, number of account protests itemized by category, amount of time from EPC issuance to activation, number of POS credit transactions, number of POS PIN transactions, number of ATM withdrawals, average POS credit transaction, average POS Pin transaction, average ATM withdrawal amount, and number of active Cardholders.
 - b) **Financial:** Total authorized amounts for the daily funding file from Treasury, total amount authorized for Claimants with active debit cards, total amounts held in trust pending EPC activation, total amount paid by EPC and other Offeror authorized methods on a daily and monthly basis.
 - c) **Customer Services:** The number and types of calls received, the outcome of calls, number of calls received (IVR and Call Center), the average call time (IVR and Call Center), number of calls abandoned (IVR and Call Center), average wait time by type of call (IVR and Call Center), number of calls completed (IVR and Call Center), the number of inquiries over the Internet, average uptime/downtime for the IVR and Cardholder website (with and without scheduled maintenance), the number of balance inquiries (IVR, Call Center, and Internet), PIN selection (IVR, Call Center, and Internet), the number of transaction history requests (IVR, Call Center, and Internet), time to establish account, time to mail EPC, and data for all Cardholder address changes/mail returned to Offeror (including name, address, Claimant ID, DOB, and SSN).
 - d) **Risk Analysis:** List of EPCs with fraudulent activity reported with associated dollar amounts and geographic location of activity, list of accounts closed due to fraud, list of reissued EPCs and reasons for reissuance, and list of disputed transactions and associated dollar amounts.
 - e) **Fee Analysis:** Monthly Summary Report indicating all fees paid by Cardholders, including the total number and dollar amount of transactions. The report shall segregate all fees by category, including in-network versus out-of-network transactions, if applicable.
8. The Offeror will report on a quarterly basis the composition of its in-network locations using the formats specified in this RFP's sections IV-3.C sections 5) through 8).
9. The Offeror shall annually submit to Treasury, on a Commonwealth fiscal year basis, an audit or examination of its controls and controls of any Subcontractors performed by an independent auditor, which shall include an examination of the controls applicable

to any Contract resulting from this RFP. These examinations shall be performed in accordance with Statement on Standards for Attestation Engagements No. 16 (SSAE 16), Reporting on Controls at a Service Organization. SSAE 16 reports provided shall be "Type 2" reports (reports on controls placed in operation and tests of operating effectiveness throughout a specified period of time). The initial SSAE 16 audit or examination shall be conducted for the first official annual reporting period required by this agreement and then be conducted annually thereafter. Treasury will be willing to consider executing appropriate non-disclosure agreements or other confidentiality agreements relating to the provision of SSAE 16 audits by the Offeror.

10. The Offeror shall provide updated ACORD forms evidencing continuing coverage of the insurance requirements describe in section II-7 A. 7 of this RFP upon expiration of the previous ACORD forms.

M. Disaster Recovery/Business Continuation

1. The Offeror must include a plan for business continuation and/or recovery as a result of disaster. The disaster recovery plan is complementary to the Offeror's normal security and emergency preparedness plans. A disaster is defined as a loss of the facility or business processing due to a catastrophic event that causes vital business processes to stop for period of time longer than 24 hours. A disaster may be caused by:
 - a) An event resulting in the inability to meet important customer commitments and contractual obligations or to protect the interests of Treasury and the Offeror and its employees.
 - b) The catastrophic loss of system/service and/or degradation due to, but not limited to:
 - 1) Power outage.
 - 2) Server crash.
 - 3) Server failure.
 - 4) Router failure.
 - 5) Cable failure.
 - 6) Power surge.
 - 7) E-mail failure.
 - 8) Internet failure.

- 9) Virtual private network (VPN) failure.
 - 10) Computer virus.
 - 11) Any other situation that may be catastrophic for the business.
2. Describe your disaster recovery plan and continuation of business plan. Include backup procedures, alternate operating facilities, hardware and software replacement, and testing procedures and history. Your description should include a description of the readiness status of alternate facilities (*e.g.*, explain whether they should be considered to be hot sites, cold sites, other) as well as identification of the location of those facilities and whether they are owned by the Offeror or secured via Contract. Your description should include your expected recovery times and explain, if applicable, how you determine which facilities to utilize based upon the nature and severity of a disaster.
 3. Describe your procedures to notify Treasury promptly as soon as you identify any failure in your operations that is likely to last for four (4) or more hours, including how you will satisfy an explicit requirement to notify no later than one (1) hour after a failure that has lasted for four (4) hours. This includes any failure to deposit funds into Cardholders' accounts and any interruption in the Cardholders' ability to access account funds, the website, the IVR, and CSRs.
 4. Describe how your procedure manuals are available during a disaster and available in an electronic format.
 5. Describe how you will ensure that in the event of a disaster the following occurs:
 - a) Payment Systems must be operational within 24 hours from onset of the failure.
 - b) Telephone, Internet, and fax lines must be available within 36 hours from onset of the failure.
 - c) Card fulfillment, including replacements must be available within 48 hours from onset of the failure.
 - d) All other business functions are returned to full service within five (5) business days from onset of the failure.
 6. All Treasury contacts, members of each of the disaster recovery plan teams, all call center site employees, and other appropriate Offeror staff must be kept up-to-date during a recovery. The Offeror must describe in its proposal how it will continue during a disaster recovery to provide information about (1) how to contact Offeror staff during the recovery, (2) when services will be reestablished, and (3) any decision to locate to

alternate facilities. Treasury feels strongly that communication with staff, customers, and Treasury contacts is crucial to the actual and perceived success of the recovery efforts.

N. End of Contract Activities

Treasury intends to engage in a competitive procurement and enter into a new Contract at the conclusion of any Contract resulting from this RFP. The Offeror shall agree that upon any termination of any Contract resulting from this RFP, a smooth transfer is in the best interest of the public. The Offeror shall actively assist Treasury in transitioning services to a new Contractor. The Offeror therefore agrees to work with Treasury to develop and implement a reasonable transition plan designed to achieve an efficient transfer of responsibility to another entity in a timely manner and to cooperate fully throughout the post-termination period until such transition is complete.

Accordingly, Offerors shall acknowledge in its proposal the Offeror's acceptance of the following requirements:

- 1.** The Offeror shall work with Treasury and any new Contractor to develop a transition plan for the orderly, effective transition of software, data, equipment and operations at the termination of this Contract. The transition plan shall specify the tasks to be performed, the schedule for the performance of such tasks, and the respective responsibilities of the parties associated with the tasks. The transition plan shall be completed at a date agreed upon by the parties, but not later than thirty (30) calendar days following written notice from Treasury.
- 2.** The Offeror will provide Treasury or the new Contractor, at no cost to Treasury or the new Contractor, all access and information necessary to transition of services without interruption including, but not limited to, historical EPC holder account data, names and addresses for billing, mailing, reports, etc. in a format specified by Treasury within one (1) week of request.
- 3.** Upon expiration of the Contract, or termination for any reason before the end of the Contract term, the Offeror must, upon request by Treasury, extend the EPC services in order to facilitate transition to a new services provider for a period of time to be by and at the sole discretion of Treasury, but not for a period to exceed 180 days.
- 4.** The Offeror shall ensure that Cardholders will have continuous and uninterrupted services during any transition period. All fees and service levels shall remain unchanged.
- 5.** The Offeror shall provide internet, IVR, and CSR services to the Cardholder in accordance with the terms of any Contract resulting from this RFP for a period proposed by the Offeror, but not less than twelve (12) months following the termination or expiration of any Contract resulting from this RFP. Offerors will be evaluated based on

the length of time for which it proposes to provide services under the terms of the Contract resulting from this RFP. The Offeror shall maintain the financial security instrument required **in Section II. 7. A.** of this RFP until the completion of the twelve (12) month customer service period following the termination or expiration of any Contract resulting from this RFP.

6. Following cessation of all services by Offeror under any Contract resulting from this RFP, the Offeror shall be obligated to continue to answer questions from Treasury that are reasonably related to protection of the best interests of the public. Offeror shall respond to questions within a time frame that is commensurate to the urgency of need for the requested information and the complexity of collecting the requested information.

Small Diverse Business Participation Submittal (II-8)

The information requested in this **Part II, Section II-8** shall constitute the Small Diverse Business Participation Submittal. **The Small Diverse Business Participation Submittal shall be placed in a separate sealed envelope within the sealed proposal, separated from the Technical and Cost Submittals.** Offerors should not include any assumptions in their Small Diverse Business Participation Submittal. If the Offeror includes assumptions in its Small Diverse Business Participation Submittal, the Issuing Office may reject the proposal. Offerors should direct any questions in writing to the Issuing Office pursuant to **Part I, Section I-9**, of this RFP.

II-8. Small Diverse Business Participation Submittal.

The Offeror's Small Diverse Business Participation Submittal shall include acknowledgment and a response to each item below.

- A.** If the Offeror is verified by the Pennsylvania Bureau of Small Business Opportunities ("BSBO") as a Small Diverse Business, it must submit proof of its Small Diverse Business's qualification and a total dollar amount that represents its estimated revenue during the initial term of any Contract resulting from this RFP. The Offeror shall provide proof of qualification in the form of the verification letter the BSBO provides the applicant after it is verified as a Small Diverse Business by the BSBO. The Offeror must submit a methodology to describe how it arrived at its estimated revenue. An Offeror that qualifies as a Small Diverse Business and submits a proposal as a prime Contractor is not prohibited from being included as a Subcontractor in separate proposals submitted by other Offerors.

- B.** The Offeror must submit a total dollar amount that represents what the Offeror commits to paying Small Diverse Businesses as Subcontractors during the initial term of any Contract resulting from this RFP. The Offeror will be required under any Contract resulting from this RFP to meet the total dollar amount of Small Diverse Business Subcontractor commitments. A Small Diverse Business can be included as a Subcontractor of multiple Offerors if it chooses. To support its Small Diverse Business Subcontractor commitment, the Offeror must also include:
 - a)** The name of each Small Diverse Business to which a commitment is being made by the Offeror. The Offeror will not receive credit for stating that it will find a Small Diverse Business after Contract award.
 - b)** The dollar amount of each subcontract commitment to a Small Diverse Business.
 - c)** Proof of Small Diverse Business's qualification for each Small Diverse Business to which a commitment is being made by the Offeror. Proof of qualification is the verification letter the Bureau of Small Business Opportunities provides the

applicant after it is verified by the BSBO as a Small Diverse Business.

- d)** The services or supplies each committed Small Diverse Business will provide, including the timeframe for providing the services or supplies.
- e)** The location where each committed Small Diverse Business will perform services.
- f)** The timeframe for each committed Small Diverse Business to provide or deliver the goods or services.
- g)** A subcontract or letter of intent signed by the Offeror and the Small Diverse Business for each Small Diverse Business identified in the Small Diverse Business Submittal. The subcontract or letter of intent must identify the specific work, goods or services the Small Diverse Business will perform, how the work, goods or services relates to the project, and the specific timeframe during the term of the Contract and any option/renewal periods when the work, goods or services will be performed or provided. In addition, the subcontract or letter of intent must identify the estimated dollar value that each Small Diverse Business will receive.

If an Offeror submitting with its proposal letters of intent regarding one or more Small Diverse Businesses is selected for negotiations, the Offeror will be required to provide conforming signed subcontracts with the Small Diverse Business (or Businesses) prior to final Contract execution.

- h)** The name, address and telephone number of the primary contact person for each Small Diverse Business.
- i)** The name and telephone number of the Offeror's project (contact) person for the Small Diverse Business information.

Cost Submittal (II-9)

The information requested in this **Part II, Section II-9** shall constitute the Cost Submittal. **The Cost Submittal shall be placed in a separate sealed envelope within the sealed proposal, separated from the technical submittal.** Except as necessary to respond to the request for information about other programs, no component of an Offeror's Cost Submittal shall be made conditional, or otherwise provisional, based on the accuracy or validity of any assumption the Offeror makes in preparing its proposal. Treasury does not encourage an Offeror to explicitly disclose any assumption it relied upon in preparing its Cost Submittal. Any attempt by an Offeror to make a component of its proposal conditional or provisional may result in the Issuing Office rejecting the Offeror's proposal. Offerors should direct in writing to the Issuing Office pursuant to **Part I, Section I-9**, of this RFP any questions about whether a cost or other component is included or applies.

II-9. Cost Submittal.

The Issuing Office will not evaluate a Cost Submittal from any Offeror that proposes costs or fees to be paid by the Commonwealth. The Issuing Office will therefore be evaluating Cost Submittals only from the perspective of fees that might be paid by the Cardholder.

Treasury is particularly interested in Offerors that provide, at a minimum, the number of free transactions and services to Cardholders specifically described below. Offerors are encouraged to offer a greater number of free transactions and services than the minimum required by this section, where applicable. Proposals that offer a greater number of free transactions or services than the required minimum will be evaluated more favorably. The greater the number of different kinds of transactions or services for which the Offeror proposes to exceed the minimum number required to be free, the more favorable the evaluation.

Cardholder costs and fees will be evaluated as part of the Criteria for Selection (refer to **Section III-4** of this RFP), and are subject to negotiation prior to the formation of a Contract. Offerors that fail to provide the minimum number of transactions and services as described below at no cost to the Cardholders, or above the maximum cost specified, will not be awarded any points for that particular requirement. Offerors that provide unlimited transactions and services as described below at no cost to the Cardholders will be awarded the maximum number of points for that particular requirement. Offerors that provide a number of transactions and services as described below above the minimum specified, or at a lower cost to the Cardholders as specified, will be awarded a number of points greater than zero but less than the maximum points available for that particular requirement.

To facilitate evaluation, the Offeror must use the descriptive scheme below in its cost submittal. The Offeror shall describe any fees that it proposes to charge Cardholders for transactions and services above the minimum number of free transactions and services required by this section, or above its proposed number of additional free transactions and services. The Offeror may not subsequently charge any cost or fee to Cardholders not included in its proposal.

- A. The Offeror shall not charge any Cardholder a fee for establishing an account or issuing the initial (or replacement for an expired) EPC.
- B. The Offeror shall provide each Cardholder an unlimited number of free in-network ATM balance inquiries.
- C. The Offeror shall provide each Cardholder an unlimited number of fee-free out-of-network ATM balance inquiries. The Offeror shall describe its understanding of how owners of out-of-network ATM machines handle balance inquiries, *e.g.*, if ATM machine owners typically surcharge out-of-network customers if a balance inquiry processed without a subsequent cash withdrawal transaction. The Offeror shall describe its capacity to control surcharges for ATM balance inquiries completed at all out-of-network ATMs. Offerors that propose to reimburse Cardholders for a proposed number of surcharges for out-of-network balance inquiries will be evaluated more favorably.
- D. The Offeror shall provide each Cardholder no fewer than twelve (12) free in-network ATM cash withdrawals per calendar month. The Offeror shall describe if it will provide each Cardholder any additional free in-network ATM cash withdrawals per calendar month and provide the per transaction fee for each in-network ATM cash withdrawal above its proposed additional, or the required number of twelve (12) free, in-network ATM withdrawals per calendar month.
- E. The Offeror shall provide each Cardholder no fewer than four (4) fee-free out-of-network ATM cash withdrawals per calendar month. The Offeror shall describe if it will provide each Cardholder any additional fee-free out-of-network ATM cash withdrawals and provide the per withdrawal fee for each out-of network ATM cash withdrawal above the proposed additional, or required number of four (4) fee-free out-of-network ATM withdrawals per calendar month. The Offeror shall describe its capacity to control surcharges for ATM cash withdrawals completed at all out-of-network ATMs. Offerors that meet or exceed the minimum requirement of four (4) fee-free out-of-network ATM cash withdrawals and/or propose to reimburse Cardholders for a proposed number of surcharges will be evaluated more favorably.
- F. The Offeror shall not charge any Cardholder a fee for denied ATM transactions.
- G. The Offeror shall not charge any Cardholder a fee for denied POS transactions, processed either with a PIN or a signature.
- H. The Offeror shall not charge any Cardholder a fee for any type of overdraft or over-the-limit situations.
- I. The Offeror shall not charge any Cardholder a fee for any transactions made with a PIN, typically processed by the Cardholder's selection of "debit" at the point of sale.

- J.** The Offeror shall not charge any Cardholder a fee for any transactions receiving cash back at the point of sale, typically processed by the Cardholder's selection of "debit" at the point of sale and subsequently requesting cash back.
- K.** The Offeror shall not charge any Cardholder a fee for any transactions made with a signature, typically processed by the Cardholder's selection of "credit" at the point of sale.
- L.** The Offeror shall provide each Cardholder unlimited free teller withdrawals at any MasterCard member bank or credit union branch or any Visa member bank or credit union branch, as the Offeror proposes.
- M.** The Offeror shall provide each Cardholder no fewer than two (2) free ACH transfers per calendar month from the EPC to a Cardholder's personal account processed through either the Internet or IVR system. The Offeror shall also provide each Cardholder an option to initiate such transfer on a one-time or reoccurring basis, and shall not place any restriction on the amount of the transfer. The Offeror shall describe if it will provide any additional free ACH transfers to each Cardholder and shall provide the per transfer fee for each additional ACH transfer per deposit from the EPC to a Cardholder's personal account above the proposed additional, or required number of two (2) ACH transfers per calendar month.
- N.** The Offeror shall not charge any Cardholder a fee for online bill payment services.
- O.** The Offeror shall not charge any Cardholder a fee to change a PIN number through the Internet or IVR system.
- P.** The Offeror shall not charge any Cardholder a fee to access account information through the Internet. Account information shall consist of, at a minimum, account balances and transaction history, which includes deposits, withdrawals, purchases, and fees.
- Q.** The Offeror shall not charge any Cardholder a fee to access account information through the IVR system or a customer service representative (CSR). Account information shall consist of, at a minimum, account balances and transaction history, which includes deposits, withdrawals, purchases, and fees.
- R.** The Offeror shall provide each Cardholder no fewer than one (1) replacement EPC per calendar year at no cost, to be mailed by first class mail through the U.S.P.S. EPCs reported by a Cardholder as not received, or returned by the USPS as undeliverable, shall not count towards the Cardholder's one (1) replacement EPC per calendar year at no cost. The Offeror shall describe if it will provide each Cardholder any additional replacement cards per calendar year at no cost, to be mailed by first class mail through the U.S.P.S., and provide the per card cost above the number of free replacement cards per calendar year that the Offeror proposes to supply.
- S.** The Offeror shall describe the process by which a Cardholder can request that a replacement EPC be mailed on an expedited basis, including the approximate time for the

Cardholder to receive the replacement EPC, any conditions that must be satisfied for the delivery to be received, and shall provide the cost to have a replacement EPC mailed on an expedited basis.

- T.** The Offeror shall not impose inactivity fees on a Cardholder until fourteen (14) months have passed without a deposit, ATM withdrawal, or POS transaction. The Offeror shall not charge any Cardholder an inactivity fee without first notifying each applicable Cardholder no later than sixty (60) days in advance of charging an inactivity fee through a written notice sent to the Cardholder's address on file. The Offeror shall not charge an inactivity fee for those Cardholders whose notifications are returned to the Offeror as undeliverable. The Offeror shall describe its proposed inactivity fee, which shall not exceed \$2.00 per month. Offerors that submit a proposal with no inactivity fees, or with a period greater than 14 months before inactivity fees are imposed and/or inactivity fees that are less than \$2.00 per month, will be evaluated more favorably.
- U.** The Offeror shall provide each Cardholder, upon request, one paper statement per calendar month without a fee, on either an ad hoc basis or a recurring monthly basis, that reports all transactions for a thirty (30) day period. The Offeror shall describe the process by which a Cardholder can request paper statements.
- V.** The Offeror shall describe the fee it proposes for International ATM cash withdrawals.
- W.** The Offeror shall describe the fee it proposes for International POS transactions.
- X.** The Offeror shall describe any fee it proposes for all additional Cardholder services not mentioned in this RFP. Treasury shall retain the right to approve or reject any additional services proposed by an Offeror.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Requirements. To be eligible for selection, a proposal must be:

- A. Timely received from the Offeror;
- B. Properly signed by the Offeror; and
- C. Free of costs or fees to the Commonwealth.

III-2. Technical Nonconforming Proposals. The three (3) Mandatory Requirements set forth in **Section III-1** above are the only RFP requirements that the Commonwealth will consider to be nonwaivable. The Issuing Office reserves the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformities in an Offeror's proposal, (2) allow the Offeror to cure such other nonconformities, or (3) consider such other nonconformities in the scoring of the Offeror's proposal. Please refer to **Section IV-3** of this RFP for additional information regarding materiality and nonconforming or deviating proposals.

III-3. Evaluation. The Issuing Office has selected a committee of qualified personnel to review and evaluate timely submitted proposals. The Issuing Office will notify in writing of its selection for negotiation the responsible Offeror whose proposal is determined to be the most advantageous to the Commonwealth as determined by the Issuing Office after taking into consideration all of the evaluation factors. While the Issuing Office generally selects a single Offeror with which to begin negotiations, it reserves the right to enter into negotiations with multiple Offerors

III-4. Evaluation Criteria. Only those proposals that receive a score of 70% or more on the evaluation points allocated to the Technical Submittal *i.e.*, II-1 to II-7, will be eligible for further consideration. Proposals that include the Offeror's acknowledgement and acceptance of each Treasury requirement specified to be included in the Technical Submittal of this RFP are more likely to receive a score of over 70%. Proposals that demonstrate the Offeror's competence in and commitment to establishing and administering a leading EPC program will be evaluated more favorably.

Overall, the evaluation will be weighted to reflect the following established priorities, listed – except for the first two – in descending order of importance. The first two items are weighted equally.

1. A fee schedule that includes a maximum number of free transactions and services that are provided to Cardholders, and minimizes any remaining costs to Cardholders.

1. In-network locations that are numerous, easy to locate, and geographically distributed to reasonably approximate local population densities.
3. The Offeror's ability to reliably establish accounts, mail EPCs, and post payments in a timely manner.
4. Customer service operations that conveniently provide the Cardholders timely account information and allow Cardholders to complete common service requests.
5. The Offeror's ability to integrate with Treasury's existing systems to facilitate data management.
6. The Offeror's ability to manage the transition from the current EPC Contractor with efficiency and urgency.
7. The Offeror's ability to provide program administration by a dedicated manager, to comply with all Federal and State regulations, and to utilize Pennsylvania's workforce and businesses to the greatest extent possible.
8. The Offeror's ability to provide Cardholders with the broadest access to their funds as practical while also maintaining industry protocols for security and identity verification.
9. The Offeror's ability to provide Treasury timely and accurate reporting to facilitate program administration.
10. The Offeror's experience in administering EPC programs, including preparations for a disaster and a commitment to maintaining Cardholder confidentiality.
11. The Offeror's utilization of Small Diverse Businesses.

III-5. Offeror Responsibility. An Offeror must submit a responsive proposal and possess the capability to fully perform the Contract requirements in all respects and the integrity and reliability to assure good faith performance of the Contract.

In order for an Offeror to be considered responsible for this RFP, and therefore eligible for selection for best and final offers or selection for Contract negotiations:

- A. The total score for the technical submittal of the Offeror's proposal must be greater than or equal to 70% of the available technical points; and
- B. The Offeror's financial information must demonstrate that the Offeror possesses the financial capability to assure good faith performance of the Contract. The Issuing

Office will review the Offeror's previous three (3) financial statements, any additional information received from the Offeror, and any other publicly-available financial information concerning the Offeror, and assess each Offeror's financial capacity based on calculating and analyzing various financial ratios, and by comparison with industry standards and trends. This is a pass/fail requirement; Offerors will not be compared against each other for this requirement or scored proportionally.

Further, the Issuing Office will award a Contract only to an Offeror determined to be responsible in accordance with the most current version of [Commonwealth Management Directive 215.9, Contractor Responsibility Program](#).

PART IV

WORK STATEMENT

IV-1. Objectives. Treasury is seeking proposals to continue administering an electronic payment solution at no cost to the Commonwealth for the disbursement of UC payments, SWIF indemnity payments, and additional proposed programs using an EPC that is either VISA or MasterCard branded.

Treasury has concluded that offering EPC as a method of payment provides numerous benefits to both the Claimants and the Commonwealth. The Federal Deposit Insurance Corporation (FDIC) reported in 2011 that 315,000 Pennsylvania households were classified as unbanked: defined as not one person in the household having a checking or savings account. An additional 931,000 Pennsylvania households were classified as underbanked: defined as at least one person in the household having a checking or savings account with the household continuing to rely on alternative financial services, namely non-bank check cashing services, non-bank money orders, payday loans, pawn shops, and rent-to-own agreements. The FDIC also reported nationwide that 81.9% of unbanked households had an income of less than \$30,000 per year, 60.74% of unbanked households were unlikely to open a bank account in the future, and that 15.4% of unbanked householders were unemployed. Therefore, the Commonwealth is providing a valuable service to unbanked and underbanked households in Pennsylvania by making the EPC available as a payment option -- an option that provides households an opportunity to access funds at a cost lower than those of alternative financial services.

Overall, the benefits of offering EPC as a method of payment include:

- A. Immediate access to benefit payments by Claimants without delay in mail delivery.;
- B. No check cashing fees for unbanked Claimants;
- C. Significant savings in the cost of purchasing, securing, accounting for, and maintaining blank check stock;
- D. Eliminates the reissuance and stop payments required for checks lost in the mail or stolen;
- E. Reduces significant human resources burden to Treasury in the processing of paper checks;
- F. Reduces fraud associated with theft or lost checks;
- G. Provides business continuity in the event of a disaster;

- H. Electronic payments are better for the environment; and,
- I. High audit capability as electronic payment transactions leave a specific footprint that supports a high degree of accountability, financial integrity, and reduction of fraud.

Given the benefits of EPCs to the Commonwealth and to the unbanked and underbanked, Treasury is interested in proposals that describe a methodology for future expansion of EPC as a payment option in other contexts, with the goal of being able to offer the EPC option under the scope of services to be procured through this RFP to disbursement programs of other agencies (where appropriate). These additional EPC services might be offered through separate cards with separate terms of service, or through a single Commonwealth-wide card. Some of the programs that might be considered in the future may currently offer a different EPC as a method of payment; others may only offer paper check and/or ACH as a method of payment at this time.

Treasury continues to engage with various state agencies to consolidate their programs into this Contract. It is Treasury's hope that an established fee structure (offering savings to Cardholders of current EPC programs) and existing technical infrastructure may provide the necessary information and incentive to the various state agencies to consider offering EPCs as a method of payment, or to consolidate existing EPC programs into this Contract.

IV-2. Nature and Scope of the Project. The following is a brief description of the programs involved in this initiative. In an effort to assist Offerors with their proposals, Treasury has provided data in Tables IV-2.1 to IV-2.3. Treasury does not guarantee that this historical data will result in any particular number of Claimants for the EPC program to be administered pursuant to any selection made on the basis of this RFP.

Unemployment Compensation

Once an unemployed individual has filed a new application for UC payments and been determined to be eligible for benefits based on certain wage information, Treasury issues a payment to the UC Claimant on a biweekly basis for periods when eligibility requirements are met. The initial eligibility determination does not identify any secondary eligibility issues that may preclude a UC Claimant from receiving benefits. Payments continue until the UC Claimant is again fully employed, the maximum amount of benefits is exhausted, or a subsequent application is determined eligible.

Treasury issues UC payments for L&I Monday through Friday by EPC and direct deposit. Currently, approximately 60.11 percent of payments are issued by direct deposit, 38.27 percent of payments are issued by EPC, and 1.62 percent are issued by paper check.

Table IV-2.1 shows the activity for regular UC claims averaged during the past three (3) years, as well as the activity for regular UC claims for the year 2013. Along with the regular UC program,

additional payments under programs such as State and Federal extended benefits, Trade Readjustment Allowance (“TRA”), and Disaster Unemployment Assistance (“DUA”), may be issued.

The volume of regular UC payments is subject to change based on economic circumstances and legislative revisions to eligibility.

TABLE IV-2.1

Regular UC Claims Activity (Does not include other programs)	Yearly Average during the past three (3) years	Calendar Year 2013
New Claims	751,954	724,184
Number of Unique Claimants Receiving Benefits	634,641	584,551
Net Benefits Paid	\$2,810,058,667	\$2,547,295,000
Average Payment Amount	\$347	\$360
Average Weeks of Benefits Received Per Claimant	18.1 weeks	17.7 weeks

Table IV-2.2 shows the total number of transactions, total dollar amount of transactions, and breakdown between direct deposit and EPC for UC payments (extensions included) during 2013 and during the past three (3) years. The volume of regular UC payments and extensions is subject to change based on economic circumstances or changes in eligibility criteria imposed by federal or state law.

TABLE IV-2.2

All UC Claims Activity (Extensions Included)	Yearly Average during the past three (3) years	Calendar Year 2013
Number of UC direct deposits	5,489,802	4,268,522
Amount of UC direct deposits	\$2,788,566,323	\$2,026,741,058
Number of UC EPC payments	3,970,619	2,866,705
Amount of UC EPC payments	\$2,021,142,120	\$1,360,104,943

Workers’ Compensation

The State Workers' Insurance Fund (SWIF) operates as an enterprise fund within L&I and provides an assured source of Workers' Compensation insurance for the employers and workers of Pennsylvania. Today SWIF is one of the largest Workers' Compensation insurers in

Pennsylvania, covering more than 24,000 policyholders. As of December 2013, SWIF had 24,115 policies. For year-end 2013, SWIF had premium writings of \$219 million.

Coverage begins, for the employer, the day after SWIF receives a properly completed Workers' Compensation application accompanied by the premium check. SWIF pays indemnity payments to employees of an insured employer for wages lost as the result of a work injury. Most of SWIF's Workers' Compensation indemnity payments are paid on a biweekly basis by check, direct deposit or debit card. A limited number of monthly indemnity payments are made to those individuals who are beneficiaries of fatal claims.

SWIF indemnity payments vary by pay cycle and pay date, resulting in payments being issued on zero (0) to two (2) days a week. Insofar as the payment method under SWIF will remain voluntary, L&I's intention is to issue SWIF indemnity payments as EPCs or direct deposit and reduce the issuance of checks. Currently, approximately 12 percent of indemnity payments are issued by direct deposit, 88 percent of indemnity payments are issued by paper check, and less than 1 percent are issued by EPC.

Table IV-2.3 shows the activity for SWIF claims averaged during the past three (3) years, as well as the activity for SWIF claims for the year 2013. The volume of SWIF indemnity payments is subject to change.

TABLE IV-2.3

SWIF Claims Activity	Yearly Average during the past three (3) years	Calendar year 2013
Number of Lost Time Injuries Received	1,646	1,741
Number of Indemnity Payments Made	8,663	8,216
Number of Claimants Receiving Payments	4,332	4,108
Total Indemnity Paid	\$121,268,667	\$110,832,000
Average Indemnity Payment Amount	\$538	\$519
Average Weeks of Payments Received	134 weeks	134 weeks

More information about L&I and its services can be found at <http://www.dli.state.pa.us>. Statistical information can be located on L&I's Center for Workforce Information and Analysis website at <http://www.paworkstats.state.pa.us>.

Unclaimed Property

Treasury intends to offer EPCs as a payment modality option to reunite citizens with the monetary proceeds of their unclaimed property. Treasury currently processes these payments by paper check. Independently of this RFP, Treasury intends to upgrade the capabilities of its

unclaimed property claims processing and database platform. It is currently exploring whether to enhance its existing UPS2000 application or to replace it with an entirely new platform. In either event, Treasury will ensure that the resulting system includes functionality enabling it to process a portion of claims that would be paid by EPC. There is a likelihood that the timing of the transition to an enhanced UPS2000 system or an entirely new platform would necessitate delaying the commencement of processing unclaimed property payments by EPC.

TABLE IV-2.4

Single Payee Claims August 2013 through July 2014				
Claimed Amount Threshold	Number of claims Paid	Percentage of Claims Paid	Claimed Total	Percentage of Claimed Total
\$0.01 to \$10.00	3,379	8.47%	\$24,929.42	0.09%
\$10.01 to \$100.00	13,549	33.96%	\$627,213.05	2.37%
\$100.01 to \$1,000.00	18,580	46.56%	\$6,850,209.82	25.93%
\$1,000.01 to \$10,000.00	4,102	10.28%	\$10,242,288.71	38.76%
\$10,000.01 to \$50,000.00	252	0.63%	\$ 5,030,539.29	19.04%
\$50,000 and above	40	0.10%	\$ 3,646,904.60	13.80%
	39,902	100.00%	\$26,422,084.89	100.00%

Cardholder Behavior

Treasury is providing information about Pennsylvania UC and SWIF Cardholder behavior to give Offerors additional data that may be helpful in developing a competitive proposal. The following chart shows program information for the most common transactions that occurred for the 12-month period between August 2013 and July 2014. There were 106,863 active Cardholders, on average, each month during this period. Any number of factors may lead to changes – whether foreseeable or unforeseen – in future Cardholder behavior. Therefore, Treasury does not guarantee that an Offeror will have a similar experience with its proposed EPC program.

TABLE IV-2.5

August 2013 to July 2014			
Transaction	Total Number of Transactions	Total Amount of Transactions	Average Transaction
Deposit from Treasury	2,120,823	\$959,287,060.48	\$452.32
ATM: Balance Inquiry	1,104,712	n/a	n/a
ATM: In-Network Withdrawals	1,469,886	\$271,107,097.69	\$184.44
ATM: International Withdrawals	4,350	\$774,295.77	\$178.00

August 2013 to July 2014			
Transaction	Total Number of Transactions	Total Amount of Transactions	Average Transaction
ATM: Out-of-Network Withdrawals	1,543,737	\$236,724,247.78	\$153.34
Teller Withdrawal	247,888	\$146,349,493.66	\$590.39
POS: Signature-Based	5,527,819	\$153,490,138.19	\$27.77
POS: PIN-Based	3,921,016	\$130,189,062.88	\$33.20
ACH Transfer to Outside Account	30,860	\$22,461,814.08	\$727.86
Online Bill Pay	2,034	\$510,367.77	\$250.92
IVR Calls	6,432,564	n/a	n/a
CSR Calls	219,296	n/a	n/a

IV-3. Contract Requirements--Service Levels/Liquidated Damages

The Offeror shall meet or exceed the Service Levels that are established and set forth in the following sections below, which are intended to ensure that Claimants have access to their benefit payments via an EPC and to associated support services in a timely fashion.

Treasury is not encouraging the Offeror to propose alternative Service Levels in its submissions. Nonetheless, so long as an Offeror agrees to meet a Service Level in the following sections, it may also propose an alternative Service Level. An Offeror proposing alternative Service Levels shall provide a persuasive justification why the alternatives will deliver to Cardholders access and/or other associated support services equivalent (or superior) to those provided by the Service Levels prescribed below. Treasury shall determine in its sole discretion whether an Offeror has demonstrated that a proposed alternative Service Level will not only provide at least equivalent services to Cardholders but also not have a substantial potential to cause any significant negative impacts to the EPC program.

The Offeror shall present any alternative Service Level it wishes to propose in the section of its proposal where it agrees to satisfy the corresponding Service Level prescribed in this RFP. An Offeror will not be penalized for proposing alternative Service Levels.

If the Offeror fails to meet any of these Service Levels, or the Service Levels as modified in a Contract resulting from this RFP, during Contract performance, Treasury may take one, all, or any combination of the following actions:

- invoke the corrective procedure specified below;
- make a demand directly of Offeror for payment;

- exercise the financial instrument required in II-7 A. 8 of this RFP to collect liquidated damages;
- terminate the Contract;
- terminate the Contract and exercise the letter of credit in an amount necessary to cover the cost to Treasury of issuing payments and/or procuring a new vendor; and
- any other action available to Treasury for nonperformance of the Contract.

The Offeror may be required to pay liquidated damages up to an aggregate maximum of Two Hundred Fifty Thousand Dollars (\$250,000) per calendar month until failure to meet Service Levels is corrected. Treasury's forbearance from taking action in response to one or more instances where the Offeror fails to meet Service Levels shall not constitute a waiver of its rights with respect to any subsequent failure by the Offeror to meet Service Levels. Treasury's election to bill the Offeror shall not abrogate, suspend or alter in any way its right to proceed against the financial instrument in the event that Offeror fails to pay the required liquidated damages. If Treasury elects to require payment of liquidated damages, the Offeror, or the Offeror's financial instrument, shall remit the required amount within three (3) business days following receipt of demand for payment.

1. Contract Manager Responsiveness.

Service Level: The Contract manager shall respond to written communication from Treasury, or its designee, that includes within its subject line "RESPONSE REQUIRED" no later than close of business on the next business day following the date of receipt.

If the Offeror's designated Contract manager fails to respond to written communication from Treasury, or its designee, that includes within its subject line "RESPONSE REQUIRED" no later than close of business on the next business day following the date of receipt, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Two Thousand Five Hundred Dollars (\$2,500) for each day that no response is received following a one (1) business day cure period.

2. Conversion Activities

Service Level A: The Offeror shall mail all Cardholder advance notification materials, including those specified under Regulation E, and other applicable State and Federal regulations, by the date mutually agreed upon in the transition plan.

If the Offeror fails to mail all Cardholder advance notification materials, including those specified under Regulation E, and other applicable State and Federal regulations, by the date mutually agreed upon in the transition plan, the Offeror

shall be liable, upon demand, for liquidated damages in the amount of Seven Thousand Five Hundred Dollars (\$7,500) per day for the first five (5) days and Ten Thousand Dollars (\$10,000) per day for each day thereafter, following a three (3) business day cure period.

Service Level B: The Offeror shall mail conversion cards to all Cardholders by the date mutually agreed upon in the transition plan.

If the Offeror fails to mail conversion cards to all Cardholders by the date mutually agreed upon in the transition plan, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Seven Thousand Five Hundred Dollars (\$7,500) per day for the first five (5) days and Ten Thousand (\$10,000) per day for each day thereafter, following a three (3) business day cure period.

Service Level C: The Offeror shall have the IVR system and CSRs available to Cardholders through a toll-free telephone number by the date mutually agreed upon in the transition plan.

If the Offeror fails to have the IVR system and CSRs available to Cardholders through a toll-free telephone number by the date mutually agreed upon in the transition plan, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Seven Thousand Five Hundred Dollars (\$7,500) per day for the first five (5) days and Ten Thousand (\$10,000) per day for each day thereafter, following a three (3) business day cure period.

Service Level D: The Offeror shall be prepared to accept deposits from Treasury by the date mutually agreed upon in the transition plan for first funding of EPCs.

If the Offeror fails in its ability to accept deposits from Treasury by the date mutually agreed upon in the transition plan for first funding of EPCs, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Twenty-Five Thousand Dollars (\$25,000) per day, and for each day thereafter, following a one (1) business day cure period.

3. Cardholder Enrollment

Service Level: The Offeror shall establish, or reject and return to Treasury or its designee with an appropriate error designation, one hundred (100%) percent of Cardholder accounts within four (4) hours of receiving all necessary Cardholder account information.

1. If the Offeror fails to meet the Service Level when measured over any particular calendar month but the Offeror processes ninety-five (95%) percent or greater of account enrollments within four (4) hours, the Offeror will be required to implement

corrective measures of its own design. Offeror shall provide a written description of its corrective measures to Treasury and L&I as soon as practical after implementation. If the Offeror fails to meet the Service Level for a second consecutive month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and then to implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.

2. If the Offeror processes account enrollments within four (4) hours less than ninety-five (95%) percent of the time, when measured over any particular calendar month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.
3. Notwithstanding the provisions of subsection 2 of this section, above, if the Offeror fails to process account enrollments within four (4) hours less than seventy-five (75%) percent of the time, when measured over any particular calendar month, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Five Thousand Dollars (\$5,000) for every ten (10) percentage points (or lesser number thereof) that the Offeror is below the Service Level in the month that liquidated damages can be assessed. The Offeror shall also be responsible to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.

For example, the Offeror establishes seventy (70%) percent of accounts within four (4) hours in a particular month. The Offeror has failed to meet the Service Level by thirty (30) percentage points, and is liable for Fifteen Thousand Dollars (\$15,000) for that month.

4. Notwithstanding its obligation to continue implementing corrective measures until it meets the Service Level, the Offeror shall be liable, upon demand, for liquidated damages starting in the third consecutive month it fails to meet the Service Level, and every consecutive month thereafter, if it is not already liable for liquidated damages pursuant to subsection 3, above. Liquidated damages shall be in the amount of Five Thousand Dollars (\$5,000) for every ten (10) percentage points (or lesser number thereof) that the Offeror is below the Service Level in the month that liquidated damages can be assessed.

For example, after two (2) consecutive months of sub-service level performance, the Offeror establishes ninety (90%) percent of accounts within four (4) hours in the third month. The Offeror has failed to meet the Service Level by ten (10) percentage points, and is liable for Five Thousand Dollars (\$5,000) for that month. In the fourth month, the Offeror slips to eighty-four (84%) percent performance; it would be liable for Ten Thousand Dollars (\$10,000) for that month (more than ten (10) percentage points but not more than twenty (20) percentage points below the Service Level).

5. After two (2) consecutive months in which liquidated damages are assessed, the liquidated damages for succeeding consecutive months of not meeting the Service Level double, to Ten Thousand Dollars (\$10,000) for every ten (10) percentage points (or lesser number thereof) below the Service Level.

4. Card Issuance

Service Level A: The Offeror shall mail one hundred (100%) percent of initial and replacement cards via pre-sorted first class mail containing intelligent mail barcode tracking and delivery to a regional postal facility on the business day following its processing of a Cardholder initial or replacement EPC request.

Service Level B: The Offeror shall mail one hundred (100) percent of initial and replacement cards via pre-sorted first class mail on the last business day preceding a period during which a federal holiday falls on either a Friday or a Monday, resulting in three consecutive non-business days (hereafter called a “Long Weekend”), provided that Treasury or its designee delivers authorized Enrollment Requests to the Offeror for processing no later than 8:00 AM Eastern Daylight Time or Eastern Standard Time, whichever is applicable, on that last business day preceding the Long Weekend. To establish common expectations regarding the occurrence of Long Weekends, no later than December 1 of each year, the Offeror and Treasury shall confer in order to identify all such instances in the following calendar year.

1. If the Offeror fails to meet either Service Level when measured over any particular calendar month but meets or exceeds it ninety-five (95%) percent of the time, the Offeror will be required to implement corrective measures of its own design. Offeror shall provide a written description of its corrective measures to Treasury and L&I as soon as practical after implementation. If the Offeror fails to meet either Service Level for a second consecutive month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and then to implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.

2. If the Offeror fails to meet either Service Level less than ninety-five (95%) percent of the time when measured over any particular calendar month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.
3. Notwithstanding the provisions of subsection 2 of this section, above, if the Offeror fails to meet either Service Level less than seventy-five (75%) of the time when measured over any particular calendar month, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Five Thousand Dollars (\$5,000) for every ten (10) percentage points (or lesser number thereof) that the Offeror is below each Service Level in the month that liquidated damages can be assessed. The Offeror shall also be responsible to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet either Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.

For example, the Offeror mails 70% of new and replacement cards on the business day following its processing of a Cardholder enrollment or replacement request in a particular month. The Offeror has failed to meet the Service Level by thirty (30) percentage points, and is liable for Fifteen Thousand Dollars (\$15,000) for that month.

4. Notwithstanding its obligation to continue implementing corrective measures until it meets the Service Level(s), the Offeror shall be liable, upon demand, for liquidated damages starting in the third consecutive month it fails to meet either Service Level, and every consecutive month thereafter, if it is not already liable for liquidated damages pursuant to subsection 3, above. Liquidated damages shall be in the amount of Five Thousand Dollars (\$5,000) for every ten (10) percentage points (or lesser number thereof) that the Offeror is below either Service Level in the month that liquidated damages can be assessed.

For example, after two (2) consecutive months of sub-Service Level performance, the Offeror in the third month mails 90% of the initial and replacement cards within the first business day following processing. The Offeror has failed to meet the Service Level by ten (10) percentage points, and is liable for Five Thousand Dollars (\$5,000) for that month. In the fourth month, the Offeror slips to 84% performance; it would be liable for Ten Thousand Dollars (\$10,000) for that month (more than ten (10) percentage points but not more than twenty (20) percentage points below the Service Level).

5. After two (2) consecutive months in which liquidated damages are assessed, the liquidated damages for succeeding consecutive months of not meeting either Service Level double, to Ten Thousand Dollars (\$10,000) for every ten (10) percentage points (or lesser number thereof) below the Service Level(s).
6. The Offeror will be liable for cumulative (not concurrent) liquidated damages for violations of both Service Levels in any particular month.

5. Deposit Posting

Treasury or its designee will send all payments as NACHA formatted PPD ACH transactions.

Service Level A: The Offeror must post one hundred (100%) percent of payments to the EPCs no later than 4 a.m. on the issuance date.

Service Level B: Unless prohibited by NACHA, if the issuance date is the same date that the file is transmitted through NACHA, the Offeror must post one hundred (100%) percent of payments to the EPCs no later than four (4) hours after being able to access the payment records through NACHA.

1. If the Offeror fails to meet either Service Level when measured over any particular calendar month but meets or exceeds it 95% of the time, the Offeror will be required to implement corrective measures of its own design. The Offeror shall provide a written report of its corrective measures to Treasury and L&I. If the Offeror fails to meet either Service Level for a second consecutive month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and then to implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.
2. If the Offeror fails to meet either Service Level less than ninety-five (95%) percent of the time when measured over any particular calendar month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.
3. Notwithstanding the provisions of subsection 2 of this section, above, if the Offeror fails to meet either Service Level less than eighty-five (85%) of the time when measured over any particular calendar month, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Five Thousand Dollars (\$5,000) for

every ten (10) percentage points (or lesser number thereof) that the Offeror is below the Service Level(s) in the month that liquidated damages can be assessed. The Offeror shall also be responsible to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.

For example, the Offeror deposits funds to seventy (70%) percent of the Cardholder accounts within two hours in a particular month. The Offeror has failed to meet the Service Level by thirty (30) percentage points, and is liable for Fifteen Thousand Dollars (\$15,000) for that month.

4. Notwithstanding its obligation to continue implementing corrective measures until it meets either Service Level, the Offeror shall be liable, upon demand, for liquidated damages starting in the third consecutive month it fails to meet either Service Level, and every consecutive month thereafter, if it is not already liable for liquidated damages pursuant to subsection 3, above. Liquidated damages shall be in the amount of Five Thousand Dollars (\$5,000) for every ten (10) percentage points (or lesser number thereof) that the Offeror is below either Service Level in the month that liquidated damages can be assessed.

For example, after two (2) consecutive months of sub-Service Level performance, the Offeror deposits funds to ninety-two (92%) percent of the Cardholder accounts within two (2) hours in the third month. The Offeror has failed to meet the Service Level by eight (8) percentage points, and is liable for Five Thousand Dollars (\$5,000) for that month. In the fourth month, the Offeror's performance slips to eighty-four (84%) percent; it would be liable for Ten Thousand Dollars (\$10,000) for that month (more than ten percentage points but not more than 20 percentage points below the Service Level).

5. After two (2) consecutive months in which liquidated damages are assessed, the liquidated damages for succeeding consecutive months of not meeting either Service Level double, to Ten Thousand Dollars (\$10,000) for every ten (10) percentage points (or lesser number thereof) below the Service Level(s).
6. The Offeror will be liable for cumulative (not concurrent) liquidated damages for violations of both Service Levels in any particular month.

6. Return Payments and Data for Non-Activated EPCs

Service Level: The Offeror shall return payments, and the corresponding data, from EPCs that have not been activated in the timeframe mutually agreed upon with Treasury.

If the Offeror fails to return payments, and the corresponding data, from EPCs that have not been activated in the timeframe mutually agreed upon with Treasury, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Two Thousand Five Hundred Dollars (\$2,500) per day, following a five (5) business day cure period.

7. Website Availability

Service Level A: The Offeror's Cardholder website shall be unavailable for no more than a total of eight (8) hours during any month for normal maintenance.

Service Level B: The Offeror's Cardholder website shall be unavailable for no more than three (3) consecutive hours in any 24-hour period for normal maintenance.

Normal maintenance is defined as routine anticipated maintenance that is performed according to a schedule that is provided to Treasury and Cardholders no less than five business days in advance. Unavailability associated with normal, scheduled maintenance is hereafter called "Website Planned Interruptions."

Service Level C: The Offeror's Cardholder website shall be unavailable no more than a total of thirty (30) minutes in any calendar month other than as associated with normal maintenance. Unavailability not associated with normal, scheduled maintenance is hereafter called "Website Unplanned Interruptions."

For purposes of these Service Levels, the website shall be considered unavailable if any Cardholder account-accessing website function is unavailable. In calculating the period of website unavailability in a calendar month for purposes of determining Service Level compliance, the lengths of each period of time that one or more website Cardholder functions is unavailable in that month shall be added together to determine total unavailability.

Website Planned Interruptions

1. If the Offeror fails to meet any Service Level for Website Planned Interruptions on its Cardholder website when measured over any particular calendar month, but the website is unavailable for not more than ten (10) total hours due to Website Planned Interruptions during the month, or is unavailable for not more than four (4) consecutive hours in any 24-hour period due to Website Planned Interruptions, the Offeror will be required to notify Treasury and to implement corrective measures of its own design. The Offeror shall provide a written description of its corrective measures to Treasury and L&I as soon as practical after implementation. If the

Offeror fails to meet all of the Service Level(s) for Website Planned Interruptions for a second consecutive month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and then to implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.

2. If the Cardholder website is unavailable for more than ten (10) total hours during the month, or is unavailable for more than four (4) consecutive hours in any 24-hour period due to Website Planned Interruptions, the Offeror will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.
3. Notwithstanding the provisions of subsection 2 of this section, above, if the website is unavailable more than twenty (20) total hours during the month, or is unavailable for more than eight (8) consecutive hours in any 24-hour period, due to Website Planned Interruptions, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Five Thousand Dollars (\$5,000) for every hour (or lesser number thereof) that the Offeror fails to meet the Service Level(s) in the month that liquidated damages can be assessed. The Offeror shall also be responsible to submit an acceptable written corrective action plan to Treasury within seven business days of identification of the failure to meet the Service Level(s), and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.

For example, the website is unavailable for ten (10) consecutive hours in a 24-hour period from Website Planned Interruptions during the month. The Offeror has failed to meet the Service Level by seven hours, and is liable for Thirty-Five Thousand Dollars (\$35,000) for that month.

4. Notwithstanding its obligation to continue implementing corrective measures until it meets all the Service Levels for Website Planned Interruptions, the Offeror shall be liable, upon demand, for liquidated damages starting in the third consecutive month it fails to meet any Service Level, and every consecutive month thereafter, if it is not already liable for liquidated damages pursuant to subsection 3, above. Liquidated damages shall be in the amount of Five Thousand Dollars (\$5,000) for each hour (or lesser part thereof) of unavailability by which the Offeror exceeds the Service Level(s) in the month that liquidated damages can be assessed.

For example, after two (2) consecutive months of sub-Service Level performance regarding Website Planned Interruptions, the website is unavailable for ten (10) hours from Website Planned Interruptions during the third month. The Offeror has failed to meet the Service Level by two (2) hours or less, and is liable for Ten Thousand Dollars (\$10,000). In the fourth month, the website is unavailable for two hundred (200) consecutive minutes for causes related to Planned Interruptions; the Offeror would be liable for Five Thousand Dollars (\$5,000) for that month (failure to meet for less than one hour.)

5. After two (2) consecutive months in which liquidated damages are assessed, the liquidated damages for succeeding consecutive months of not meeting any Service Level double, to Ten Thousand Dollars (\$10,000) for every hour (or lesser part) of unavailability in violation of the Service Level.
6. The Offeror will be liable for cumulative (not concurrent) liquidated damages for violations of both Service Levels for Website Planned Interruptions in any particular month.

Website Unplanned Interruptions

1. If the Offeror fails to meet any Service Level for Website Unplanned Interruptions on its Cardholder website when measured over any particular calendar month, but the website is unavailable for not more than sixty (60) total minutes due to Website Unplanned Interruptions during that month, the Offeror will be required to notify Treasury and to implement corrective measures of its own design. The Offeror shall provide a written description of its corrective measures to Treasury and L&I as soon as practical after implementation. If the Offeror fails to meet the Service Level for Website Unplanned Interruptions for a second consecutive month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and then to implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.
2. If the Cardholder website is unavailable for more than sixty (60) total minutes due to Website Unplanned Interruptions during the month, the Offeror will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.

3. Notwithstanding the provisions of subsection 2 of this section, above, if the website is unavailable more than two hundred ten (210) total minutes during the month due to Website Unplanned Interruptions, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Five Thousand Dollars (\$5,000) for each thirty (30) minutes of unavailability (or lesser number thereof) that the Offeror fails to meet the Service Level in the month that liquidated damages can be assessed. The Offeror shall also be responsible to submit an acceptable written corrective action plan to Treasury within seven business days of identification of the failure to meet the Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.

For example, the website is unavailable for two hundred forty (240) minutes due to Website Unplanned Interruptions during the month. The Offeror has failed to meet the Service Level by seven periods of thirty-minutes or less, and is liable for Thirty-Five Thousand Dollars (\$35,000) for that month.

4. Notwithstanding its obligation to continue implementing corrective measures until it meets the Service Level for Website Unplanned Interruptions, the Offeror shall be liable, upon demand, for liquidated damages starting in the third consecutive month it fails to meet the Service Level, and every consecutive month thereafter, if it is not already liable for liquidated damages pursuant to subsection 3, above. Liquidated damages shall be in the amount of Five Thousand Dollars (\$5,000) for each thirty (30) minutes (or lesser part thereof) of unavailability by which the Offeror exceeds the Service Level in the month that liquidated damages can be assessed.

For example, after two (2) consecutive months of sub-Service Level performance regarding Website Unplanned Interruptions, the website is unavailable for fifty (50) minutes due to Website Unplanned Interruptions during the third month. The Offeror has failed to meet the Service Level by one period of thirty minutes or less, and is liable for Five Thousand Dollars (\$5,000). In the fourth month, the website is unavailable for seventy-five (75) minutes due to Website Unplanned Interruptions; it would be liable for Ten Thousand Dollars (\$10,000) for that month (failure to meet for all or any part of two 30-minute periods).

5. After two (2) consecutive months in which liquidated damages are assessed, the liquidated damages for succeeding consecutive months of not meeting the Service Level double, to Ten Thousand Dollars (\$10,000) for every thirty minute period (or lesser part) of unavailability due to Website Unplanned Interruptions in violation of the Service Level.

Miscellaneous

1. Damages for Website Unplanned Interruptions and Website Planned Interruptions in the same month are not cumulative only when unavailability is caused simultaneously by both kinds of Interruptions (*e.g.*, certain user account functions are rendered unavailable due to Website Planned Interruptions and other functions become unavailable at the same time due to Website Unplanned Interruptions), in which case the period of time of simultaneous unavailability shall be counted only towards the total monthly unavailability due to Planned Interruptions.
2. For purposes of calculating whether liquidated damages should be assessed based upon consecutive months of failing to meet an Service Level or whether the amount of liquidated damages doubles in any month based upon two immediately preceding months of liquidated damages having been assessed, Website Unplanned Interruptions and Website Planned Interruptions shall be considered to be fungible. That is, any combination of Website Unplanned Interruptions and Website Planned Interruptions in consecutive months shall be sufficient to result in the a) imposition of liquidated damages or b) the doubling of the amount of liquidated damages, as applicable.

8. IVR Availability

Service Level A: The Offeror's Cardholder IVR shall be unavailable for no more than a total of eight (8) hours during any month for normal maintenance.

Service Level B: The Offeror's Cardholder IVR shall be unavailable for no more than two (2) consecutive hours in any 24-hour period for normal maintenance.

Normal maintenance is defined as routine anticipated maintenance that is performed according to a schedule that is provided to Treasury and Cardholders no less than five business days in advance. Unavailability associated with normal, scheduled maintenance is hereafter called "IVR Planned Interruptions."

Service Level C: The Offeror's Cardholder IVR shall be unavailable no more than a total of thirty (30) minutes in any calendar month other than as associated with normal maintenance. Unavailability not associated with normal, scheduled maintenance is hereafter called "IVR Unplanned Interruptions."

For purposes of these Service Levels, the IVR shall be considered unavailable if any Cardholder account function is unavailable. In calculating the period of IVR unavailability in a calendar month for purposes of determining Service Level compliance, the lengths of each period of time that one or more IVR Cardholder functions is unavailable in that month shall

be added together to determine total unavailability.

IVR Planned Interruptions

1. If the Offeror fails to meet any Service Level for IVR Planned Interruptions on its Cardholder IVR when measured over any particular calendar month, but the IVR is unavailable for not more than ten (10) total hours due to IVR Planned Interruptions during the month, or is unavailable for not more than three (3) consecutive hours in any 24-hour period due to IVR Planned Interruptions, the Offeror will be required to notify Treasury and to implement corrective measures of its own design. The Offeror shall provide a written description of its corrective measures to Treasury and L&I as soon as practical after implementation. If the Offeror fails to meet all of the Service Level(s) for IVR Planned Interruptions a second consecutive month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and then to implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.
2. If the IVR is unavailable for more than ten (10) total hours during the month, or is unavailable for more than three (3) consecutive hours in any 24-hour period, due to IVR Planned Interruptions, the Offeror will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level(s), and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level(s) when measured over a calendar month.
3. Notwithstanding the provisions of subsection 2 of this section, above, if the IVR is unavailable more than sixteen (16) total hours during the month, or is unavailable for more than four (4) consecutive hours in any 24-hour period, due to IVR Planned Interruptions, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Five Thousand Dollars (\$5,000) for every hour (or lesser period thereof) that the Offeror fails to meet the Service Level(s) in the month that liquidated damages can be assessed. The Offeror shall also be responsible to submit an acceptable written corrective action plan to Treasury within seven business days of identification of the failure to meet the Service Level(s), and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when times to establish accounts are measured over a calendar month.

For example, the Cardholder IVR is unavailable for six (6) consecutive hours in a 24-hour period from IVR Planned Interruptions during the month. The Offeror has failed

to meet the Service Level by four (4) hours and is liable for \$20,000 for that month.

4. Notwithstanding its obligation to continue implementing corrective measures until it meets all the Service Levels for IVR Planned Interruptions, the Offeror shall be liable, upon demand, for liquidated damages starting in the third consecutive month it fails to meet any Service Level, and every consecutive month thereafter, if it is not already liable for liquidated damages pursuant to subsection 3, above. Liquidated damages shall be in the amount of Five Thousand Dollars (\$5,000) for each hour (or lesser part thereof) of unavailability by which the Offeror exceeds the Service Level(s) in the month that liquidated damages can be assessed.

For example, after two (2) consecutive months of sub-Service Level performance regarding IVR Planned Interruptions, the IVR is unavailable for ten (10) hours from IVR Planned Interruptions, during the third month. The Offeror has failed to meet the Service Level by two (2) hours or less, and is liable for Ten Thousand Dollars (\$10,000). In the fourth month, the IVR is unavailable for 150 consecutive minutes, for causes related to IVR Planned Interruptions; the Offeror would be liable for Five Thousand Dollars (\$5,000) for that month (failure to meet for less than one hour.)

5. After two (2) consecutive months in which liquidated damages are assessed, the liquidated damages for succeeding consecutive months of not meeting any Service Level double, to Ten Thousand Dollars (\$10,000) for every hour (or lesser part) of unavailability in violation of the Service Level.
6. The Offeror will be liable for cumulative (not concurrent) liquidated damages for violations of both Service Levels related to IVR Planned Interruptions in any particular month.

IVR Unplanned Interruptions.

1. If the Offeror fails to meet the Service Level for IVR Unplanned Interruptions on its Cardholder IVR when measured over any particular calendar month, but the IVR is unavailable for not more than sixty (60) total minutes due to IVR Unplanned Interruptions during that month, the Offeror will be required to notify Treasury and to implement corrective measures of its own design. The Offeror shall provide a written description of its corrective measures to Treasury and L&I as soon as practical after implementation. If the Offeror fails to meet the Service Level for IVR Unplanned Interruptions for a second consecutive month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and then to implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.

2. If the Cardholder IVR is unavailable for more than sixty (60) total minutes due to IVR Unplanned Interruptions during the month, the Offeror will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.
3. Notwithstanding the provisions of subsection 2 of this section, above, if the IVR is unavailable more than one hundred eighty (180) total minutes during the month due to IVR Unplanned Interruptions, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Five Thousand Dollars (\$5,000) for each thirty (30) minutes of unavailability (or lesser number thereof) that the Offeror fails to meet the Service Level in the month that liquidated damages can be assessed. The Offeror shall also be responsible to submit an acceptable written corrective action plan to Treasury within seven business days of identification of the failure to meet the Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.

For example, the IVR is unavailable for two hundred (200) minutes due to IVR Unplanned Interruptions during the month. The Offeror has failed to meet the Service Level by six (6) periods of thirty-minutes or less, and is liable for Thirty Thousand Dollars (\$30,000) for that month.

4. Notwithstanding its obligation to continue implementing corrective measures until it meets the Service Level for IVR Unplanned Interruptions, the Offeror shall be liable, upon demand, for liquidated damages starting in the third consecutive month it fails to meet the Service Level, and every consecutive month thereafter, if it is not already liable for liquidated damages pursuant to subsection 3, above. Liquidated damages shall be in the amount of Five Thousand Dollars (\$5,000) for each thirty (30) minutes (or lesser part thereof) of unavailability by which the Offeror exceeds the Service Level in the month that liquidated damages can be assessed.

For example, after two (2) consecutive months of sub-Service Level performance regarding IVR Unplanned Interruptions, the IVR is unavailable for fifty (50) minutes due to IVR Unplanned Interruptions during the next month. The Offeror has failed to meet the Service Level by one (1) thirty minute period or less, and is liable for Five Thousand Dollars (\$5,000). In the fourth month, the IVR is unavailable for 75 minutes due to IVR Unplanned Interruptions; it would be liable for \$10,000 for that month (failure to meet for all or part of two 30-minute periods).

5. After two (2) consecutive months in which liquidated damages are assessed, the liquidated damages for succeeding consecutive months of not meeting the Service

Level double, to Ten Thousand Dollars (\$10,000) for every thirty minute period (or lesser part) of unavailability due to IVR Unplanned Interruptions in violation of the Service Level.

Miscellaneous

1. Damages for IVR Unplanned Interruptions and IVR Planned Interruptions in the same month are not cumulative only when unavailability is caused simultaneously by both kinds of Interruptions (*e.g.*, certain user account functions are rendered unavailable due to IVR Planned Interruptions and other functions become unavailable at the same time due to IVR Unplanned Interruptions), in which case the period of time of simultaneous unavailability shall be counted only towards the total monthly unavailability due to IVR Planned Interruptions.
2. For purposes of calculating whether liquidated damages should be assessed based upon consecutive months of failing to meet an Service Level or whether the amount of liquidated damages doubles in any month based upon two immediately preceding months of liquidated damages having been assessed, IVR Unplanned Interruptions and IVR Planned Interruptions shall be considered to be fungible. That is, any combination of IVR Unplanned Interruptions and IVR Planned Interruptions in consecutive months shall be sufficient to result in the a) imposition of liquidated damages or b) the doubling of the amount of liquidated damages, as applicable.

9. Customer Service Representative Call Answer Speed

Service Level: The Offeror's customer service representatives (CSRs) must be available 24 hours a day, 365 days per year, with an average wait time of no more than forty-five (45) seconds.

1. If the Offeror fails to meet the Service Level when measured over any particular calendar month, but the average wait time is no more than one (1) minute, the Offeror will be required to notify Treasury and to implement corrective measures of its own design. The Offeror shall provide a written description of its corrective measures to Treasury and L&I as soon as practical after implementation. If the Offeror fails to meet the Service Level for a second consecutive month, it will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and then to implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.

2. If the average wait time is more than one (1) minute when measured over any particular calendar month, the Offeror will be required to submit an acceptable written corrective action plan to Treasury within seven (7) business days of identification of the failure to meet the Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.
3. If the average wait time is more than three (3) minutes when measured over any particular calendar week, the Offeror will be required to notify Treasury within one (1) calendar day of identification of the failure to meet the Service Level and to implement corrective measures of its own design. Offeror shall provide a written description of its corrective measures to Treasury and L&I as soon as practical after implementation.
4. Notwithstanding the provisions of subsections 2 and 3 of this section, above, if the average wait time is more than three (3) minutes when measured over any particular calendar month, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Five Thousand Dollars (\$5,000) for every fifteen (15) seconds (or lesser number thereof) that the Offeror fails to meet the Service Level in the month that liquidated damages can be assessed. The Offeror shall also be responsible to submit an acceptable written corrective action plan to Treasury within seven business days of identification of the failure to meet the Service Level, and to then implement its provisions. The Offeror will be required to continue to submit acceptable written corrective action plans until it achieves the Service Level when measured over a calendar month.

For example, the average wait time is two hundred (200) seconds during the month. The Offeror has exceeded the service level by one hundred and fifty-five (155) seconds and is liable for Fifty-Five Thousand Dollars (\$55,000) (ten units of more than 15 seconds, and one unit of less than 15 seconds, above the Service Level).

5. Notwithstanding its obligation to continue implementing corrective measures until it meets the Service Level, the Offeror shall be liable for liquidated damages starting in the third consecutive month it fails to meet the Service Level, and every consecutive month thereafter, if it is not already liable for liquidated damages pursuant to subsection 3, above. Liquidated damages shall be in the amount of Five Thousand Dollars (\$5,000) for every fifteen (15) seconds (or lesser number thereof) of average wait time that the Offeror exceeds the Service Level in the month that liquidated damages can be assessed.

For example, after two consecutive months of sub-Service Level performance, the average wait time is fifty-three (53) seconds. The Offeror has exceeded the Service Level by eight (8) seconds, and is liable for Five Thousand Dollars (\$5,000). In the

fourth month, the Offeror slips to an average wait time of sixty-two (62) seconds; it would be liable for Ten Thousand Dollars (\$10,000) for that month (more than 15 seconds, but not more than 30 seconds above the Service Level).

6. After two (2) consecutive months in which liquidated damages are assessed, the liquidated damages for succeeding consecutive months of not meeting the Service Level double, to Ten Thousand Dollars (\$10,000) for every fifteen(15) (or lesser number thereof) seconds of average wait time, above the Service Level.

10. Reporting, Auditing, and Project Controls

Service Level: The Offeror shall provide any reports explicitly required in this RFP, in any Contract resulting from this RFP, or as otherwise agreed to be provided by the Offeror to Treasury or its designee within the specified or mutually agreed upon timeframes.

If the Offeror fails to provide any reports explicitly required in this RFP, in any Contract resulting from this RFP, or as otherwise agreed to be provided by the Offeror, to Treasury or its designee within the specified or mutually agreed upon timeframes, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Three Thousand Five Hundred Dollars (\$3,500) for each day that the report, file or data is not received following a three (3) business day cure period.

11. Disaster Recovery/Continuation of Business

Service Level A: Payment Systems must be operational within 24 hours from onset of any failure.

Service Level B: Telephone, Internet, and fax lines must be available within 36 hours from onset of any failure.

Service Level C: Card fulfillment, including replacements must be available within 48 hours from onset of any failure.

Service Level D: All other business functions are returned to full service within five (5) business days from onset of any failure.

If the Offeror fails to recover after a disaster or other business interruption within the Service Levels specified above, the Offeror shall be liable, upon demand, for liquidated damages in the amount of Twenty-Five Thousand Dollars (\$25,000) per day for each Service Level not met, following a one (1) day cure period for each applicable Service Level.

Damages for failure to recover after a disaster or other business interruption in the same month are not cumulative only when unavailability is caused simultaneously by both kinds of interruptions (*e.g.*, Internet disruptions cause card fulfillment operations to cease), in which case the period of time of simultaneous unavailability shall be counted.

IV-4. Contract Requirements—Small Diverse Business Participation.

All Contracts containing Small Diverse Business participation must also include a provision requiring the selected Contractor to meet and maintain those commitments made to Small Diverse Businesses at the time of proposal submittal or Contract negotiation, unless a change in the commitment is approved by Treasury as part of Contract negotiations. A Small Diverse Business must itself perform at least 50% of the work for which it is retained by the Offeror.

Treasury will not provide prior written consent of assignment of the Contract unless a successor Contractor maintains Small Diverse Business participation by the Subcontractor. Satisfaction of this requirement shall not, however, guarantee that Treasury will agree to an assignment.

The selected Offeror shall complete the Prime Contractor's Quarterly Utilization Report (or similar type document containing the same information) and submit it to the Contracting officer of the Issuing Office and BSBO within 10 workdays at the end of each quarter the Contract is in force. This information will be used to determine the actual dollar amount paid to Small Diverse Business Subcontractors and suppliers. Also, this information will serve as a record of fulfillment of the commitment the selected Contractor made and for which it received Small Diverse Business participation points. If there was no activity during the quarter then the form must be completed by stating "No activity in this quarter."

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF SMALL DIVERSE BUSINESS STATUS OR ENTITLE AN OFFEROR TO RECEIVE CREDIT FOR SMALL DIVERSE BUSINESS UTILIZATION.

APPENDIX A
STANDARD CONTRACT TERMS AND CONDITIONS

1. Show Service Purchase Contract number on all invoices and correspondence relating to this Contract. Address inquiries concerning the payment of invoices to the Comptroller.
2. The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service, and has accordingly registered with the Internal Revenue Service to make tax-free purchases under Registration No. 23740001-K. No exemption certificates are required and none will be issued.
3. The Commonwealth is exempt from Pennsylvania Sales Tax. The Sales and Use Tax Regulations provide that exemption certificates are not required for sales made to government entities. Exemption Certificates will not be issued.
4. Contractor agrees to comply with all applicable laws and regulations of the Commonwealth in carrying out this Contract.
5. Contractor, its agents and employees, shall act in an independent capacity and shall not act or be deemed to act as officers, employees or agents of the Commonwealth.
6. Send itemized invoices as directed on Contract promptly upon service rendered. Don't include in one invoice items on more than one Contract number. (Consider as one Contract a consecutive series of service purchase Contract forms bearing a single total and number.)
7. Questions concerning this Contract should be directed to the Agency Procurement Officer. Any correspondence concerning invoices or the payment of bills should be directed to the "Bill To" address.
8. Regardless of provisions to the contrary found elsewhere in the provisions of this Contract, the laws of the Commonwealth of Pennsylvania shall be used in the interpretation of this Contract and shall prevail over the laws of any other state in the construction of this Contract.
9. Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in this Contract.
10. Performance of this Contract is not assignable without prior written consent of the Commonwealth.
11. The Commonwealth may terminate this Contract for its convenience if Commonwealth determines termination to be in its best interest. Contractor shall be paid for work satisfactorily completed.

12. The Commonwealth's obligations are contingent upon appropriation of funds for the Contract purpose.

13. In carrying out this Contract, the Contractor shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations.

14. This Contract and/or attachments constitutes the entire agreement between the parties.

15. In the event of conflict between any of these terms and conditions and any attachment hereto, these terms and conditions shall prevail.

16. Contractor agrees to annually report and deliver any abandoned or unclaimed property held by Contractor or its agents, Subcontractors or assignees, as defined by and in accordance with the Disposition of Abandoned and Unclaimed Property Act (DAUPA), 72 P.S. §1301.1 *et seq.* A negative report must be filed if Contractor determines, after a records review, that there is no reportable unclaimed property. Instructions and assistance in filing the report are available from the Bureau of Unclaimed Property holder hotline at **1-800-379-3999** or via e-mail at **unclaimedpropertyreporting@patreasury.gov**. Additional information regarding the Pennsylvania Abandoned and Unclaimed Property Program is located at **www.patreasury.gov**

ASSIGNMENT OF ANTITRUST CLAIMS

Vendor and the Commonwealth recognize that in actual economic practice, overcharges by vendor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of this Contract, and intending to be legally bound, vendor assigns to the Commonwealth all right, title and interest in and to any claims vendor now has or may hereafter acquire under state or federal antitrust laws relating to the goods or services which are the subject of this Contract.

CONTRACTOR RESPONSIBILITY PROVISIONS

1. Contractor certifies that it, its affiliates and subsidiaries are not currently under suspension or debarment by the Commonwealth, any other state, or the federal government.

2. If Contractor enters into any subcontracts under this Contract with Subcontractors who are currently suspended or debarred by the Commonwealth or federal government or who become suspended or debarred by the Commonwealth or federal government during the term of this Contract or any extensions or renewals thereof, the Commonwealth shall have the right to require the Contractor to terminate such subcontracts.

3. The Contractor agrees that it shall be responsible for reimbursing the Commonwealth for all necessary and reasonable costs and expenses incurred by the Office of the Inspector General

relating to an investigation of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth which results in the suspension or debarment of the Contractor.

OFFSET PROVISION FOR COMMONWEALTH CONTRACTS

The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other debt of the Contractor or its subsidiaries that is owed to the Commonwealth and not being contested on appeal against any payments due the Contractor under this or any other Contract with the Commonwealth.

CONTRACTOR INTEGRITY PROVISIONS

1. Definitions

a. Confidential information means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to Contract with the Commonwealth.

b. Consent means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this agreement.

c. Contractor means the individual or entity that has entered into this agreement with the Commonwealth, including directors, officers, partners, managers, key employees, and owners of more than 5 percent interest.

d. Financial Interest means:

(1) ownership of more than a 5 percent interest in any business; or

(2) holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.

e. Gratuity means any payment of more than nominal monetary value in the form of cash, travel, entertainments, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or Contracts of any kind.

2. The Contractor shall maintain the highest standards of integrity in the performance of this agreement and shall take no action in violation of state or federal laws, regulations, or other requirements that govern Contracting with the Commonwealth.

3. The Contractor shall not disclose to others any confidential information gained by virtue of this agreement.

4. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration of the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.
5. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction of request of any officer or employee of the Commonwealth.
6. Except with the consent of the Commonwealth, neither the Contractor nor anyone in privity with him shall accept or agree to accept from, or give or agree to give to, any gratuity from any person in connection with the performance of work under this agreement except as provided therein.
7. Except with the consent of the Commonwealth, the Contractor shall not have a financial interest in any other Contractor, Subcontractor, or supplier providing services, labor, or material on this project.
8. The Contractor, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the Commonwealth in writing.
9. The Contractor, by execution of this agreement and by the submission of any bills or invoices for payment pursuant thereto, certifies and represents that he has not violated any of these provisions.
10. The Contractor shall cooperate fully with an annual audit conducted by the Treasury Department and any additional audits as Treasury determines necessary. The Contractor will provide the Treasury Department with copies of any audits conducted by an independent entity or other state utilizing the Wagers system.
11. For violation of any of the above provisions, the Commonwealth may terminate this and any other agreement with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another Contractor to complete performance hereunder. These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

NONDISCRIMINATION CLAUSE

During the term of this Contract, Contractor agrees as follows:

1. Contractor shall not discriminate against any employee, applicant for employment, independent Contractor or any other person because of race, color, religious creed, ancestry, national origin, physical ability, age or sex.

Contractor shall take affirmative action to ensure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, physical ability, age or sex. Such affirmative action shall include, but is not limited to: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training.

Contractor shall post in conspicuous places, available to employees, agents, applicants for employment and other persons, a notice to be provided by the Contracting agency setting forth the provisions of this nondiscrimination clause.

2. Contractor shall in advertisements or requests for employment placed by it or on its behalf state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, physical ability, age or sex.

3. Contractor shall send each labor union or workers' representative with which it has a collective bargaining agreement or other Contract or understanding, a notice advising said labor union or workers' representative of its commitment to this nondiscrimination clause. Similar notice shall be sent to every other source of recruitment regularly utilized by Contractor.

4. It shall be no defense to a finding of noncompliance with this nondiscrimination clause that Contractor has delegated some of its employment practices to any union, training program or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that Contractor was not on notice of the third-party discrimination or made a good faith effort to correct it, such factor shall be considered in mitigation in determining appropriate sanctions.

5. Where the practices of a union or any training program or other source of recruitment will result in the exclusion of minority group persons, so that Contractor will be unable to meet its obligations under this nondiscrimination clause, Contractor shall then employ and fill vacancies through other nondiscriminatory employment procedures.

6. Contractor shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of Contractor's noncompliance with the nondiscrimination clause of this Contract or with any such laws, this Contract may be terminated or suspended, in whole, or in part, and Contractor may be declared temporarily ineligible for further Commonwealth Contracts, and other sanctions may be imposed and remedies invoked.

7. Contractor shall furnish all necessary employment documents and records to, and permit access to its books, records and accounts by, the Contracting agency and the Office of Administration, Bureau of Affirmative Action for purposes of investigation to ascertain compliance with the provisions of this clause. If Contractor does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the Contracting agency or the Bureau of Affirmative Action.
8. Contractor shall actively recruit minority Subcontractors or Subcontractors with substantial minority representation among their employees.
9. Contractor shall include the provisions of this nondiscrimination clause in every subcontract so that such provisions will be binding upon each Subcontractor.
10. Contractor's obligations under this clause are limited to Contractor's facilities within Pennsylvania or, where the Contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

THE AMERICANS WITH DISABILITIES ACT

During the term of this Contract, the Contractor agrees as follows:

1. Pursuant to federal regulations promulgated under the authority of The Americans with Disabilities Act, 28 C.F.R. §35.101 et seq., the Contractor understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this Contract or from activities provided for under this Contract. As a condition of accepting and executing this Contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. §35.130, and all other regulations promulgated under Title II of The Americans with Disabilities Act which are applicable to the benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through Contracts with outside Contractors.
2. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of paragraph 1 above.

SMALL DIVERSE BUSINESS UTILIZATION

The Contractor must provide the Department of General Services, Bureau of Contract Administration and Business Development, with quarterly reports that indicate whether the Contractor utilized a Small Diverse Business for activities under this Contract during the quarter and list the names of and the amount paid to the Small Diverse Business utilized. The first such

report shall be due on the 100th day after the starting date of this Contract, and subsequent reports shall be due each 100th day thereafter.

NOTICE OF ELECTIONS CODE REPORTING REQUIREMENTS

The Pennsylvania Election Code provides that any business entity which has been awarded a Contract on a non-bid basis by the Commonwealth shall file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of each year. The Contractor may obtain a copy of the reporting form (DSEB-504) and other information regarding this requirement from the Department of State, Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, Pennsylvania 17120 or on the web at www.dgsweb.state.pa.us/comod/campaignfinance.pdf or by phone at 717-787-5280.

BUDGET IMPASSE

If the Commonwealth has not enacted an annual General Fund budget, which has been passed by the General Assembly and signed by the Governor, on or before the start of the new fiscal year on July 1, the Commonwealth shall be considered to be in a budgetary impasse. Under such circumstances, Contractor shall continue to render services to Treasury through the budgetary impasse and will invoice Treasury for such services. Once the Commonwealth General Fund budget has been passed by the General Assembly and signed by the Governor, Treasury will pay all outstanding invoices as soon as practically possible, but no later than 45 days. If there are no funds appropriate in the enacted General Fund budget to continue this Agreement, then the termination of this Agreement shall be effective, provided, however, Treasury shall pay for all services rendered during the impasse.

SPC T&C

**APPENDIX B
PROPOSAL COVER SHEET
COMMONWEALTH OF PENNSYLVANIA
Treasury Department
RFP# 14-001**

Enclosed in three (3) separately sealed submittals is the proposal of the Offeror identified below for the above-referenced RFP:

Offeror Information:	
Offeror Name	
Offeror Mailing Address	
Offeror Website	
Offeror Contact Person	
Contact Person's Phone Number	
Contact Person's Facsimile Number	
Contact Person's E-Mail Address	
Offeror Federal ID Number	

Submittals Enclosed and Separately Sealed:	
<input type="checkbox"/>	Technical Submittal
<input type="checkbox"/>	Cost Submittal
<input type="checkbox"/>	Small Diverse Business Participation Submittal

Signature	
Signature of an official authorized to bind the Offeror to the provisions contained in the Offeror's proposal:	
Printed Name	
Title	

FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM WITH THE OFFEROR'S PROPOSAL MAY RESULT IN THE REJECTION OF THE OFFEROR'S PROPOSAL.

APPENDIX C

SAMPLE CONFIDENTIALITY AGREEMENT

I understand that I will or may be exposed to certain confidential data maintained by the Commonwealth of Pennsylvania, Department of Labor and Industry and /or Treasury and which was released to my employer, or the following entity to which I have access to confidential records: _____

This confidential data is described as any record relating to employers, unemployment compensation Claimants, workers' compensation Claimants or employment services clients of the Department of Labor and Industry, or as more fully described below:

Lists of unemployment compensation Claimants and workers' compensation Claimants, addresses, contact information, benefit payments, social security numbers or any other personal data.

I understand that I may use the data only in conjunction with certain duties with respect to my employment, as specifically described below:

Creating and maintaining EPC accounts for and processing unemployment compensation payments and workers' compensation indemnity payments to Claimants.

I understand that I may not discuss with or reveal to anyone, in any manner, any of the information I obtain from any data received from the Department of Labor and Industry, except to other persons also having authorization to this data, and only for purposes of performing my duties as set forth above. I understand that I may not reveal such information to my friends or family, nor use the information for any personal, commercial or political use.

I understand that the data is confidential and protected by federal and state laws, and that if I improperly use or reveal this confidential information, I may be subject to any sanctions permissible under law. I understand and agree that I will be liable for any damages resulting from my release of confidential information.

I have read this entire statement and understand that the confidential data must be used only for the specific purpose set forth above and that use of this information for any other purpose is strictly prohibited.

(signature)

(date)

(name – print or type)

**APPENDIX D
LIST OF TREASURY DEPOSITORIES**

BANK NAME	BANK NAME
1ST SUMMIT BANK	JUNIATA VALLEY BANK, THE
ACNB BANK	KISHACOQUILLAS VALLEY NATIONAL BANK OF BELLEVILLE, THE
ALLEGHENY VALLEY BANK OF PITTSBURGH	MALVERN FEDERAL SAVINGS BANK
AMERISERV FINANCIAL BANK	MANUFACTURERS AND TRADERS TRUST COMPANY
ASIAN BANK	MARION CENTER BANK
BNY MELLON, NATIONAL ASSOCIATION	MERCER COUNTY STATE BANK
CENTRIC BANK	MERCHANTS BANK OF BANGOR
CITIZENS NATIONAL BANK OF MEYERSDALE, THE	METRO BANK
COMMERCIAL BANK & TRUST OF PA	MID PENN BANK
DIME BANK, THE	MIFFLINBURG BANK AND TRUST COMPANY
DNB FIRST, NATIONAL ASSOCIATION	NEFFS NATIONAL BANK, THE
ESSA BANK	NORTHWEST SAVINGS BANK
EUREKA BANK	ORRSTOWN BANK
FIDELITY DEPOSIT AND DISCOUNT BANK, THE	PEOPLES SECURITY BANK AND TRUST COMPANY
FIRST COLUMBIA BANK & TRUST COMPANY	PNC BANK, NATIONAL ASSOCIATION
FIRST COMMONWEALTH BANK	PROGRESSIVE-HOME FEDERAL SAVINGS & LOAN ASSOC.
FIRST KEYSTONE COMMUNITY BANK	PRUDENTIAL SAVINGS BANK
FIRST NATIONAL BANK OF MIFFLINTOWN, THE	PS BANK
FIRST NATIONAL BANK OF PENNSYLVANIA	QNB BANK
FIRST NORTHERN BANK AND TRUST COMPANY	S & T BANK
FIRST UNITED NATIONAL BANK	SANTANDER BANK, NATIONAL ASSOCIATION
FIRSTTRUST SAVINGS BANK	SUSQUEHANNA BANK
FULTON BANK, NATIONAL ASSOCIATION	TD BANK, N.A.
HARLEYSVILLE SAVINGS BANK	TURBOTVILLE NATIONAL BANK, THE
HONESDALE NATIONAL BANK, THE	UNITED BANK OF PHILADELPHIA
HUNTINGTON NATIONAL BANK, THE	UNIVEST BANK AND TRUST CO.
INTEGRITY BANK	WASHINGTON FINANCIAL BANK
JIM THORPE NATIONAL BANK, THE	WELLS FARGO BANK, NATIONAL ASSOCIATION
JONESTOWN BANK AND TRUST COMPANYIA	WEST MILTON STATE BANK

**APPENDIX E
IN-NETWORK SUMMARY**

Pennsylvania

Network Name:			
Treasury Depository (y/n):			
County	2013 Population	Number of In-Network ATM Locations	Number of In-Network Teller Locations
Adams	101,546		
Allegheny	1,231,527		
Armstrong	68,107		
Beaver	170,115		
Bedford	49,055		
Berks	413,521		
Blair	126,314		
Bradford	62,316		
Bucks	626,976		
Butler	185,476		
Cambria	140,499		
Cameron	4,886		
Carbon	64,786		
Centre	155,403		
Chester	509,468		
Clarion	39,155		
Clearfield	81,174		
Clinton	39,954		
Columbia	66,797		
Crawford	87,376		
Cumberland	241,212		
Dauphin	270,937		
Delaware	561,973		
Elk	31,479		
Erie	280,294		
Fayette	134,999		
Forest	7,631		
Franklin	152,085		
Fulton	14,670		
Greene	37,838		
Huntingdon	45,694		

Network Name:			
Treasury Depository (y/n):			
County	2013 Population	Number of In-Network ATM Locations	Number of In-Network Teller Locations
Indiana	87,745		
Jefferson	44,966		
Juniata	24,768		
Lackawanna	213,931		
Lancaster	529,600		
Lawrence	89,333		
Lebanon	135,486		
Lehigh	355,092		
Luzerne	320,103		
Lycoming	116,754		
McKean	42,979		
Mercer	115,195		
Mifflin	46,616		
Monroe	167,148		
Montgomery	812,376		
Montour	18,541		
Northampton	299,791		
Northumberland	94,076		
Perry	45,562		
Philadelphia	1,553,165		
Pike	56,591		
Potter	17,497		
Schuylkill	146,920		
Snyder	39,865		
Somerset	76,520		
Sullivan	6,351		
Susquehanna	42,286		
Tioga	42,463		
Union	44,867		
Venango	53,907		
Warren	40,885		
Washington	208,206		
Wayne	51,548		
Westmoreland	362,437		
Wyoming	28,003		
York	438,965		

Network Name:			
Treasury Depository (y/n):			
County	2013 Population	Number of In-Network ATM Locations	Number of In-Network Teller Locations
Total Pennsylvania	12,773,801		

United States

Network Name:			
Treasury Depository (y/n):			
State	2013 Population	Number of In-Network ATM Locations	Number of In-Network Teller Locations
Alabama	4,833,722		
Alaska	735,132		
Arizona	6,626,624		
Arkansas	2,959,373		
California	38,332,521		
Colorado	5,268,367		
Connecticut	3,596,080		
Delaware	925,749		
District of Columbia	646,449		
Florida	19,552,860		
Georgia	9,992,167		
Hawaii	1,404,054		
Idaho	1,612,136		
Illinois	12,882,135		
Indiana	6,570,902		
Iowa	3,090,416		
Kansas	2,893,957		
Kentucky	4,395,295		
Louisiana	4,625,470		
Maine	1,328,302		
Maryland	5,928,814		
Massachusetts	6,692,824		
Michigan	9,895,622		
Minnesota	5,420,380		
Mississippi	2,991,207		
Missouri	6,044,171		
Montana	1,015,165		
Nebraska	1,868,516		
Nevada	2,790,136		
New Hampshire	1,323,459		
New Jersey	8,899,339		
New Mexico	2,085,287		
New York	19,651,127		
North Carolina	9,848,060		

Network Name:			
Treasury Depository (y/n):			
State	2013 Population	Number of In-Network ATM Locations	Number of In-Network Teller Locations
North Dakota	723,393		
Ohio	11,570,808		
Oklahoma	3,850,568		
Oregon	3,930,065		
Pennsylvania	12,773,801		
Rhode Island	1,051,511		
South Carolina	4,774,839		
South Dakota	844,877		
Tennessee	6,495,978		
Texas	26,448,193		
Utah	2,900,872		
Vermont	626,630		
Virginia	8,260,405		
Washington	6,971,406		
West Virginia	1,854,304		
Wisconsin	5,742,713		
Wyoming	582,658		
Total United States	316,128,839		