



**THE NJ DEPARTMENT OF LABOR AND  
WORKFORCE DEVELOPMENT (DOL)  
COLLECTION AND DISBURSEMENT SERVICES  
REQUEST FOR PROPOSAL**

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## REQUEST FOR PROPOSAL

### COLLECTION AND DISBURSEMENT SERVICES FOR THE DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT (DOL)

#### I. TERMS AND CONDITIONS

##### A. Applicable Rules and Regulations

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

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

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

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

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

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

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

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

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

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

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

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

The **TERMS AND CONDITIONS, OTHER MANDATORY PROVISIONS, and PAYMENT METHOD AND TERMS** of this Request for Proposal (RFP) will supersede any and all conflicting terms and conditions, including bank agreements, submitted by

the bank/contractor. The State of New Jersey will not modify its terms and conditions or execute separate bank agreements.

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

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

## **B. Contract Administrator**

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

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

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

## **C. Project Management**

This Request for Proposal (RFP) has been prepared by the New Jersey Department of the Treasury, Division of Administration, Office of Fiscal and Resources. After contract award, the Department of Labor and Workforce Development is charged with the responsibility for the administration of their respective bank accounts.

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

Susan Ward  
State of New Jersey  
Department of Labor and Workforce Development  
Finance and Accounting  
PO Box 394  
Trenton, NJ 08625-0394  
Phone: (609) 292-2542  
Email: [susan.ward@dol.nj.gov](mailto:susan.ward@dol.nj.gov)

#### **D. Timetable of Events**

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

<b>EVENT</b>	<b>DATE</b>
Issuance of Request	March 25, 2021
Deadline to Submit Questions	April 8, 2021
Proposal Due Date	May 6, 2021
Anticipated Award Date	June 21, 2021
Implementation & System Testing	June 22, 2021
Contract Commencement	October 1, 2021

#### **E. RFP Questions from Bidders**

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

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

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

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

Respondents are not to contact the Division of Administration, Office of Fiscal and Resources directly, in person, or by telephone, concerning this RFP.

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

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

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

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

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

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

The State will accept proposals in either hardcopy or via email in PDF Format. **Proposals must arrive prior to or no later than 4:00 p.m. ET on May 6, 2021.**

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

Rochelle Wyckoff  
State of New Jersey  
Department of the Treasury  
Division of Administration  
Office of Fiscal and Resources  
50 West State Street, 8th floor  
Trenton, New Jersey 08625-0221

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

Rochelle Wyckoff  
State of New Jersey  
Department of the Treasury  
Division of Administration  
Office of Fiscal and Resources  
PO Box 211  
Trenton, New Jersey 08625-0221

Along with one proposal, it clearly marked "ORIGINAL," signed by an officer who is authorized to bind the respondent contractually, **eight (8) copies of the proposal.**

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

**If submitting a proposal by email, send the proposal in PDF FORMAT to**

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

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

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

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

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

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

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

The Department of the Treasury, Division of Administration, Office of Fiscal and Resources will schedule the presentations.

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

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

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

## I. Contract Award

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

The State of New Jersey reserves the right to reject any or all proposals, to award to other than the low bidder, to award in whole or in part, and to waive any minor informalities not in compliance with the specifications or terms and conditions of this request if deemed in the best interest of the State to do so.

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

## J. Length of Contract

The contract will be for a **five (5) year term**. The bank may not close any accounts until officially notified by The Department of the Treasury, Office of Management and Budget, Cash Management Unit. The Department of the Treasury, Office of Management and Budget, Cash Management Unit will be responsible for opening and closing all accounts.

## K. Contract Extension

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



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

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

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

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

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

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

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

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

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

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

#### **O. Unanticipated Services**

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

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

## **P. Prime Contractor Responsibilities**

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

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

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

## **Q. Subcontracting**

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

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

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

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

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

#### **R. Assignment**

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

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

#### **S. Cost Liability**

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

## **T. Ownership of Material**

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

## **U. Data Transmission**

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

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

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

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

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

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

#### **W. Accounting Records**

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

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

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

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

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

#### **X. Severability Clause**

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

#### **Y. Indemnification**

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

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

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

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

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

## Z. Insurance

The Vendor will furnish to the State such evidence of insurance as the State may require at the time of award and for all periods during the term of the agreement and any extensions to the agreement.

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

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

The policy shall be endorsed to include:

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

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

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



- \$100,000 Bodily Injury Each Occurrence;
- \$100,000 Disease Each Employee;
- \$500,000 Disease Aggregate Limit.

**AA. Conflict of Interest**

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

**BB. Public Records**

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

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

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

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

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

### **CC. Single Response**

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

## II. OTHER MANDATORY REQUIREMENTS

### A. Financial Statements

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

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

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

### B. Ownership Disclosure Form

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

### C. Non-Discrimination Law

All parties to any contract with the State of New Jersey agree not to discriminate in employment and agree to abide by all anti-discrimination laws, including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A. 10:5-1 et seq., N.J.S.A. 10:5-31 through 10:5-38 and N.J.A.C. 17:27-3.4, and all rules and regulations issued hereunder. For additional information on the non-discrimination law, you may

call the Law Reference Library at (609) 292-6230 or visit: <http://www.njleg.state.nj.us/> and select Law and Constitution and then Statutes.

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

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

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

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

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

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

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

The statute also requires that all contract vendors submit a copy of the Business Registration Certificate for each subcontractor they intend to use prior to the time of contract award. The law prohibits contractors from entering into a contract with a

subcontractor that has not provided the Contractor a copy of its Business Registration Certificate.

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

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

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

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

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

Bidder may perform certain general information technology and other "back-office" support activities and ancillary processes for its own general benefit in support of its obligations to its customers from non-U.S. locations. These functions and processes include, but are not limited to, database maintenance on the Bidder's database applications and servers, technology infrastructure support for Bidder's

technology hardware and system components, programmatic operations information processing on digital data (such as interest calculations) for the Bidder's general benefit, IT services' asset management, programmatic transaction processing, systematic account maintenance and servicing functions, and information analytics for the Bidder's general benefit.

## 2. Source Disclosure Requirements

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

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

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

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

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

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

If, during the term of the contract, the Contractor or subcontractor, which had on contract award declared that services would be performed in the United States, proceeds to shift the performance of the services outside of the United States, the Contractor shall be deemed in breach of the contract, which contract shall be subject to termination for cause unless the Treasurer shall have first determined in

writing that extraordinary circumstances require a shift of services or that a failure to shift the services would result in economic hardship to the State.

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

## **G. Two-Year Chapter 51 Certification & Disclosure of Political Contributions**

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

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

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

### **1. Vendor Certification and Disclosure**

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

The submission of **EXHIBIT E Information and Instructions for Completing the "Two-Year Vendor Certification and Disclosure of Political Contributions"**

**Chapter 51 Form** will be required **five (5) business days** from the date on the “Intent to Award” letter issued by the Division of Administration, Office of Fiscal and Resources.

## **2. State Treasurer Review and Approval**

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

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

Upon approval by the State, the Certification and Disclosure of Political Contributions form is valid for a two (2) year period. Thus, if a vendor receives approval on January 1, 2021, the certification expiration date would be December 31, 2022.

## **3. Ongoing Vendor Responsibility**

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

**NOTE: Vendors are contractually obligated to report all ownership changes and political contributions to the Division of Administration, Office of Fiscal and**



Resources by submitting updated Vendor Certification and Disclosure forms. All changes and forms are subject to review by the Treasurer.

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

## **H. Disaster Recovery**

### **1. Disaster Recovery**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **I. Destruction Requirements for State Records and, if applicable, Canceled Checks**

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

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

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

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

### III.PAYMENT METHODS AND TERMS

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

#### A. Compensating Balances

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

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

#### B. Payment Terms

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

#### C. Monthly Analysis

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

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

Monthly Analysis and Invoices are to be sent to:

Attn: Susan Ward  
State of New Jersey  
Department of Labor and Workforce Development  
Finance and Accounting  
PO Box 394  
Trenton, NJ 08625-0394

See ***EXHIBIT G Monthly Analysis Sample Format***.

#### IV.PURPOSE AND INTENT

During Calendar Year 2019, the New Jersey Department of Labor (DOL) and Workforce Development paid Unemployment Compensation (UC) benefits to approximately **332,000 claimants** and to **1,464,900 claimants** in Calendar Year 2020 and is required to provide claimants with a choice of two payment mechanisms to receive benefits. DOL issues payments for various categories of unemployment benefits, disability insurance, and paid family leave insurance. At present, for unemployment compensation, a claimant can collect benefit payments totaling seventy (70) weeks due to extensions.

Checks are mailed daily from the DOL processing center in Trenton or by the New Jersey Department of the Treasury. In Calendar Year 2019, DOL issued approximately **9,000 checks, 3.3 million ACH direct deposit payments, and 1.6 million debit card payments**. In Calendar Year 2020, **8,000 checks, 32.2 million ACH direct deposit payments, and 9.8 million debit card payments**.

The purpose of this request is to solicit proposals from qualified New Jersey banking vendors for the placement of **twenty-three (23) State accounts** for the daily banking needs of the Department of Labor and Workforce Development (DOL), and the accurate and timely processing of all services associated with these accounts. The required accounts are as follows:

1	Labor Suspense Account
2	Catastrophic Illness Account
3	Pollution Prevention Account
4	Right to Know Account
5	Federal Loan Interest Repayment Fund (FLINT) Account
6	Family Leave Account
7	State Plan Disability Account
8	Supplemental Workforce Development Account
9	Unemployment Compensation (UC) Clearing Account
10	Workforce Development Account
11	Pandemic Unemployment Assistance (PUA) Account
12	Health Care Subsidy Account
13	Trade Re-adjustment Act (TRA) Account
14	Department of Labor Master Account

15	Unemployment Compensation (UC) Benefit Account
16	Extended Benefits (EB) Account
17	Federal Pandemic Unemployment Compensation (FPUC) Account
18	Pandemic Extended Unemployment Compensation (PEUC) Account
19	Wage and Hour Suspense Account
20	Prevailing Wage Account
21	Wage and Hour Account
22	Wage Collection Account
23	Mixed Earner Unemployment Compensation (MEUC) Account

During Calendar Year 2020, the monthly average collected balance held in the **twenty-three (23) DOL accounts** was approximately **\$263,000**.

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

For all **twenty-three (23) accounts**, the bank must provide the State with access to a Web-based Inquiry Communication System.

Below is the summary list of banking services, not necessarily all-inclusive, that will be required for consideration of an award. The detailed specifications are delineated in **SECTION V., SCOPE OF WORK** of this RFP. Please note that preference will be given to the bidder that can provide the services outlined below, including the capability to perform ACH transactions and issue debit cards. If the bidder cannot provide debit cards, the bidder can provide details about how it would provide both ACH transactions and an alternate to debit cards to provide benefits.

In addition, the State reserves the right to separately procure individual requirements that are the subject of the Contract during the Contract term, when deemed by the Treasurer, State of New Jersey, to be in the State's best interest.

1	Controlled disbursement, positive pay account capability, and reporting
2	Electronic file sending and receiving capability
3	Automated issue file acknowledgment
4	Strong branch presence throughout the State
5	"No fee" check cashing services to State payees
6	Access to the bank's Web-based Inquiry Communication System
7	Full account reconciliation (ARP) services
8	Electronic and hard copy bank statements (detail and summary information)
9	Electronic and hard copy reconciliation reports (detail and summary information)
10	ACH sending capabilities (CCD, CCD+, CTX, and PPD formats)
11	ACH exposure line up to \$50 million per day for electronic payments, with the possibility of occasionally exceeding this amount
12	ACH debit block and ACH select debit block capabilities
13	Web-based wire transfer capability, with daylight overdraft coverage up to \$250 million per day on average
14	Debit Card Program Administration (or alternative payment method) along with customer service via web-based system, IVR and operator assisted in multiple languages
15	Daily automated balance reporting (prior day and intra-day) in unencrypted BAI2 format.
16	Timely reports per RFP specifications
17	Depository services including teller deposits, and desktop deposit scanners.
18	Paid check imaging, seven (7) year archive and document destruction (if applicable)
19	Contingency plan and reliable backup system if system fails
20	Timely, reliable customer service, including technical support and training
21	Direct DOL support from a designated liaison to provide escalated support regarding (not limited to): fraud, improper payment; account detail; adjustments/reversals, account suspension/reactivation; client card reissuance; SAR; Account edits



## V.SCOPE OF WORK

### A. General Account Requirements

The State's requirements include the establishment and maintenance of **twenty-three (23) State accounts** and the accurate and timely processing of all banking services related to these accounts, including, but not limited to, branch presence, "no fee" check-cashing services, debit card services (or alternative payment method), IVR and Web services for debit cardholders to access balances, controlled disbursement, positive pay, ARP services, wire and book transfers, ACH services, check depository services, desktop deposit services, paid check imaging services, document destruction, web-based inquiry and processing (i.e., stop payments and paid check imaging) along with a variety of reporting and communication needs.

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

It is important to note that the check and ACH volumes can increase or decrease during the contract term depending upon the foreign and/or domestic economic conditions at any given time.

The State reserves the right to consolidate existing accounts or establish additional accounts as needed during the contract term. If at any time during the contract term, new bank accounts are added to this account structure, all new accounts should mirror these original **twenty-three (23) accounts** in the basic set-up.

### B. Accounts to be Established

The Department of the Treasury, Office of Management and Budget, Cash Management Unit is solely responsible for the opening and closing of all accounts. Except as otherwise noted in the RFP, all the check disbursement accounts will be established as controlled disbursement, positive pay, full ARP accounts.

The State will establish **twenty-three (23) accounts** in the bank as follows:

1	Labor Suspense Account
2	Catastrophic Illness Account
3	Pollution Prevention Account
4	Right to Know Account
5	Federal Loan Interest Repayment Fund (FLINT) Account
6	Family Leave Account
7	State Plan Disability Account
8	Supplemental Workforce Development Account
9	Unemployment Compensation (UC) Clearing Account
10	Workforce Development Account
11	Pandemic Unemployment Assistance (PUA) Account
12	Health Care Subsidy Account
13	Trade Re-adjustment Act (TRA) Account
14	Department of Labor Master Account
15	Unemployment Compensation (UC) Benefit Account
16	Extended Benefits (EB) Account
17	Federal Pandemic Unemployment Compensation (FPUC) Account
18	Pandemic Extended Unemployment Compensation (PEUC) Account
19	Wage and Hour Suspense Account
20	Prevailing Wage Account
21	Wage and Hour Account
22	Wage Collection Account
23	Mixed Earner Unemployment Compensation (MEUC) Account

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

There may be occasions when there is little or no activity in certain accounts for extended periods of time. These accounts should remain open in cases of emergency.

It is important to note that the volume statistics provided in this RFP are based on Calendar Years 2019 & 2020. Future volumes will vary depending on the State, country, and global economic conditions and emergency situations at any given time.

All accounts must be protected against unauthorized ACH debit activity.

See **EXHIBIT H Account Structure and Funds Flow Chart**.

The accounts must be established as “Preferred Status” accounts; that is, to establish a credit line that will be sufficient to cover all daylight overdrafts without penalty or additional charge to the State and honor all checks presented for payment regardless of the current balance in the accounts. In the rare situation that an overnight overdraft occurs, the bank must honor all checks, book transfers, and wires without penalty or additional charge to the State. In particular, the bank will cover overdrafts on those occasions when there is a non-bank holiday (i.e., State holidays, State/Agency closings, or mandatory State furlough days). Some of the State holidays listed below are not bank holidays.

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

### **C. Account Data Information and Requirements**

During Calendar Year 2020, the monthly average collected balance held in the **twenty-three (23) DOL active accounts** was approximately **\$263,000** in aggregate. See **EXHIBIT I** for a detailed list of **DOL Average Collected Balances, Calendar Year 2020**, by month, and by account.

It is important to note that the volume statistics provided in this RFP are based on Calendar Year 2020 unless otherwise noted. Future volumes will vary depending on the State, country, and global economic conditions and emergency situations at any given time.

## **DESCRIPTION OF ACCOUNTS**

See **EXHIBIT H Account Structure and Funds Flow Chart** and **EXHIBIT J DOL Account Services Summary** for all accounts in this section.

### **1. Labor Suspense Account**

This account will be established as a controlled disbursement account and require positive pay and full ARP account reconciliation services. The average collected balance in this account for Calendar Year 2020 was approximately **\$(1,100)**.

**NOTE:** Prior to the account being funded, because of the requirement to move funds out early in the day, there is a strong possibility of a daily daylight overdraft condition. Also, four (4) times of every year, 1/30, 4/30, 7/30 & 10/30, there are peak collection times of Unemployment and Disability taxes. The daylight overdraft, during these four (4) times, for Calendar Year 2020, was:

January 31	\$290 million
May 1 <sup>st</sup>	\$1.0 billion
July 31	\$550 million
Nov 2 <sup>nd</sup>	\$460 million

This account will be funded by wires or transfers each business day. Funds will also be transferred from the Labor Suspense Account daily via multiple book transfers and wires. During Calendar Year 2020, **251 book transfers** were received into this account totaling approximately **\$3.1 billion**. There were **193 wires** issued from this account in Calendar Year 2020, totaling approximately **\$35.6 million**. In Calendar Year 2020, there were **1,147 book transfers** out totaling approximately **\$3.1 billion**.

In Calendar Year 2020, **43 checks** totaling approximately **\$5 million** were deposited into this account. Checks will also be issued from this account weekly. In Calendar Year 2020, **1,571 checks** were issued, totaling approximately **\$20 million**. Checks may be issued from this account with a per check value ranging from **\$1.00 to \$6 million**.

See **EXHIBIT K Labor Suspense Account Monthly Transaction Detail for Fiscal Year 2020.**

## **2. Catastrophic Illness Account**

This account will be established as a controlled disbursement account and require positive pay and full ARP account reconciliation services. The average collected balance in this account for Calendar Year 2020 was approximately **\$60,000.**

This account will be funded by a book transfer, occasionally, from the Labor Suspense Account. During Calendar Year 2020, approximately **79 book transfers** were made into this account, totaling approximately **\$8.5 million.**

A small amount of checks will also be issued from this account. In Calendar Year 2020, **10 checks** were issued, totaling approximately **\$147,000.** The per check value was ranging from **\$1.00 to \$50,000.**

Funds are also wired from this account to the Treasury Cash Management Fund. In Calendar Year 2020, there were **51 wires** issued out of this account, totaling approximately **\$8.6 million.**

See **EXHIBIT L Catastrophic Illness Account Monthly Transaction Detail for Calendar Year 2020.**

## **3. Pollution Prevention Account**

This account will be established as a demand deposit account only and will not require ARP services. The average collected balance in this account for Calendar Year 2020 was approximately **\$11,000.**

DOL will initiate a book transfer from the Labor Suspense Account to the Pollution Prevention Account. During Calendar Year 2020, **40 book transfers** were made to this account, totaling approximately **\$1.1 million.**

Funds are also wired from this account to the Treasury Cash Management Fund. In Calendar Year 2020, there were **38 wires**, totaling approximately **\$1.1 million.**

See **EXHIBIT M Pollution Prevention Account Monthly Transaction Detail for Calendar Year 2020.**

#### **4. Right to Know Account**

This account will be established as a demand deposit account only and will not require ARP services. The average collected balance in this account for Calendar Year 2020 was approximately **\$21,000.**

DOL will initiate a book transfer from the Labor Suspense Account to the Right to Know Account. During Calendar Year 2020, **51 book transfers** were made to this account, totaling approximately **\$2.9 million.**

Funds are also wired from this account to the Treasury Cash Management Fund. For Calendar Year 2020, there were **29 wires**, totaling approximately **\$2.8 million**, against this account.

See **EXHIBIT N Right to Know Account Monthly Transaction Detail for Calendar Year 2020.**

#### **5. Federal Loan Interest Repayment Fund (FLINT) Account**

This account will be established as a demand deposit account only and will not require ARP services. The average collected balance in this account for Calendar Year 2020 was **zero (0)**, as we have not collected this assessment in a few years. The assessment bills will be mailed again starting Spring 2022, and we will have daily collections. The money will be wired out a few times per month to the NJ Cash Management Fund, depending on collections. Money will be wired one time per year from the NJ Cash Management Fund and then wired to the US Treasury Department.

There were **five (5) book transfers** totaling **\$70,000** from the Labor Suspense account. In turn, these funds (5 wires totaling \$70,000) were then sent to the NJ Cash Management Fund.

See **EXHIBIT O Federal Loan Interest Repayment Fund (FLINT) Account Monthly Transaction Detail for Calendar Year 2020.**

## **6. Family Leave Account**

This account was established to provide monetary benefits through the family leave insurance program for workers caring for sick family members, newborn and newly-adopted children.

This account will be established as a controlled disbursement account and require positive pay and full ARP account reconciliation services and ACH capabilities. The average collected balance for Calendar Year 2020 was approximately **\$9,400.**

Funds will be transferred to this account from the Labor Suspense account via a book transfer. During Calendar Year 2020, **198 wires** were received into this account totaling approximately **\$144 million.** There were **52 wires** issued from this account in Calendar Year 2020, totaling approximately **\$217 million.** During Fiscal Calendar Year 2020, approximately **146 book transfers** were made to this account, totaling approximately **\$269 million.** In addition, there will be **nine (9) book transfers** from this account totaling approximately **\$11.6 million.**

In Calendar Year 2020, there were no checks deposited to this account. Daily checks will be issued from this account. There were **438 checks** totaling **\$400,000** issued for Calendar Year 2020. Checks issued from this account will have a check value ranging from **\$1.00 to \$2,000.**

DOL may issue ACH payments via debit cards (or an alternate payment method) or Direct Deposit payments to claimants from this account. There were **221,122 ACH debit card payments** initiated by DOL personnel from this account in Calendar Year 2020, totaling approximately **\$194 million.** There were no ACH Direct Deposits payments reported in Calendar Year 2020; however, this service will be required for this account.

See **EXHIBIT P Family Leave Account Monthly Transaction Summary Information, Calendar Year 2020.**

## 7. State Plan Disability Account

This account will be established as a controlled disbursement account and require positive pay and full ARP account reconciliation services and ACH capabilities. The average collected balance in this account for Calendar Year 2020 was approximately **\$49,000.**

Funds will be transferred to this account daily from the Labor Suspense Account via a book transfer. During Calendar Year 2020, **215 wires** were received into this account from the Treasury Cash Management Fund totaling approximately **\$348.5 million.** There were **36 wires** issued from this account in Calendar Year 2020 to the Treasury Cash Management Fund, totaling approximately **\$450 million.** There were **218 book transfers** to this account totaling approximately **\$552 million,** and there were **four (4) book transfers** from this account totaling approximately **\$400,000** during Calendar Year 2020.

**NOTE:** On a daily basis, DOL will initiate a daily wire transfer to the Internal Revenue Service. In Calendar Year 2020, there were **254 wires** issued totaling approximately **\$36.4 million.** All wires must be cleared on the same day. If funds are not received timely by the IRS due to the bank's error, the bank will be required to absorb any associated charges.

Checks will be issued from this account daily. Calendar Year 2020, **1,484 checks** were issued, totaling approximately **\$1.3 million.** Checks issued from this account will have a per check value ranging from **\$1.00 to \$2,000.**

DOL will issue ACH payments via debit card payments (or an alternate payment method) to claimants. There were **513,353 ACH debit card payments** initiated by DOL personnel from this account in Calendar Year 2020, totaling approximately **\$426.7 million.** There were no ACH Direct Deposits payments reported in Calendar Year 2020; however, this service will be required for this account. In addition, there were **2,942 ACH returns** in Calendar Year 2020, totaling approximately **\$3.2 million.**

The Department is in the process of redesigning its benefits payment system for Disability and Family Leave Insurance payments and is currently unable to sign up



claimants for direct deposit. The Department would like to see different proposals as to how to accomplish this task.

See **EXHIBIT Q State Plan Disability Account Monthly Transaction Detail for Calendar Year 2020.**

## **8. Supplemental Workforce Development Account**

This account will be established as a controlled disbursement and positive pay account requiring full ARP account reconciliation services. The average collected balance in this account for Calendar Year 2020 was approximately **\$855,000.**

Funds will be transferred to this account, occasionally, from the Labor Suspense account via a book transfer. There were **fifteen (15) wires** received into this account, totaling approximately **\$52.3 million.** Also, **seven (7) wires** were out of this account in Calendar Year 2020, totaling **\$32.4 million.** During Calendar Year 2020, **93 book transfers** were received into this account, totaling approximately **\$35.6 million.**

Checks will also be issued from this account daily. In Calendar Year 2020, **117 checks** were issued, totaling approximately **\$2.9 million,** and **355 ACH payments totaling \$52.9 million.** Checks issued from this account will have a per check value ranging from **\$1.00 to \$831,000.** In Calendar Year 2020, **eleven (11) checks** totaling approximately **\$47,500** were redeposited into this account.

See **EXHIBIT R Supplemental Workforce Account Monthly Transaction Detail for Calendar Year 2020.**

## **9. Unemployment Compensation (UC) Clearing Account**

This account will be established as a demand deposit account only, not requiring ARP services. The average collected balance in this account for Calendar Year 2020 was approximately **\$1,700.**

Funds will be transferred to this account daily from the Labor Suspense account via a book transfer. In turn, these funds are then sent to the U.S. Treasury

Department via a wire. During Calendar Year 2020, **236 book transfers** were received into this account totaling approximately **\$2.1 billion**. There were **236 wires** issued from this account to the U.S. Treasury, totaling approximately **\$2.1 billion**.

See **EXHIBIT S Unemployment Compensation (UC) Clearing Account Monthly Transaction Detail for Calendar Year 2020**.

#### **10. Workforce Development Account**

This account will be established as a controlled disbursement and positive pay account requiring full ARP account reconciliation services. The average collected balance in this account in Calendar Year 2020 was approximately **\$2.5 million**.

Funds will be transferred to this account from the Labor Suspense account via a book transfer. During Calendar Year 2020, **one (1) wire** was received into this account for **\$600,000**. There were **22 wires** out from this account in Calendar Year 2020, totaling **\$126 million**. Also, there were **92 book transfers** received into the account totaling approximately **\$126 million**.

Checks will also be issued from this account daily. In Calendar Year 2020, **224 checks** were issued totaling approximately **\$2 million** and **56 ACH payments** totaling **\$293,000**. Checks issued from this account will have a per check value ranging from **\$1.00 to \$300,000**. In Calendar Year 2020, **four (4) checks** totaling approximately **\$1.3 million** were redeposited into this account.

See **EXHIBIT T Workforce Development Account Monthly Transaction Detail for Calendar Year 2020**.

#### **11. Pandemic Unemployment Assistance (PUA) Account**

This account was opened in May 2020 to pay Federal Pandemic Unemployment Assistance payments. During Calendar Year 2020, the average collected balance was approximately **\$123,000**.

This account will be funded by wires on an as-needed basis. During Calendar Year 2020, there were **152 book transfers** received in this account totaling approximately **\$2.5 billion**. During periods of account activity, ACH payments via debit cards/Direct Deposits may be issued (or an alternate payment method). During Calendar Year 2020, there were approximately **2.1 million ACH debit card payments** totaling **\$556 million** and approximately **7.6 million Direct Deposit payments** totaling **\$2 billion** reported in Calendar Year 2020. The payments ranged between **\$1.00 to \$2,000**.

See **EXHIBIT U Pandemic Unemployment Assistance (PUA) Account Monthly Transaction Detail for Calendar Year 2020**.

## **12. Health Care Subsidy Account**

This is a standalone account and will be established as a controlled disbursement, positive pay account requiring full ARP account reconciliation services and ACH capabilities. The average collected balance in this account for Calendar Year 2020 was approximately **\$885,000**.

This account will be funded by wires, ACH payments, and checks. During Calendar Year 2020, **41 wires** were received into this account totaling approximately **\$4.6 million**. There were **54 wires** issued from this account in Calendar Year 2020, totaling approximately **\$392 million**.

In Calendar Year 2020, **1,200 checks** totaling approximately **\$235 million** were deposited into this account. Checks will also be issued from this account on occasion. In Calendar Year 2020, **seven (7) checks** were issued totaling approximately **\$176,000** with a per check value ranging from **\$1.00 to \$50,000**.

In addition, incoming ACH credits will be received into this account monthly. There were **1,100 ACH credits** in Calendar Year 2020, totaling approximately **\$138 million**.

See **EXHIBIT V Health Care Subsidy Account Monthly Transaction Detail for Calendar Year 2020**.

### **13. Trade Re-adjustment Act (TRA) Account**

The disbursements from the Trade Re-adjustment Act (TRA) account are provided to those individuals who have lost their jobs due to foreign competition. On occasion, the balances in this account may run negative at the beginning of the Federal Fiscal Year, October 1, due to a possible delay in Federal funding.

This is a standalone account and will be established for direct deposit ACH and Debit Card payments (or an alternate payment method). The average collected balance in this account for Calendar Year 2020 was approximately **\$8,700**.

This account will be funded directly by a wire, as needed, from the Federal Government. During Calendar Year 2020, **176 wires** were received into this account totaling approximately **\$9.1 million**. There were **seven (7) book transfers** to the Department of Labor Master Account totaling approximately **\$6.9 million**.

On a daily basis, DOL will issue ACH payments via debit cards (or an alternate payment method) or Direct Deposit payments to claimants. There were approximately **600 debit card payments** initiated by DOL personnel from this account in Calendar Year 2020, totaling approximately **\$600,000**, and approximately **2,200 ACH Direct Deposit payments** totaling approximately **\$2 million**.

See **EXHIBIT W Trade Re-adjustment Act (TRA) Account Monthly Transaction Detail for Calendar Year 2020**.

### **14. Department of Labor Master Account**

This is a standalone account. The average collected balance in this account for Calendar Year 2020 was approximately **\$423,000**.

This account will be funded directly by a wire, as needed, from the U.S. Federal Government. During Calendar Year 2020, **784 wires** were received into this account totaling approximately **\$21.1 billion**. There were **60 wires** issued from this account totaling approximately **\$111.1 million** and an additional **253 wires** to the

IRS totaling **\$717.3 million**. There were **230 book transfers** to this account totaling approximately **\$31.3 million**, and there were **957 book transfers** from this account totaling approximately **\$28.5 billion**.

There were **12,000 checks** deposited into this account, totaling approximately **\$20.6 million**.

See **EXHIBIT X Department of Labor Master Account Monthly Transaction Detail for Calendar Year 2020**.

## **15. Unemployment Compensation (UC) Benefit Account**

This account will be established as a controlled disbursement, positive pay account requiring full ARP account reconciliation services and ACH direct deposit and Debit Card payments (or an alternate payment method). There are no average collected balances reported in this account for Calendar Year 2020 since this is a Zero Balance Account.

During Calendar Year 2020, **252 ZBA transfers** were received in this account totaling **\$6 billion**.

In Calendar Year 2020, **3,444 checks** were issued, totaling approximately **\$1.2 million** with a per check value ranging from **\$1.00 to \$2,000**. These checks are issued weekly.

On a daily basis, DOL will issue ACH payments via debit cards (or an alternate payment method) or Direct Deposit payments to claimants. There were approximately **3.6 million ACH debit card payments totaling \$1.3 billion** initiated by DOL personnel from this account in Calendar Year 2020. Also, there were **12.8 million ACH Direct Deposit payments to claimants** totaling **approximately \$4.7 billion**. There were an additional **345 ACH payments** totaling **\$1.6 million** made to other states. In addition, there were **48,000 ACH returns** in Calendar Year 2020, totaling approximately **\$18.4 million**.

See **EXHIBIT Y Unemployment Compensation (UC) Benefit Account Monthly Transaction Detail for Calendar Year 2020**.

## 16. Extended Benefits (EB) Account

This account was established in July 2020 to provide monetary benefits through the Federal Government's and New Jersey's extended benefits program.

This account will be established for direct deposit ACH and Debit Card payments (or an alternate payment method). The average collected balance in this account during Calendar Year 2020 was approximately **\$(12,700)**.

Funds will be transferred to this account daily from the Department of Labor Master Account via a book transfer. There were **123 book transfers** received in the account in Calendar Year 2020, totaling approximately **\$274.6 million**.

In Calendar Year 2020, approximately **153,000 debit card payments** were issued totaling **approximately \$62.4 million and 541,000 direct deposit payments totaling \$221.3 million** with a per payment value ranging from **\$1.00 to \$2,000**. There were **476 payment returns** totaling approximately **\$189,000** redeposited into this account.

See **EXHIBIT Z Extended Benefits Account Monthly Transaction Detail for Calendar Year 2020**.

## 17. Federal Pandemic Unemployment Compensation (FPUC) Account

This account was established in April 2020 to provide monetary benefits through the Federal Government's Pandemic Unemployment Compensation benefits program.

This account will be established for ACH Direct Deposit and Debit Card payments (or an alternate payment method). The average collected balance in this account for Calendar Year 2020 was **approximately \$(228,000)**.

Funds will be transferred to this account from the Department of Labor Master Account via a book transfer. In Calendar Year 2020, there were **39 book transfers** to this account totaling approximately **\$9 billion**.

On a daily basis, DOL will issue ACH payments via debit cards (or an alternate payment method) or Direct Deposit payments to claimants. There were approximately **2.3 million ACH debit card payments** initiated by DOL personnel from this account in Calendar Year 2020, totaling approximately **\$2 billion**. Also, there were **8.2 million ACH Direct Deposit payments** totaling approximately **\$7 billion**. In addition, there were **25,000 ACH returns** in Calendar Year 2020, totaling approximately **\$42.7 million**.

See **EXHIBIT AA Federal Pandemic Unemployment Compensation (FPUC) Account Monthly Transaction Detail for Calendar Year 2020**.

#### **18. Pandemic Extended Unemployment Compensation (PEUC) Account**

This account was opened in June 2020 to pay Pandemic Extended Unemployment Benefits. This account will be established for ACH Direct Deposits and Debit Card payments (or an alternate payment method). The average collected balance in this account for Calendar Year 2020 was approximately **\$(60,000)**.

Funds will be transferred to this account daily from the Department of Labor Master Account via a book transfer. There were **147 book transfers** in this account totaling approximately **\$1.2 billion**.

On a daily basis, DOL will issue ACH payments via debit cards (or an alternate payment method) or Direct Deposit payments to claimants. There were approximately **683,000 ACH debit card payments** initiated by DOL personnel from this account in Calendar Year 2020, totaling approximately **\$273.8 million**. Also, there were approximately **2.4 million ACH Direct Deposit payments** totaling **approximately \$971 million**. In addition, there were **3,600 ACH returns** in Calendar Year 2020, totaling approximately **\$1.6 million**.

See **EXHIBIT BB Pandemic Extended Unemployment Compensation (PEUC) Account Monthly Transaction Detail for Calendar Year 2020**.

## 19. Wage and Hour Suspense Account

This account will be established as a controlled disbursement payee positive pay account and will require full ARP services. The average collected balance in this account for Calendar Year 2020 was approximately **\$85,000**.

During Calendar Year 2020, approximately 1,300 checks were deposited, totaling approximately \$3.1 million. In Calendar Year 2020, there were **three (3) transfers** totaling \$3,500. Funds will be transferred from this account to the three benefit payment accounts. There were **88 book transfers to the benefit payments** accounts totaling approximately **\$1.4 million** in Calendar Year 2020. There were **46 wires** out totaling approximately **\$1.8 million**.

In Calendar Year 2020, **1,300 checks** totaling approximately **\$3.1 million** were deposited into this account. A small amount of checks will also be issued from this account occasionally. In Calendar Year 2020, **12 checks** were issued totaling approximately **\$328,000** with a per check value ranging from **\$1.00 to \$327,000**.

See **EXHIBIT CC Wage and Hour Suspense Account Monthly Transaction Detail for Calendar Year 2020**.

## 20. Prevailing Wage Account

This account will be established as a controlled disbursement account and will require full ARP services. The average collected balance in this account Calendar Year 2020 was approximately **\$455,000**.

This account and will be funded periodically by book transfers from the Wage and Hour Suspense account. There were **38 book transfers** received into this account totaling approximately **\$1.1 million** in Calendar Year 2020.

In Calendar Year 2020, **49 checks** totaling approximately **\$75,000** were deposited in this account. **323 checks** were issued totaling approximately **\$962,000** with a per check value ranging from **\$1.00 to \$219,000** in Calendar Year 2020.



There were no wires in or out and **two (2) book transfers** out totaling approximately **\$4,900**. There were **49 checks deposited** totaling **\$75,000** and **323 checks written** totaling **\$1 million** reported in Calendar Year 2020; wire services will be required for this account.

See **EXHIBIT DD Prevailing Wage Account Monthly Transaction Detail for Calendar Year 2020.**

## **21. Wage and Hour Account**

This account will be established as a controlled disbursement payee positive pay account and will require full ARP services. The average collected balance in this account for Calendar Year 2020 was approximately **\$362,000**.

This account will be funded periodically by book transfers from the Wage and Hour Suspense account. There were **42 book transfers** received into this account totaling approximately **\$306,000** in Calendar Year 2020.

In Calendar Year 2020, **186 checks** totaling approximately **\$89,000** were deposited in this account. **710 checks** were issued totaling approximately **\$235,000** with a per check value ranging from **\$1.00 to \$110,000**.

There were **two (2) book transfers** totaling approximately **\$3,000** reported in Calendar Year 2020. **186 checks** were deposited, totaling **\$80,000**, and approximately **710 checks** were issued, totaling **\$235,000**. Wire services will be required for this account.

See **EXHIBIT EE Wage and Hour Account Monthly Transaction Detail for Calendar Year 2020.**

## **22. Wage Collection Account**

This account will be established as a controlled disbursement payee positive pay account and will require full ARP services. The average collected balance in this account for Calendar Year 2020 was approximately **\$5,400**.

This account and will be funded periodically by book transfers from the Wage and Hour Suspense account. **Ten (10) book transfers** were received in this account and totaled approximately **\$21,000** in Calendar Year 2020.

In Calendar Year 2020, there were no checks deposited into this account. A very small volume of checks will also be issued from this account occasionally. In Calendar Year 2020, **ten (10) checks** were issued, totaling approximately **\$37,000**, with a per check value ranging from **\$1.00 to \$12,000**.

There were no wires in or wires out or book transfers out reported in Calendar Year 2020; however, these services will be required for this account.

See **EXHIBIT FF Wage Collection Account Monthly Transaction Detail for Calendar Year 2020**.

### **23. Mixed Earner Unemployment Compensation Account**

This account shows no activity, as the Department has not started disbursing from this account. All disbursements will be made by direct deposit ACH payments or with Debit Cards (or an alternate payment method).

#### **D. ACH Requirements**

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

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

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

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

All accounts must be protected against unauthorized ACH debit activity.

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

All ACH exception items (i.e., NOCs and ACH Fails) must be accessible to the State via the bank's Web-based Inquiry Communication System the morning after the exception item is received by the bank. Users must have the ability to search for ACH Fail items by selecting an account number and return date.

The DOL will not send pre-notes for the accounts discussed in this RFP.

### **1. ACH Security Procedures – ACH Debit Block Requirements**

The chosen bank must use reasonable care to protect all State data contained on/in, i.e., bank statements, internal documents, file transmissions, emails, and on the bank's Web-based Inquiry Communication System. All of the State's data must be considered confidential and must be solely for the use of the State of New Jersey.

Any use, loss, sale, or offering of this data in any form by the bank, its employees, subcontractors, or assignees may be considered cause for contract termination and legal action to be taken by the State of New Jersey, with all cost of such legal action to be absorbed by the bank.

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

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

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

## **2. ACH Transaction and Transmission Requirements**

The standard ACH requirements detailed under this section will be applicable to all the ACH disbursement items identified in this RFP. These standard ACH requirements will not be repeated in other sections.

For all accounts with ACH disbursements, the State will maintain the individual ACH authorization agreements throughout the life of the payments and for a minimum of two (2) years after the termination or revocation of such authorization.

On a daily basis, the State of New Jersey Office of Information Technology (OIT) will transmit files to the bank in one or more of the following NACHA approved formats: CCD, CCD+, CTX, or PPD. The State reserves the right to change, add or delete the type of NACHA approved format used to transmit files to the bank. The State will provide **sixty 60 days written notice** to the bank before making such a change.

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

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

See **EXHIBIT GG Debit Card Payment File Layout.**

In the event of a faulty file transfer, the State will initiate subsequent transfers until a successful transmission is completed. The bank will be notified immediately in the event of a file transfer failure; likewise, the bank must email and telephone OIT personnel if a scheduled file is not received. OIT contact personnel and file transfer schedules will be established after the contract award.

If it is determined, by the State, that both parties have exhausted all acceptable electronic file transmission options available, a CD-ROM or DVD ROM will replace the electronic transmission file. OIT Production Services personnel will call the bank to instruct the bank to make courier arrangements for CD-ROM or DVD ROM pickup.

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

The bank must have an industry-standard contingency plan in place, either manual or other, as a back-up procedure to receive the data.

**a. ACH Issuance Files – Outside of Normal Operations**

The State will electronically transmit ACH issuance files to the bank on Saturdays, Sundays, or holidays. The bank's system must be able to accept the weekend or holiday file as a discrete file and not as a correction or re-write of the previous day's file. The method of transmission will conform to transmission protocols depicted in ***EXHIBIT A State of New Jersey OIT File Transfer Guide***.

**b. Automated Confirmation/Acknowledgement of ACH Issuance Files**

Upon successful receipt of an ACH issue file, the bank must send an electronic confirmation/acknowledgment via its Web-based Inquiry Communication System, an e-mail to DOL and OIT production services personnel, and via the original method of transmission to the State indicating that the file was received. The confirmation must be received by

DOL and OIT personnel **within thirty (30) minutes** of the transmission being sent. The confirmation must contain the following items for each individual file received:

1	Date and time file is received by the bank
2	Bank account number(s) the transmission references
3	Total number of records contained in the file
4	Total dollar amount of the file

### 3. ACH Transaction Item Requirements

All ACH transaction items must be accessible via the bank’s Web-based Inquiry Communication System by **8:00 a.m. E.T.**, the morning of settlement. The bank’s website must permit users the ability to search, view, print, and download/save all ACH transactions. Users must have the ability to search for ACH transaction items by selecting an account number and settlement date.

In Calendar Year 2020, there were approximately **2,000 ACH transmission files** containing approximately **42 million ACH transaction items**.

### 4. ACH Exception Item Requirements

All ACH exception items (i.e., NOCs and ACH Fails) must be accessible via the bank’s Web-based Inquiry Communication System by **8:00 a.m. E.T.**, the morning after the fail is received by the bank. The bank’s website must permit users the ability to search, view, print, and download/save all ACH Fails. Users must have the ability to search for ACH Fail items by selecting an account number and return date.

An ACH transaction may fail due to any number of reasons: account closed or frozen, incorrect account number, incorrect bank ABA number, etc.

In response to an ACH Fail, a credit memo must post to the originating State bank account on the same day.

In Calendar Year 2020, there were approximately **118,000 ACH Fails** across all accounts.

**a. ACH Fails – Return File via file transmission**

On a daily basis, the bank must electronically transmit, via the chosen method of transmission, an ACH Fail – Return File to the State before **8:00 a.m. E.T.**

See ***EXHIBIT HH*** for the **ACH Fails – Return File Layout** and the required fields.

On days when no records are transmitted, a null file should be sent to the State.

**b. ACH Notifications of Change (NOCs) Requirements**

All NOCs must be accessible via the bank’s Web-based Inquiry Communication System and via the original method of transmission to the State by **8:00 a.m. E.T.**, the morning after the NOC is received by the bank. The bank’s website must permit users the ability to search, view, print, and download/save all NOCs.

The following ACH NOC details must be accessible via the bank’s Web-based Inquiry Communication System:

1	Bank Account Number
2	File Identification Number
3	File Creation Date and Time
4	Total Number of Items Originally Sent
5	Total Number of Returned Items
6	Total Dollar Amount Of Returned Items
7	Individual Dollar Amount of Returned Items
8	ACH Trace Number
9	Fail Date

10	Fail Reason
11	Claimant's Name
12	Claimant's Social Security Number
13	NOC Updates/Corrections

The following ACH NOC details must be accessible via the original method of transmission:

1	File Creation Date
2	File Identification Number
3	Claimant's Name
4	Fail Reason
5	NOC Updates/Corrections

**E. Suspicious Account Activity**

It is the responsibility of the bank to monitor DOL-related benefit accounts, and when suspicious activity is detected, the bank is required to report it to DOL within 24 hours. Accounts should not be canceled if suspicious activity is detected but rather “suspended” for review, which requires including the fraud team from DOL. The bank must share the allegation and supporting data leading to the suspense (IPs related to the account, data point changes, ATM withdraws, concerning deposits/withdraws, etcetera).

All banks implement and use cybersecurity to monitor accounts, and DOL would expect that same review to our accounts, with the exception of involving the DOL fraud team, so appropriate action can be taken for the corresponding benefit claim. DOL would prefer portal access to query suspicious referrals. Any account changes to address (mailing and residential), email, phone, etcetera should be provided or involve DOL to assure reconciliation on the related benefits claim.

We require record retention for up to 7 years on all benefit account records. It is also imperative that DOL has direct assigned and designated fraud counterparts to assist with daily discoveries and concerns related to DOL benefit accounts.



## F. Debit Card Requirements

The bank should have the ability to administer a Debit Card Payment Program, **at no cost to the State**, for the disbursement of certain payments as specified in this RFP.<sup>1</sup> The State has concluded that offering a Debit Card Payment Program as a method of payment provides numerous benefits to both the claimants and the State.

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

- Immediate access to benefit payments by claimants.
- Reduces the cost of check production and distribution, i.e., check stock, ink, machine maintenance, and postage.
- Reduces fraud associated with theft or lost checks.
- Provides business continuity in the event of a disaster.
- High audit capability that supports a high degree of accountability, financial integrity, and reduction of fraud.
- Convenience, flexibility, and security.
- Provide record retention for audit and investigative purposes
- DOL reserves the right to choose the creation of either one-debit account and one debit card for all claims payable to an individual over a designated period of time or to have each new claim request to DOL by an individual result in the creation of a new account and a new debit card. DOL further reserves the right to change the initial option at any time due to operational need.

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<sup>1</sup> As noted above, preference will be given to the bidder that can provide payments to claimants through direct deposit and the issuance of debit cards. The bank may partner with a third party provider to issue debit cards. If the bidder cannot provide debit cards, the bidder can provide details about how it would provide both ACH transactions and an alternate to debit cards to provide benefits.

Please note that the State reserves the right to separately procure individual requirements that are the subject of the Contract during the Contract term, when deemed by the Treasurer, State of New Jersey to be in the State's best interest.

## **1. Debit Card Format, Design, and Specifications**

The State requires a customized, refillable, magnetic card that must be either VISA or MasterCard branded. It must be fully compliant with all federal laws and regulations and meet industry standards for quality. The card must be provided with Regulation E coverage along with individual FDIC protection and include zero liability protection if the card is lost or stolen. In addition, it must be similar in design and technology to any bank-issued Automated Teller Machine (ATM) card. The card must include security features to activate the card and to prevent counterfeiting. The use of the debit card at an ATM or POS terminal must require the use of a Personal Identification Number (PIN).

The card must be accepted by all participating Visa or MasterCard merchants and allow for PIN-based and signature-based purchases. The card must operate as a debit card and/or another electronic payment-type card and have no line of credit associated with it.

Each account will be individually owned. The account is not transferable, and only one card will be issued per account. The debit card will only accept deposits by the NJ Department of Labor and Workforce Development (DOL).

The bank may propose a graphic design that would be appropriate for the State of NJ; however, the debit card should be generic with no reference to the State or readily identify the cardholder as a recipient of government payments. Any artwork created by the bank shall become the property of the State. The State of NJ retains the right to edit, review, and approve the bank's design or to submit a design of the State's choosing. The State will acknowledge that their final approval of card design may be subject to VISA or MasterCard standards and approval prior to the States' final approval.

## **2. Debit Card Enrollment Requirements**

The bank may not deny enrollment to any cardholder referred by a State participating program for participation in the Debit Card Payment Program unless required by federal or state law. The bank may not require a credit line approval process or perform a credit check on cardholders participating in the card program resulting from this RFP.

The bank must support a secure enrollment process to accept new enrollment information on a daily basis. With the enrollment process, the bank will receive the enrollment file from the State, edit the data, establish the account(s), and issue the card(s). Acknowledgment files must be returned to the State after one (1) business day confirming the accounts were successfully created and providing error information for any accounts that could not be created due to problems with the enrollment data.

See **EXHIBIT II** for the State of New Jersey's **Enrollment File Layout**.

The bank must mail the debit cards to claimants **within 1-2 business days once the enrollment data is accepted.**

### **3. Debit Card Production and Distribution Requirements**

The bank must be responsible for card production and issuance of both initial and replacement cards. The initial card will be provided to the cardholder at **no cost to the State or the cardholder.** Replacement cards must be provided to the cardholder as per the **Debit Card Account Owner – Schedule of Fees**; however, there will be no cost to the State

The bank must use a plain standard envelope for all of its correspondence. The envelope must not include language or graphics to indicate that mailings are from the State or identify the cardholder as a recipient of government payments.

### **4. Marketing/Welcome Package**

The awarded bank will be responsible for the management of the complex transition from DOL's current Debit Card Payment Program to its new Debit Card Program (or an alternate payment method) resulting from this contract. The bank must develop a marketing plan that details changes in the Debit Card Payment Program. The bank must advise claimants when they will receive a new debit card and the effective date of the new card. Language must be included so that the claimants do not destroy the debit card prior to the balances being expended in order to obtain the full value of their old card. The bank will also advise claimants on how to obtain customer service assistance on the new program. The plan must

be communicated to the claimants prior to and during the transition, including those claimants who do not activate their new debit cards. The goal is to provide the State and the claimant a smooth and seamless transition.

The marketing plan must include distributing information to all claimants before the implementation of the Debit Card Payment Program (or an alternate payment method). The bank must develop informational and marketing materials for existing and new claimants on the Debit Card Payment Program (or an alternate payment method). The intent is to market the benefits of electronic payments to the claimants as well as instructing them on how to access their benefit funds and avoid potential fees/surcharges.

All claimant information material must be user-friendly and describe the services provided, including all possible claimant fees and how to avoid those fees. All bank-prepared marketing, communication, and instructional materials developed by the bank must be reviewed and approved by the State prior to release. Additional approval by Visa or MasterCard, depending on the card association branding, may be required.

If debit cards are issued, claimants must receive a debit card by regular mail as part of a welcome package. The welcome package must include, at a minimum, a debit card instructional pamphlet, instructions on how to access funds, fee disclosure and instructions on how to avoid fees, frequently asked questions, and a wallet-sized information card. The welcome package must be provided in both English and Spanish at a minimum. The wallet-sized card must list all fees associated with the debit card and have tips for how to avoid fees, the customer service website, and the toll-free phone number(s) for customer service. The wallet-sized card may be folded so that it can be carried with the debit card. The bank must place a downloadable version of the information on its website and must mail it to cardholders with new and replacement debit cards.

The bank must supply PDF files of the developed and approved informational, and marketing materials to the State for posting on the State of NJ and/or the Department of Labor and Workforce Development's website and for other permissible uses deemed necessary by the State. Also, the bank must provide initial and supplemental debit card (or an alternate payment method) marketing

materials (i.e., brochures, pamphlets, posters) for distribution to Claimants at the DOL field and Central offices. All marketing materials must be provided at **no cost to the State**.

## **5. Debit Card Program Administration, Changes, and Reporting**

The bank must provide 60-day advance written notice to the State of changes affecting cardholders. All changes affecting cardholders must be approved by the State in advance.

The bank will be responsible for how card inventory is managed. In the event that new laws and/or changes to laws or departmental changes cause changes in enrollment, the bank must provide adequate time to secure cards for increased or decreased distribution.

The bank must disclose the policies and procedures, which include the notification process and turnaround time for the estates of deceased cardholders. At contract award, the bank must provide a contact person to facilitate the resolution of these claims.

The bank will be responsible for the prompt investigation of all forgery claims and identify a point of contact for all fraudulent activity. The bank will promptly respond within 48 hours and comply with DOL's counterpart to assist with investigative matters relating to the debit card, including providing all relevant account documentation.

The bank must generate management and statistical reports to the State related to cardholder accounts for various time periods and durations. The report requirements are described in **Section V, Scope of Work, F. Debit Card Requirements #10**, of the RFP.

## **6. Debit Card Usage/Cash Access**

The bank must provide claimants bank teller access to cash at all participating bank branch locations.

The claimant must be able to purchase goods and services anywhere Visa or MasterCard is accepted, including via the Internet, mail order, and telephone order. The operating network must query the claimant's available balance at the time of any PIN-based Point of Sale (POS) transaction and will disallow those transactions that would exceed the cardholder's account balance. The claimant may receive cashback with a POS transaction based on either the store limit or the bank's cash-back withdrawal limit.

The card must allow ATM access in the United States, Puerto Rico, and the US Virgin Islands and the withdrawal of cash through a normal ATM transaction.

### **Cash Access**

An in-network location refers to the network of ATM and teller locations where cardholders can obtain their required number of free in-network transactions and any additional free in-network transactions as proposed by the bank. It is the position of the State that any fee schedule, as beneficial as it may be, is of little use to the cardholders if they cannot easily locate and navigate to the locations. Therefore, the State will be evaluating each bank's proposed in-network locations to ensure that each cardholder has locations conveniently available.

Banks are encouraged to provide in-network locations that are both convenient and geographically distributed across the State in a manner that reasonably approximates local population densities. Banks should also ensure that their networks include locations in the United States, Puerto Rico, and the US Virgin Islands for the benefit of the cardholders.

The bank will be required to describe how they will offer ATM access. Individuals who receive debit card payments will reside in either the United States, Puerto Rico, or US Virgin Islands. The bank must describe how the debit card will be compatible with diverse financial institutions in and out of the bank's proposed ATM in-network locations and allow for the withdrawal of cash through a normal ATM transaction.

Banks will also be required to describe how they will offer bank teller access. Individuals who receive debit card payments will reside in either the United States, Puerto Rico, or US Virgin Islands. The bank must describe how the debit card will

be compatible with diverse financial institutions in and out of the bank's proposed bank teller network.

The bank must provide a detailed high-resolution map of in-network ATMs and teller locations in New Jersey. In addition, the bank must provide a listing of in-network ATMs and teller locations in the United States, Puerto Rico, and the US Virgin Islands. The bank must provide summary information on its proposed in-network locations. The bank must also assign any ATM belonging to multiple networks to only one network of the bank's choosing to avoid any ATM being counted more than once.

## **7. Debit Card Load, Funds Availability, and File Transfers**

a. The State will transmit files to the bank and receive files from the bank using the transmission protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide**. This transmission will occur as follows:

- The State will transmit Enrollment and Profile Update files. These files are sent to the bank Monday thru Friday by **6:00 a.m. E.T.**, including state holidays. These files will contain cardholder enrollment and updated information only.

See **EXHIBIT II Enrollment File Layout** and **EXHIBIT JJ Profile Update File Layout**.

- The bank must provide the State with an "acknowledgment" or New Cardholder Accounts Added File no later than the following business day. This file confirms or "acknowledges" new cardholder accounts that have been established.

In addition, the bank must provide a New Cardholder Accounts Activated File. This file confirms those new accounts/cards that have been activated by the bank.

See **EXHIBIT KK New Cardholder Accounts Added File Layout** and **EXHIBIT LL New Cardholder Accounts Activated File Layout**.

- The bank must provide a Debit Card Return File identifying any rejected items resulting from its prior receipt of the States' Enrollment or Profile Update Files no later than the following business day. The bank must disclose any cardholder accounts that are frozen by the bank and the reason for the freeze.

In addition, the bank must provide a Debit Card Cancellation File. This File denotes those debit card accounts that have been canceled by the cardholder or bank.

See **EXHIBIT MM Card Return File Layout** and **EXHIBIT NN Cancellation File Layout**.

- b. The State generally will transmit at least one payment file (ACH) every business day via its disbursing bank through NACHA. The file will include a unique ID (payment) number, which the bank must accept and retain. The State will designate an issuance date that typically will be the following business day. Payments must be posted to the debit card no later than **9:00 a.m. E.T.** on the issuance date. If the issuance date is the same day as the file is transmitted through NACHA, the bank must post payments to the debit cards no later than 4 hours after being able to access its records through NACHA.
  - The State will adhere to NACHA guidelines to recall a payment (within twenty-four (24) hours of origination) and to reverse a payment (twenty-four (24) hours or more after its origination).
  - The State requires the bank to maintain a test environment for enhancements and adjustments to the standard file transmission described above. All enhancements and adjustments must be successfully tested before being put into production.
- c. The bank must describe steps to prevent data processing interruptions and describe how the bank will notify the State when there is an interruption in processing data. The bank must provide the State technical support **twenty-four (24) hours a day, 365 days a year.** In its proposal, the bank must provide a timeline reflecting the critical events that occur from the time



cardholder enrollment is received and the first load is deposited into the account. The Bank must clearly state the timeframe after receipt of the payment file when funds will be loaded to the cards and available for claim use.

## 8. Debit Card Customer Service Requirements

### a. Web-Based

The bank must provide cardholders a secure Internet-based management tool that will allow cardholders to view financial transaction details posted to their accounts. The website must be operational 100% of the time except for normal maintenance; must be inoperable no more than a total of **four (4) hours** during any month for normal maintenance, and may be inoperable for no more than **two (2) consecutive hours** for normal maintenance in any **twenty-four (24) hour period**. The bank must put a notification on the website **seventy-two (72) hours** prior to any normal maintenance and leave it up until the maintenance is complete. Any maintenance that is anticipated to exceed a **single two (2) hour period** will require the bank to use a rollover or disaster site, and the State must approve the date/time in advance.

The bank must provide a method on the website for cardholders to establish nearly instantaneous deposit notifications and 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**. The communication data points (phone for text and email) can only be provided by DOL. Account edits for address, email, and phone updates must be via DOL.

The bank must provide cardholders a web-based locator tool to determine locations where cardholders will be able to conduct free ATM and teller transactions (to the extent provided by the bank). The bank may provide a link to a locator tool(s) for an ATM Network that may charge cardholders a surcharge, but such link must be segregated from the in-network link and must clearly disclose that surcharges may apply.

The bank website must allow the State 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 bank must have the ability to post such messages **within two (2) hours of a request by the State.**

**b. Interactive Voice Response (IVR)**

The bank must provide cardholders access to an IVR System to obtain account information, complete routine service requests, reset their PIN, and speak to a customer service representative (CSR) if necessary. The facilities that provide IVR services must be located within the geographical boundaries of the United States and be **available twenty-four (24) hours a day, 365 days per year,** with an average wait time that is within industry standards. The bank must make the IVR System accessible by touch-tone, pulse, and rotary dial telephones. The bank 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.”

The IVR System must be operational **seven (7) days a week, twenty-four (24) hours per day,** except for normal maintenance; must be unavailable no more than a total of **four (4) hours** during any month for normal maintenance; and may be inoperable for no more than **two (2) consecutive hours** for normal maintenance in any **twenty-four (24) hour period.** Any maintenance that is anticipated to exceed a **single two (2) hour period** will require the bank to use a rollover or disaster site, and the State must approve of the date/time in advance. The IVR System will include TTY and communications relay capability as described in the Americans with Disabilities Act.

The bank’s IVR System must allow a cardholder to enter a numeric or voice prompt to obtain IVR services in a minimum of English and Spanish and must then continue offering numeric or voice prompts in no less than eight more of the top **ten (10)** most common languages in NJ. After a cardholder selects one of these additional prompts, the call must then be transferred to the IVR menu or interpretation service, as applicable, so that the cardholder can obtain

information in his/her preferred language. The U.S. Census Bureau reports the ten most common languages in NJ are English, Spanish or Spanish Creole, Italian, Chinese, Polish, Portuguese or Portuguese Creole, Tagalog, Korean, Gujarati, French (incl. Patois, Cajun). Submitting banks are encouraged to identify the languages its IVR System can support.

The IVR System must include the reporting of a card lost or stolen as the second menu option presented. The IVR System must permit the ability to speak with a Customer Service Representative (CSR) prior to canceling the claimant's debit card. 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."

The bank must communicate all lost or stolen debit cards to DOL to reconcile with the unemployment claim.

The IVR System must have a secure process in place for determining the identity of a caller prior to providing any account information, including those without a debit card number. Cardholders who are unable to enter the debit card number through the IVR will default to a CSR. A CSR must be able to be accessed within no more than **three (3)** prompts in the IVR System.

The IVR System must provide callers the option to press **zero (0)** at any time to reach a CSR.

The bank will design and implement an ongoing customer service survey to be approved by the State and administered by the bank through its IVR System. The results of this survey will be compiled and reported semi-annually and will be provided to the State.

**c. Customer Service Representative (CSR)**

The bank must provide cardholders the ability to speak to a live CSR to obtain account information and to complete service requests via a bank-owned, toll-free telephone number(s). The toll-free number(s) must provide claimants

access to customer service within the United States, outside of the United States, and also via a TTY line for the hearing impaired.

The bank must provide Customer Service procedures to establish and maintain a call priority hierarchy. The hierarchy of call priority must include, but is not limited to, the following: lost or stolen debit cards; reporting problems with the account; no debit card number entered resulting in call routed to CSR; debit card PIN Reset or change; account inquiry, and address changes.

The facilities that provide CSR services must be located within the geographical boundaries of the United States and be **available twenty-four (24) hours a day, 365 days per year**, with an average wait time of no more than **forty (40) seconds**.

As fully described in the IVR services, the bank must provide customer support in a minimum of English and Spanish and provide translation services for other languages.

## **9. Accessibility**

All products and services provided by the bank after contract award must comply with the accessibility requirements of Section 508 and Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794d).

## **10. Debit Card Monthly Reporting**

The bank must provide the DOL with account-specific reports containing the report elements listed below. The reports must contain detail and summary information. Reports must be delivered to the State electronically in a format approved by the State via a secure Internet connection.

The bank must provide portal access to view DOL customer reports relating to risk management topics:

**a. Fraud Control Activity/Risk Analysis: (Portal Reports)**

Number of PIN changes
Number of reports of stolen/lost debit cards
Dollar amount stolen/lost
Number of reports of fraudulent activity
Dollar amount defrauded
Detailed listing of customers who have reported stolen/lost debit cards and/or fraudulent activity and the resolution of each
Data to measure timeliness between the date of a reported stolen/lost debit card or other fraudulent activity and the date the reported issue is resolved
Number of accounts deactivated due to fraud
Number of reissued debit cards and reasons for re-issuance
Greater than two ACH transfers from DOL debit cards to a common account.
Detailed listing of confidentiality and security breaches, including steps taken to contain the breach, follow-up reports, and a corrective action plan
Detailed listing of customers who have more than two debit cards issued to the same address within a year's time.
Detailed listing of cardholder transactions outside of the United States Puerto Rico, and the US Virgin Islands

**b. Debit Card Cardholder Activity: (Portal Access)**

Number of accounts established by amount of time from receipt of all necessary account information from the State
Number of payments deposited to established accounts
Date and time-lapse between payment receipt and deposit
Number of debit cards mailed via first-class by length of time from receipt of all necessary account information from the State
Number of debit cards issued
Number of debit cards activated
Length of time from debit cards issuance to activation
Active accounts
Inactive accounts
Closed accounts-include name, address/ID #, SSN, date, and reason

Frozen accounts- include name, address/ID #, SSN, date, and reason
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Canceled accounts-include name, address/ID #, SSN, date, and reason
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**c. Financial Activity (Monthly Reports, Broken Down by Day)**

Amount of funds disbursed to cardholders by length of time from receipt of all necessary payment information from the State
---

Amount of funds being held for accounts pending debit card activation
---

ATM withdrawals
-----------------

PIN vs. signature-based merchant transactions
---

Number of free cardholder transactions
--

Number of cardholder cost and fee-based transactions
--

Balance of funds remaining in all cardholder accounts by time period of account inactivity
--

**d. Customer Service Activity using IVR: (Monthly Report)**

Number of calls attempted
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Number of calls getting a busy signal
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Number of calls accepted in queue
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Number of calls in queue abandoned by wait time
---

Number of calls answered by wait time
---------------------------------------

Average wait time
-------------------

Number of calls answered by type of call
--

Number of calls answered by IVR with breakout of languages served
---

Number of calls answered by talk time (connect time less time in queue)
---

Average talk time
-------------------

Time and duration of all IVR service interruptions, both scheduled and unscheduled, reported separately
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**e. Customer Service Activity using CSR: (Monthly Report)**

Number of calls attempted
Number of calls getting a busy signal
Number of calls accepted in queue
Number of calls in queue abandoned by wait time
Number of calls answered by wait time
Average wait time
Number of calls answered by type of call
Number of calls answered by CSR with breakout of languages served
Number of calls answered by talk time (connect time less time in queue)
Average talk time
Time and duration of all CSR service interruptions, both scheduled and unscheduled, reported separately

**f. Customer Service Activity - Internet: (Monthly Report)**

Number of website hits
Number of cardholder account inquiries
Number of cardholder account updates (e.g., PIN changes)
Time and duration of all website service interruptions, both scheduled and unscheduled, reported separately

**g. Customer Service Activity - General: (Monthly Report)**

Detailed listing of complaints by customers with difficulty accessing services due to low English proficiency, including the steps taken by the bank to enable service.
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The bank must disclose if they are unable to provide statistics for any of the report elements listed above.

## 11. Description of Fees

The bank must also 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 bank may not subsequently charge any cost or fee to cardholders not included in its proposal.

- The bank must not charge any cardholder a fee for establishing an account or issuing the initial (or replacement for an expired) debit card.
- The bank must not charge any cardholder a debit card monthly maintenance fee.
- The bank must provide each cardholder an unlimited number of free in-network ATM balance inquiries.
- The bank must provide each cardholder no fewer than four (4) free or reimbursed out-of-network ATM balance inquiries per calendar month. The bank must describe if it will provide each cardholder any additional free or reimbursed out-of-network ATM balance inquiries and provide the per-transaction fee for each additional out-of-network ATM balance inquiry above the proposed additional or required number of four (4) free out-of-network balance inquiries per calendar month.
- The bank must provide each cardholder an unlimited number of free in-network ATM cash withdrawals per calendar month.
- The bank must provide each cardholder no fewer than two (2) free out-of-network ATM cash withdrawals per calendar month. The bank must describe if it will provide each cardholder any free or reimbursed 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 two (2) free out-of-network ATM withdrawals per calendar month.
- The bank must not charge any cardholder a fee for denied ATM transactions.
- The bank must not charge any cardholder a fee for denied POS transactions, processed either with a PIN or a signature.
- The bank must not charge any cardholder a fee for any type of overdraft or over-the-limit situation.



- The bank must 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.
- The bank must not charge any cardholder a fee for any transactions receiving cash back at the point of sale (limited to available balance), typically processed by the cardholder's selection of "debit" at the point of sale and subsequently requesting cashback.
- The bank must 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.
- The bank must provide each cardholder unlimited free teller withdrawals at all MasterCard members or any Visa member banks, as the bank proposes.
- The bank must not charge any cardholder a fee for ACH transfers from the debit card to a cardholder's personal account or for bill payments processed through a CSR or IVR System. The bank must also provide each cardholder an option to initiate such a transfer and must not place any restriction on the amount of the transfer.
- The bank must not charge any cardholder a fee to change a PIN number through the Internet, CSR, or IVR System.
- The bank must not charge any cardholder a fee to access account information through the Internet. Account information must consist of, at a minimum, account balances and transaction history, which includes deposits, withdrawals, purchases, and fees.
- The bank must not charge any cardholder a fee to access account information through the IVR System. Account information must consist of, at a minimum, account balances and transaction history, which includes deposits, withdrawals, purchases, and fees.
- The bank must not charge any cardholder for calls to a customer service representative (CSR) to obtain account information. Account information must consist, at a minimum, of account balances and transaction history, which includes deposits, withdrawals, purchases, and fees. Calls by the cardholder to a CSR to report a card lost or stolen, or to dispute transactions, must be free and must not count towards the minimum or proposed number of calls.

- The bank must provide each cardholder no less than one (1) replacement card per Calendar Year at no cost, to be mailed by first-class mail through the U.S.P.S. The bank must 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 bank proposes to supply.
- The bank must describe the process in which a cardholder can request that a replacement debit card be mailed on an expedited basis, including the approximate time for the cardholder to receive the replacement debit card, any conditions that must be satisfied for the delivery to be received, and must provide the cost to have a replacement debit card mailed on an expedited basis. Via address provided in conjunction with DOL.
- The bank must not impose inactivity fees on a cardholder.
- The bank must provide each cardholder, upon request, one paper statement per calendar month without a fee, on either an ad hoc basis or a reoccurring monthly basis that reports all transactions for a thirty (30) day period. The bank must describe the process in which a Cardholder can request paper statements. The bank must not impose a fee on a Cardholder for a duplicate statement.
- The bank must not charge any cardholder an account closure fee.
- The bank must describe the fee it proposes for International ATM cash withdrawals. The bank must describe the fee it proposes for International POS transactions.
- The bank must not charge for any legal processing fees.
- The bank must describe any fee it proposes for additional cardholder services not mentioned in this RFP Fees Section.

## **G. Check Requirements**

For ALL check disbursement accounts noted in this RFP as requiring full ARP, the bank should provide Treasury, Cash Accounting with online access to bank statements and ARP reconciliation reports by **3:00 p.m. E.T., three (3) business days** after the activity date. Hardcopies of these reports may be requested and must be provided without additional charge to the State, sent to Treasury, Cash Accounting

and received by no later than **3:00 p.m. E.T., five (5) business days** after the request was made.

### **1. Check Cashing Services**

Due to the nature of the funds being disbursed from these accounts, the chosen bank must maintain a strong branch presence throughout the State and commit to providing **“no fee” check cashing services** to DOL Claimants. It is the State's requirement that the bank has locations with check cashing capabilities in or in close proximity to each county of the State. The bank's capability and commitment to provide state-wide check cashing service will be one of the more critical factors considered in the technical analysis of this proposal.

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

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

The bank's ability and commitment to provide **“no fee” state-wide check cashing services** over the life of this contract will be one of the more critical factors to be considered in the technical analysis of each bank proposal.

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

1	Postdated checks
2	Improperly endorsed checks
3	Checks missing endorsement
4	Checks with incorrect/missing “authorized signature(s)”
5	Altered check issue amount

## 2. Check Issue File

For each full ARP services account, the State will electronically transmit the check issue file information to the bank daily, typically prior to midnight the previous day (but by **9:00 a.m. E.T.** the following day at the latest), for all accounts having transaction processing activity for the following day. The method of transmission will conform to transmission protocols depicted in ***EXHIBIT A State of New Jersey OIT File Transfer Guide***. A bank's ability to support as many of these transmission methods as possible, thus providing the State with maximum flexibility, will be a positive factor considered during the proposal evaluation. It is the State's preference to use Connect Direct with an option of Secure+ over IP, and the bank(s) providing this data transmission option will be rated favorably during the evaluation process.

In addition to normal operations, the State may transmit a file to the bank on Saturdays, Sundays, or holidays. The bank's system must be able to accept the weekend and holiday file as a discrete file and not as a correction/re-write of the previous day's file.

In the event of a faulty transmission, the State will initiate subsequent transmissions until a successful transmission is completed. The bank will be notified immediately in the event of a transmission failure; likewise, the bank must telephone the State Office of Information Technologies (OIT) personnel by **10:00 a.m. E.T.** if a file scheduled for transmission has not been received **by 9:00 a.m. E.T.**

A backup file will be kept by the State for seven (7) working days for use in the event of a faulty or failed transmission.

Upon successful receipt of the file, the bank must send an electronic confirmation via the web-based program, an e-mail to DOL and OIT production services personnel, or via the method of transmission, indicating that the file was received.

The confirmation must be received by DOL and OIT personnel **within (30) thirty minutes** of the file transmission being sent. The confirmation must indicate the following items for each individual file sent:

1	Date and Time File is Received by the bank
2	Bank Account Number(s) the Transmission References
3	Total Number of Records Contained in the File
4	Total Dollar Amount of the File

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

Each day, the State will transmit check issue files to the bank, which will include the following information:

1	Bank Account Number
2	Issue Date
3	Check Number
4	Check Amount
5	Item Status

See ***EXHIBIT OO Check Issuance File Layout*** for the check issue-reporting elements and file formats.

If there is a discrepancy between the summary information and the transmission data, the bank must immediately notify DOL by phone.

The numbering sequence and system programs used by the State for several programs limit the number of digits assigned to check numbers. This limits the number of checks that can be issued before check numbers have to be recycled. In order to avoid reconciliation problems associated with the duplication of check numbers, the bank should have the capability to purge check issues, check payment, stop payment, etc., information from the bank's system on a periodic

basis. The State will advise the bank when the purge of data will be required for selected accounts because of this recycling necessity.

**NOTE:** Check numbers run in successive order over all of the **twenty-three (23) Labor accounts.**

### **3. Payee Positive Pay**

**For accounts 19, 21, & 22,** Checks presented for payment must be processed through the bank's payee positive pay system. With payee positive pay service, duplicate paid items, paid-no issue, debit/credit items, or rejects should not exist on the bank reconciliation. These conditions should be researched by the bank, and if they are then found to be valid items, they are to be stripped and reentered into the system or corrected as required.

Once a check is processed through the bank's payee positive pay system, and a decision/determination is made by OMB, Cash Accounting, the item/check must not be resubmitted.

Checks that are not bank errors and do not exactly match to the State's issue file are to be considered exception items. If the exception item(s) cannot be corrected by the bank, the item(s) must be electronically presented to the Cash Accounting Unit for review and "pay/no pay" instructions. The Edit/Pay feature must be available to correct name, serial numbers, and amounts. Once the item is corrected, the bank must pay the item(s) according to corrections. If a check is being returned, the bank must allow the State to choose a return reason for the item (i.e., Stale date, Altered, Duplicate Paid, Refer to Maker).

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

In the future, the State would like to explore the option of implementing "Payee Positive Pay Services" after considering cost and other factors for all accounts

associated with this contract. Bidders should indicate its ability to provide “Payee Positive Pay” services in its proposal.

**NOTE:** DOL will establish a dollar limit on checks issued relative to each of the Positive Pay accounts. These dollar limits will be established after the contract award.

Outstanding checks should remain on the system until the bank is advised to remove them by the State. Checks that have stop payments placed on them by the State should be identified on the bank’s system and on bank ARP Reports. If an item is canceled after a stop has been placed, the check should be removed from the outstanding file totals, but the stop remains on the systems until notified by the State.

#### **4. Paid Check File and Reporting**

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

In addition, on a daily basis, the bank must provide the proper State personnel an electronic file of the paid check items for the previous day. The method of transmission will conform to transmission protocols depicted in **EXHIBIT A State of New Jersey OIT File Transfer Guide**. The file should contain, at a minimum, the following information:

1	Bank Account Number
2	Check Number
3	Check Paid Date
4	Check Amount
5	Check Issue Date

**NOTE:** During implementation, the bank will be notified which accounts will receive the paid check file and which State department will receive the file from the bank.

See **EXHIBIT PP Paid Check Return File Layout** for the paid check file formats.

On a daily basis, the State will send an e-mail to the bank containing the total number of checks issued and the total value of the checks issued.

## **5. Check Imaging, Storage, and Retrieval Services**

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

- Account number
- Check serial number
- Check paid date

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

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

The State will require the bank to provide an image copy of all paid checks for up to **seven (7) years from check paid date** during the term of the banking contract as well as after the termination of banking services. The bank must specify how the State will request copies of paid checks after the end of the banking service contract.



## 6. Check Forgery Investigations

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

DOL will initiate all forgery investigations by forwarding an original notarized forgery affidavit and an imaged copy of the original check to the bank.

**NOTE:** The State will not provide a bank-issued "Affidavit of Forgery" document unless one is demanded by the cashing bank responsible for conducting the forgery investigation.

Two divisions in DOL, Benefit Control and Disability Benefits, will submit a completed Affidavit of Forgery to the bank. The procedure to reimburse is outlined below:

- a. **Benefit Payment Control/DOL-** will submit Affidavit of Forgery for all Unemployment Benefit accounts. Upon the receipt of a forgery claim, the bank must immediately begin its investigation and assign each forgery claim with a unique case/reference number to each investigation and forward an acknowledgment via e-mail upon receipt of the forgery claim to DOL with case/reference number, name of the payee, and check number included in e-mail correspondence.

If the claim is honored, the bank will notify the Benefit Payment Control Unit via e-mail and subsequently credit the respective account of the state.

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

- b. **Disability Benefits /DOL-** will submit Affidavit of Forgery for all State Disability Benefit, Unemployment Benefit, and Family Leave accounts. Upon the receipt of

a forgery claim, the bank must immediately begin its investigation and assign each forgery claim with a unique case/reference number to each investigation and forward an acknowledgment via e-mail upon receipt of the forgery claim to the State Disability Benefit Unit with case/reference number, name of the payee, and check number included in e-mail correspondence.

If the claim is honored, the bank must notify the State Disability Benefit Unit via e-mail and subsequently credit the respective account of the state.

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

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

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

On a monthly basis, the bank must provide DOL's respective Units with a Forgery Investigation Status Report via email. The bank must provide a sample Forgery Investigation Status Report with its proposal for evaluation purposes. The forgery claims must be listed in account number order and contain the following details:

1	Payee Name
2	State Bank Account Number
3	Check Issue Date

4	Check Number
5	Check Amount
6	Date Check was Cashed
7	Receipt Date of Forgery Affidavit
8	Status of Claim
9	Name of Cashing Bank
10	Response of Cashing Bank
11	Bank Assigned Case Number

The bank must not charge the State of New Jersey or the payee/claimant a fee for issuing or replacing a previously issued cashier's check.

## 7. Check Specifications

The State will order all laser check stock and print the checks with specifications as follows:

28 lb. Paper MICR/OCR Bond  
7.5" long, 2.75" high

Checks may have up to a ten (10) digit check number printed on the upper right-hand corner of the check, which will be MICR encoded on the bottom of the check. There are approximately thirteen (13) different check templates that are utilized by DOLWD to issue checks for various State programs.

The State retains the right to change the check specification requirements upon ninety days prior written notice to the bank.

All invoices for the purchase of checks are to be paid by the bank. The check vendor will mail the original invoice to the State for verification and approval. After the State has approved the original invoice(s), the State will forward the approved invoice(s) to the bank (stamped "**APPROVED**," charges at cost, initialed and dated). The bank will include the check charges at cost as a separate line item on its monthly analysis summary sheet and attach the approved check invoice to the

analysis. The State will not be liable for any payments made to the check vendor that have not first been approved for payment by the State.

## **8. Check Testing**

Initially, and as new accounts are added, or as existing checks are modified, the State will provide the bank between **ten (10) and twenty-five (25) checks** per account for testing purposes. If the bank requires more than **twenty-five (25) checks**, please stipulate the quantity required in your proposal submission. Test checks will be made available to the bank when requested. The State should not incur costs for MICR testing services. MICR testing results should be available to the State within **five (5) working days**.

## **H. Deposit Requirements**

In Calendar Year 2020, there were approximately **15,000 check deposits** across the labor accounts totaling approximately **\$30 million**. The bank must provide desktop deposit services and over-the-counter deposit services to address these deposits.

### **1. Check Encoding and Endorsing Requirements**

The bank must MICR encode all checks presented for deposit with the correct dollar amount; and endorse the check, for deposit only, with the date that the deposit is posted to the account.

### **2. Deposit Credit and Availability**

All deposits must be processed for collection and credited to the State's account(s) the same day, provided that the deposit is made prior to the close of the bank business day. If the deposit is made after the close of the bank business day, the account will be credited the next bank business day. Availability of check deposits must, at a minimum, be in accordance with the appropriate Federal Reserve District Availability Schedules.

### 3. Deposit Discrepancies and Adjustments

Information regarding all discrepancy adjustments must be delivered to DOL within **three (3) business days** of the deposit date or the return of a deposited check. The following detailed information must be included in the adjustment memorandum (debit or credit advice) for each discrepancy and/or adjustment:

1	Bank Account Number
2	Original Deposit Date
3	Original Deposit Total
4	Adjustment Date
5	Adjustment Amount
6	Adjustment Type
7	Item(s) that contained the error

### 4. Dishonored Checks

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

Within **twenty-four (24) hours** of receipt of a dishonored check, the dishonored check, together with the debit memo, must be forwarded to DOL. There must be one identified dishonored check per debit memo.

In the event the original returned check is lost or mutilated, the bank must provide the State with a photocopy stating that this photocopy is to replace the original check. The dishonored check, together with the debit memo, must be forwarded to DOL within **twenty-four (24) hours** of receipt.

The following detailed information must be included in the debit memo:

1	Bank Account Number
2	Original Deposit Date

3	Return Date
4	Return Amount
5	Return Reason

## 5. Desktop Deposit Services

The bank must provide the State with web-based Desktop Deposit Services. This service will provide DOL with the ability to deposit checks into their respective bank accounts from a location outside of the bank without having to physically deliver the checks to the bank. This is accomplished by scanning the check and creating a compliant, digital image of the check at the agency location. This image must then be transmitted to the bank via a secure Internet connection.

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

- Prior to contract commencement, DOL will require the installation of three (3) scanners. The bank must provide scanner equipment that is new, appropriately sized, and configured to reasonably accommodate the number of office-based check deposits.
- The systems should have sound, built-in controls over deposit preparation and should provide the customer with automated deposit acknowledgment and reporting capability.
- The system should minimally provide DOL with access to transaction history and deposit images for the most recent 90 days of business. After that time frame, the agencies should be able to access transaction history and deposit images for seven (7) years from the date of deposit either via the bank's Web-based Inquiry Communication System or some other bank archive system.

- Upon receipt of the check images, the bank must validate each image and determine how to optimally clear each check in the most cost and time-efficient manner available. Checks must be cleared in one of the following ways:
  - Image Exchange
  - Substitute Check
  - “On-us” Deposit
  
- ACH conversion of checks is not an option for deposits at this time.
  
- The bank’s appropriate funds availability schedule should be applied for all deposited items.
  
- Within twenty-four hours of receipt of a dishonored check, the dishonored check, together with the debit memo, must be forwarded to DOL.

## **6. Teller Deposit Services**

As a contingency to the Desktop Deposit Services, the DOL must have the ability to hand-deliver check deposits to a local bank branch for processing. Branch personnel must have the ability to validate and return a copy of the Deposit Slip to DOL personnel.

### **I. Web-based Inquiry Communication System**

The bank must provide representatives from DOL, OIT, Cash Accounting, and Health & Senior Services with access to its Web-based Inquiry Communication System for all account(s) established as a result of this RFP.

Only authorized State personnel will be permitted to initiate inquiries. The authorized personnel from DOL, OIT, Cash Accounting, and Health & Senior Services will be identified after contract award.

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

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

The bank's system must grant users the ability to enter search parameters and qualify search parameters via additional drop-down menus. Search qualifiers for numeric fields must include equals, ranges, greater than, greater than or equal to, less than, less than, or equal to. Search qualifiers for alpha fields must include equals, begins with, ends with, or contains.

The search parameters must allow the user to drill down to view the daily details of any given month. In addition, all data must be accessible in detail and summary form by Calendar Year and Fiscal Year to view monthly and year-to-date totals.

Prior to contract commencement and during implementation, the bank must properly train representatives from DOL, OIT, Cash Accounting, and Department of Health in all its system applications and security features to ensure that State personnel thoroughly understand all web-based system applications, security features, report functions and can identify the codes on all web-based report. A system manual must be provided to each department and updated as system enhancements occur. All major service modules should be included.

The bank must have a viable disaster and recovery plan in place to back up all account data. Given the worst-case scenario, the bank must be **completely functional within forty-eight (48) hours of a major disaster.** See Section II., Letter H. **Disaster Recovery**, for more detailed information.

The bank's Web-based Inquiry Communication System must provide the following features:



1	7-year paid check image archive (front & back) both paid & rejected
2	View most recent eighteen months of account activity
3	View most recent eighteen months of outstanding items
4	View most recent eighteen months of paid items
5	Multiple search functions (<, >, =)
6	Ability to issue stop payments and remove stop payments
7	Ability to download data to be used in Excel and PDF formats
8	Web-based wire and book transfers capabilities
9	View ACH details (including fail/rejects) same day as settlement
10	Web-based positive pay capabilities

### 1. Check Inquiry System

The bank's Web-based Check Inquiry System must provide State personnel access to all Check activity detail by **8:00 a.m. E.T.** The bank's Web-based Check Inquiry System must contain a **minimum of eighteen (18) months of the most recent outstanding items** and a minimum of **eighteen (18) months of paid activity** or until the State instructs the bank to remove them.

The bank's Web-based Check Inquiry System must be updated daily to reflect new issues, paid items, canceled items, and stop payments. The system must also grant authorized users the ability to enter check cancellation information of the original check. The bank's Web-based Check Inquiry System must have the ability to receive and process replacement check information.

Only authorized personnel from the State will be permitted to initiate inquiries. Authorized personnel will be identified for each account after the contract award. State personnel must have the ability to view all check disbursement activity for all full ARP accounts listed in this RFP or added in the future.

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

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

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

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

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

## 2. Web-based Stop Payments

The State must have the ability to electronically issue stop payments and remove stop payments via the bank’s Web-based Inquiry Communication System. Users must have the ability to select the account number and enter either a single check serial number or a range of check serial numbers without the need to sign in for each individual stop payment request or stop payment range request.

Checks that have stop payments placed on them by the State must be clearly identified on the bank’s Web-based Inquiry Communication System and on bank statements as “outstanding” and having a “stop payment” in place. Stop payments must not be used to reduce the outstanding check totals.

An electronic or manual stop payment must be considered effective for that day's clearances and must remain in effect until the bank is officially notified by the State to remove the "stop payment."

The bank's Web-based Inquiry Communication System must not allow the users to place a stop on an item that has already been purged out of the banks' system or an item that has been previously paid.

The bank must provide a stop payment contingency plan that functions the same as an electronically issued stop payment. State personnel must have the ability to issue manual stop payments via email and telephone and have the ability to include a single check serial number or a range of check serial numbers.

In the event of a manual stop payment order, the bank must record the date, the time, the name of the bank representative receiving the order, and the name of the State representative placing the stop order. The bank must confirm all electronic and manual stop payments orders **no later than 8:00 a.m. E.T. the following day.**

An original check on which a stop payment has been placed must be clearly identified on the bank's Web-based Inquiry Communication System and on bank statements as a "stopped item" indefinitely until the State officially notifies the bank to remove the "stop payment" or to transfer the items.

### **3. Web-based Check Cancel and Replacement Checks**

The bank's Web-based Inquiry Communication System must include a feature that will allow OMB, Cash Accounting, to upload a file (containing replacement check issue data and check cancel data of the "original" check) to the bank's ARP System. The bank's ARP System must be capable of matching the check cancel data that is uploaded to the "original" check issue data on file. The bank's ARP System must perform a match against the "original" check number, account number, and dollar amount. All accepted items and exception items (items that the bank's ARP System cannot match) must be provided on a *Confirmation Report*. The State must receive the *Confirmation Report* by **8:00 a.m. E.T the morning after** the file has been successfully uploaded and received by the bank.

The *Confirmation Report* must include the following data:

1	Bank Account Number
2	Replacement Check Number
3	Canceled Check Number
4	Check Amount
5	Status (showing if cancel item is rejected/approved)
6	Date and Time

Replacement checks will contain up to ten (10) digit check numbers. In Calendar Year 2020, 45 replacement checks were issued by the Treasury, Cash Accounting, across these DOL accounts. Each of the replacement checks issued was preceded by a check stop and subsequent check cancel.

When the State issues a replacement check, it will assign a new/unique check number to the replacement check. Only after the stop payment order for the original check is confirmed will the State issue a cancellation order for the original check to be removed from the outstanding check file.

The Web-based Inquiry Communication System must be able to accept a file with batched, multiple check issues, and check cancellation information. This file will contain the bank account number, check amount, original and replacement check numbers, and check date.

On an as-needed basis, the Web-based Inquiry Communication System must be able to accept individual or multiple check issues and cancellations on a single screen without requiring the user to refresh the screen after each entry of transmission. The bank must provide a detailed description of its replacement check contingency plan in its proposal.

All stop payment and check cancel orders will be initiated by authorized personnel from OMB, Cash Accounting. The bank must not permit or accept stop payments or check cancels from an unauthorized bank or State personnel.

#### 4. Web-based Wire and Book to Book Transfers

DOL, Treasury, Cash Accounting, and Division of Investments will require wire and book transfer functionality. The bank must provide web-based wire and book transfer capability to all of these locations and any locations requested in the future.

The system should be capable of warehousing wire data for **up to two (2) weeks** until the transmission execution date. The system should have the capability of establishing repetitive wires and repetitive book transfers, using templates, establishing template groups, requiring only date and amount updates. The system must contain the proper security features to ensure the protection of the data and maintain the integrity of the system. In addition, the State must not be penalized for wire recalls in the rare occasion they may occur.

**NOTE:** The bank must promptly respond to all State wire transaction instructions initiated by authorized personnel from the DOL or the Department of the Treasury **regardless of the balances in the account.**

The proposed system should provide easy access by authorized personnel and provide immediate transfer confirmation. The system should provide reliable audit trail information.

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

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

## J. Report Requirements

The bank will be required to provide a variety of electronic and hard copy bank statements and reports. The bank must provide access to its Web-based Inquiry Communication System as well as a variety of electronic reports, CD-ROM backups, and, when requested, hard copy statements; **at no cost to the State.** DOL and OMB Cash Accounting are exploring the possibility of setting up a server, at a future date, to receive electronic Bank Statements and ARP report data.

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

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

Reports required must include, but are not limited to, the following:

### 1. Daily Automated Balance Reporting

All accounts identified in **EXHIBIT H Account Structure and Funds Flow Chart** and any future accounts established will require daily prior day balance reporting. The bank must deliver the file containing data in unencrypted BAI2 format directly to the State's vendor, Fidelity National Information Services, Inc., using Secure File Transfer Protocol (SFTP).

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

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

1.	Ledger balance
2.	Collected balance
3.	Total credits

4.	Total debits
5.	1-day float
6.	2-day float

For all the reporting fields, there should always be data reported. Therefore, if there is no amount reported, the bank should input 00.00 in the specific amount field.

As technology improves and balance retrieval methods change, the State requires that the chosen bank remain flexible throughout the term of this contract as it relates to the method of securing balance reporting in unencrypted BAI2 format.

## **2. Daily Controlled Disbursement Reporting**

All accounts identified in ***EXHIBIT H Account Structure and Funds Flow Chart*** and any future accounts established will require daily intra-day controlled disbursement balance reporting. The bank must deliver the file containing data in unencrypted BAI2 format directly to the State's vendor, Fidelity National Information Services, Inc., using Secure File Transfer Protocol (SFTP).

The bank must provide the account balance information in unencrypted BAI2 format via the State's vendor, Fidelity National Information Services, Inc., no later than **10:15 a.m. E.T.**

The State requires electronic final notification of same-day aggregate ACH and check clearance/settlement totals by account in unencrypted BAI2 format, no later than **10:15 a.m. E.T.**

## **3. Account Reconciliation Solution**

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

On a daily basis, both the bank and the State will transmit files to BlackLine, Inc.

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

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

1.	Bank Name
2.	Bank Account Number
3.	Transaction Date
4.	Amount
5.	Description, including any location code, if available
6.	Check Number
7.	Transaction Type, include Dr (debit) or Cr (credit)
8.	BAI Transaction Description
9.	File Name
10.	Date File Imported
11.	Holiday Date

#### 4. Daily Balance Reporting Accessed via the Web

All accounts identified in ***EXHIBIT H Account Structure and Funds Flow Chart*** and any future accounts established will also require daily balance reporting of prior-day information accessed via the bank's web-based system by **7:30 a.m. E.T.** These reports must be human-readable with on-line viewing, downloading, and printing capabilities. DOL prefers the flexibility to customize these reports by selecting the data elements and appearance of the reports. In addition, this reporting capability should have the flexibility to be organized by specific DOL-selected account groups.

For each account, the following prior-day data field elements should be available for reporting:

1	Closing Ledger Balance
2	Opening Available Balance



3	Closing Available Balance (collected)
4	Total Credits
5	Total Debits
6	All Debit and Credit Transaction Detail
7	1-day float
8	2+ day float

For all the reporting fields, there should always be data reported. Therefore, if there is no amount reported, the bank should input 0.00 in the specific amount field.

See **EXHIBIT QQ** for an example of the **Prior-Day Account Balance Sample Report**.

For all the controlled disbursement accounts, the bank must also provide daily same-day controlled disbursement reporting accessed via the bank's Web-based Inquiry Communication System by **10:15 a.m. E.T.** These reports must be human-readable with online viewing, download, and print capabilities.

As part of the controlled disbursement services requested, the selected bank must have the capability of providing the State with electronic final notification of same-day aggregate ACH and Check clearance/settlement totals (total disbursement funding requirement) by account.

## 5. Monthly Bank Statement

On a calendar month basis, the bank must provide OMB, Cash Accounting with web-based access to a *Monthly Bank Statement*. This information must be accessible for a minimum of **eighteen (18) months** via the bank's Web-based Inquiry Communication System.

See **EXHIBIT RR** for an example of the **Monthly Bank Statement**.

The Monthly Bank Statement must include the following elements:

- Account Number
- Statement Period
- Number of Deposits/Credits
- Number of Withdrawals/Debits
- Number of Days in Cycle
- Statements Beginning Balance
- Amount of Deposits/Credits
- Amount of Withdrawals/Debits
- Statement Ending Balance
- Average Ledger Balance
- Average Collected Balance

This report must be provided in its entirety and without parts in PDF format via the bank's Web-based Inquiry Communication System **by 3:00 p.m. E.T. three (3) business days after the end of the calendar month.** If transmitted to the State electronically, the data must be sent **by 10:00 a.m. E.T. two (2) business days after the end of the calendar month.**

In addition, the bank must provide a CD-ROM of the entire *Monthly Bank Statement* by **3:00 p.m. E.T. three (3) business days after the end of the calendar month** and if requested by OMB, Cash Accounting a hard copy statement by **3:00 p.m. E.T. five (5) business days after the end of the calendar month; at no cost to the State.**

## **6. Monthly ARP Reports-Monthly Reconciliation Statement and Examples**

The bank must provide, to Treasury, OMB Cash Accounting, a monthly ARP recap report that is in a layout consistent with and contains the same information displayed in the Monthly Reconciliation Statement. Each line item listed in the Monthly Reconciliation Statement must have a detailed report of the month's activity. See ***EXHIBIT SS Monthly Reconciliation Statement and Support.***

See the following exhibits for supporting documentation containing reports:  
***EXHIBIT TT Miscellaneous Debits;*** ***EXHIBIT TT1 Miscellaneous Credits;***

**EXHIBIT TT2 Checks Paid; EXHIBIT TT3 Consolidated Checks; EXHIBIT TT4 Stop Payments; and EXHIBIT TT5 Unpaid Checks.**

The reports must be provided in its entirety and without parts in PDF format via the bank's Web-based Inquiry Communication System **by 3:00 p.m. E.T. three (3) business days after the end of the calendar month.** If transmitted to the State electronically, the data must be sent **by 10:00 a.m. E.T. two (2) business days after the end of the calendar month.**

The State must have the ability to search the PDF formatted reports online by check number, amount, and date; and print, download, and save these monthly statements in a PDF format.

This information must be accessible for a minimum of **eighteen (18) months** via the bank's Web-based Inquiry Communication System. If requested, hard copies of these reports must be provided without additional charge to the State, sent to Treasury, OMB Cash Accounting, and received by no later than **3:00 p.m. E.T., five (5) business days after the request was made.**

State of New Jersey  
Department of the Treasury  
Office of Management and Budget  
Cash Accounting Unit  
33 West State Street, 6th Floor  
Trenton, New Jersey 08608

## **7. Monthly Consolidated Recap Report**

On a monthly basis, the bank must provide OMB, Cash Accounting an electronic *Monthly Consolidated Recap Report*. This report must be provided in its entirety and without parts in PDF format via the bank's Web-based Inquiry Communication System **by 3:00 p.m. E.T. three (3) business days after the end of the calendar month.** If transmitted to the State electronically, the data must be sent **by 10:00 a.m. E.T. two (2) business days after the end of the calendar month.**

The hard copy and electronic reports must contain the information of all the checks issued, paid, stopped, and canceled for the reconciliation period and contain all

outstanding items for the **prior eighteen (18) months**. The reports must also include the total number and dollar amount for paid and outstanding items.

If requested, hard copies of these reports must be provided without additional charge to the State, sent to Treasury, OMB Cash Accounting, and received by no later than **3:00 p.m. E.T., five (5) business days after the request was made.**

The bank's Web-based Inquiry Communication System must allow users the ability to search by check number, amount, and date; and print, download, and save these reports in their entirety in the PDF format

See ***EXHIBIT UU Monthly Consolidated Recap Report***.

#### **8. Daily File Receipt Report**

On a daily basis, the Department personnel must be able to view a Daily File Receipt Report that outlines by account number the date, time, amount, and the number of items for the ACH files received.

The **Daily File Receipt Report** must be provided in its entirety and without parts in PDF format via the bank's Web-based Inquiry Communication System **by 9:00 a.m. E.T. the next day.**

See ***EXHIBIT VV Daily File Receipt Report***.

#### **9. Outstanding Settlement Report**

The bank must submit an Outstanding Settlement Report on a monthly basis via the bank's Web-based Inquiry Communication System, which must include the following elements:

- Previous Outstanding Balance
- Plus New Issues
- Plus Paid-No-Issues
- Minus Cancellations
- Minus Previous PNI Issue Received
- Minus Paid Checks

- Minus Previous Outstanding Deleted
- New Outstanding Balance

The **Outstanding Settlement Report** must be accessible for a **minimum of eighteen (18) months** via the bank's Web-based Inquiry Communication System **by 3:00 p.m. E.T. three (3) business days after the end of the calendar month.** If transmitted to the State electronically, the data must be sent **by 10:00 a.m. E.T. two (2) business days after the end of the calendar month.** It must allow users to print, download and save the reports in the PDF format and must be provided in its entirety and without parts. See ***EXHIBIT WW*** for an example of the **Outstanding Settlement Report.**

## 10. Other Reports

On a monthly basis, the bank must submit the:

- **Diagnostic Summary Report** – any check listed on this report must contain check number, check amount, check date (issue date, stop date, and/or paid date), and the exception that caused this item to be included on this report.

Both reports must be accessible for a **minimum of eighteen (18) months** via the bank's Web-based Inquiry Communication System and must allow users to print, download and save the reports in the PDF format.

These reports must be provided in its entirety and without parts in PDF format via the bank's Web-based Inquiry Communication System **by 3:00 p.m. E.T. three (3) business days after the end of the calendar month.** If transmitted to the State electronically, the data must be sent **by 10:00 a.m. E.T. two (2) business days after the end of the calendar month.**

The bank must be aware that all the reports listed in this section must be available to be delivered on hard copies if requested. It must be provided without additional charge to the State, sent to Treasury, OMB Cash Accounting, and received by no later than **3:00 p.m. E.T., five (5) business days after the request was made.**

## 11. Monthly Status of Forgery Investigations

On a monthly basis, the bank must provide DOL a status report of forgery investigations listed in account number order. This information must be accessible for a **minimum of six (6) months** via the bank's Web-based Inquiry Communication System. DOLWD should have access to this report by **3:00 p.m. E.T. three (3) business days** after the activity date. For each outstanding forgery claim, the following information should be included on the monthly status report provided:

1	Payee Name
2	State Bank Account Number
3	Check Issue Date
4	Check Number
5	Check Amount
6	Date Check was Cashed
7	Receipt Date of Forgery Affidavit
8	Status of Claim
9	Name of Cashing Bank
10	Response of Cashing Bank
11	Bank Assigned Case Number

Hardcopies of this report may be requested and must be provided without additional charge to the State, sent to DOL, and received by no later than **3:00 p.m. E.T., five (5) business days** after the request was made.

If a forgery is not corrected within **60 days** after notification by the State, the State reserves the right to withhold the total check amount under investigation from the bank's monthly payment.

## 12. MICR Rejection Analysis Report

The State is requesting daily and monthly MICR Rejection Analysis Reports for all checks printed by the Office of Information and Technology and cleared through an account established as a result of this RFP. Since MICR Rejections can have

significant cost implications, the State will evaluate banks favorably that take a proactive stance in tracking and reporting MICR rejections.

On a daily basis, by **7:30 a.m. E.T.**, the bank must provide the Office of Information and Technology with a Detailed MICR Rejection Analysis Report for the previous day's rejects, along with a minimum of **three (3) electronic samples of rejected checks**. This report can be provided via email or the bank's secure website. At a minimum, the report must contain the following information:

Bank Account Number
Check Number
Date Check was Presented for Payment
Rejection Reason (i.e., signal strength, extraneous ink, waveform, character formation, character spacing, character placement, skewing)
Total Number of Checks Processed
Total Number of Rejections
Percentage of Rejections

On a monthly basis, the bank must provide the Office of Information and Technology with a Summarized MICR Rejection Analysis Report via email or the bank's secure website. The summarized MICR rejection analysis report must be accessible by **3:00 p.m. E.T., three (3) business days** after the activity date. At a minimum, the report must contain the following information:

Period Begin Date
Period End Date
Total Number of Checks Processed (during the specified period)
Total Number of MICR Rejections (during the specified period)
Percentage of MICR Rejections (during the specified period)

Banks capable of providing additional information that will assist the Office of Information and Technology in detecting MICR problems and managing the check printing process will be evaluated favorably.

### 13. Aged Outstanding Report

It is the State's policy to routinely cancel all outstanding checks that are over **one (1) year old**. Approximately once a year, Cash Accounting will request that the bank provide a detailed Aged Outstanding Report consisting of all outstanding Labor items for a specific timeframe. Upon review of the Aged Outstanding Report, Cash Accounting will officially request that the bank cancel the outstanding items.

The report must be provided electronically, preferably in PDF format, and contain all the outstanding items for all accounts associated with this RFP; within the specified timeframe. At a minimum, the report must include the following fields: the bank account number, the original check serial number, and the original check issue date.

### K. Bank Contact Personnel

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

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

The State requires that the bank designate a **minimum of two (2) individuals** for each category noted below (not necessarily all-inclusive) who will be responsible for responding to daily inquiries, resolving on-going problems and providing initial and ongoing training, etc.

1	ARP Reconciliation
2	ACH and Debit Card Claimants (Enrollments and Activations)
3	ACH Transmissions (Including Debit Card Payments)
4	ACH Inquiries and Fails



5	Debit Cards (Issuance, Delivery, Replacements, Cancellations)
6	Debit Card Claimant Inquiries
7	Check Issuance – Positive Pay
8	Check Testing
9	Check Status Inquiries
10	Forgery Investigations
11	Controlled Disbursement Reporting
12	Daily Balance Reporting
13	Web-based Inquiry Communication System
14	Wire Room
15	Bank Statements (credits and debits)
16	Invoice and Bank Analysis
17	Training (Initial and Ongoing)

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

#### **L. Customer Service**

The bank must respond to all State inquiries in a prompt, efficient and courteous manner. The bank’s performance standards regarding the number of rings prior to calls being answered and the average “on-hold” time must be consistent with current industry standards.

The State must have access to the bank’s customer service representatives in all areas listed in the **Bank Contact Personnel** section of this RFP at a minimum during normal State working hours; **Monday through Friday, 7:30 a.m. to 4:30 p.m. E.T.** In addition, critical function bank personnel (i.e., file transmission personnel) must be available **twenty-four (24) hours a day, 365 days a year.**

Customer services representatives must be properly trained and thoroughly versed in the contract requirements. Inquiries that cannot be answered immediately and require

additional research; must be resolved **within twenty-four (24) hours**. Complex inquiries may be granted additional research and resolution time at the State's discretion.

The Bank must clearly identify and provide contact information for each customer service section that is responsible for resolving specific types of issues (e.g., ACH reversals, fraud investigation, account closures, fund transfers). The Bank must also provide contact information for supervisory staff of these sections in the event that the 24-hour resolution deadline is exceeded. Consistent failure to meet resolution deadlines may result in the cancellation of the agreement.

On a monthly basis, the State will send the bank an open issues report. Included in this report will be all the major open customer service issues that remain unresolved and the actions taken to date. The bank must respond to all of the open issues listed in this report **within five (5) days of receipt**, providing the status of the open items and the anticipated timeframe for resolution.

#### **M. Training**

The bank must provide adequate training both initially and ongoing to ensure that State personnel thoroughly understand all report information and can identify the codes indicated on all reports. All ARP processes and reports must be reviewed and approved by State personnel prior to start up.

The bank must be certain that all modules of the Web-based Inquiry Communication System are operating properly and that State personnel have been properly trained on the operation of each module. All systems must be explained and demonstrated to representatives from DOL and OMB, Cash Accounting during the implementation and testing phases.

In response to this training requirement, the bank must provide in its proposal a training schedule and a training agenda. The bank or its subcontractor(s), if applicable, will provide training for relevant procedures. All training procedures proposed by the bank will be subject to State approval. The bank must submit the name(s) of the individual(s)

who will be conducting the training program for the State, along with a profile of their training experience.

Training must be provided to DOL and OMB Cash Accounting representatives at a centralized Trenton location.

A minimum of **six (6) sets** of operating manuals must be provided to the State, preferably in hard copy, with any subsequent additions, deletions, or revisions to the manuals forwarded to the State promptly.

## **N. Implementation and Testing**

The bank must provide a detailed implementation and testing schedule starting on the date of contract award and ending **prior to October 1, 2021**. The start date and end date for each critical RFP element, along with the amount of State personnel time and resources, must be included in the implementation and testing schedule.

The implementation and testing schedule must highlight **all** critical RFP elements including, but not limited to: the opening of accounts, establishing account administrators, providing account tokens, establishing State access to **all** required modules of the bank's Web-based Inquiry Communication System, check MICR testing, file transfer testing, State approval of bank reports and bank statements, the transition of current claimant information and the training of necessary State personnel.

The bank's implementation and testing schedule must clearly define how the bank will address the transition of current claimants, new debit card enrollees, balances remaining on existing debit cards, the approval of marketing materials, and the issuance of new debit cards. Evaluators will be seeking a level of confidence that all areas concerning the transition of the debit card program have been considered and included in the proposed implementation and testing timeframe to achieve an **October 1, 2021, live date**.

During the implementation and testing phases, bank personnel must be available for weekly status conference calls. If warranted, the State may request the bank send

representatives to meet with DOL and Cash Accounting at a centralized Trenton location.

Given the nature of the funds that will be disbursed from the Labor accounts, the bank must be willing and capable of attending multiple post-implementation meetings at a centralized Trenton location if there are contractual concerns. The implementation and testing schedule must include at least one face-to-face post-implementation meeting.

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

**O. Debit Card Payment (or an alternate payment method) Program Implementation**

The awarded bank will be responsible for the management of the complex transition from DOL's current Debit Card Payment Program Provider (or an alternate payment method) to its new card program resulting from this contract. The bank must develop a marketing plan that details changes in the Debit Card Payment Program (or an alternate payment method). The bank must advise claimants when they will receive a new debit card (or an alternate payment method). And the effective date of the new card (or alternate payment method). Language must be included so that the claimants do not destroy the debit card prior to the balances being expended in order to obtain the full value of their old card. The Bank will also advise claimants on how to obtain customer service assistance on the new program. The plan must be communicated to the claimants prior to and during the transition, including to those claimants who do not activate their new debit cards (or an alternate payment method). The goal is to provide the State and the Claimant a smooth and seamless transition.

## VI.EVALUATION CRITERIA

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

The following general criteria, not necessarily listed in order of significance, will be used to evaluate the banks' proposals. A more detailed evaluation worksheet may be developed, which may expand on the technical requirements of the RFP. The State reserves the right to request additional information prior to contract award. If the bank proposes an alternate payment method, the bank is to demonstrate how the bank will carry out the payments and requirements contained herein.

The bank's overall response to all questions in <b>Section VII., Vendor Response.</b>
The bank's overall experience on projects of similar scope and size.
Response to possible follow-up inquiries.
Bank branch presence and free check cashing capabilities
The bank's financial condition and ratings.
Clarity and completeness of the required sample reports and documents.
Web-based Inquiry Communication System reliability, capabilities, and ease of use.
The adequacy of the security measures, contingency plans, and backup procedures.
The bank's commitment to provide adequate technical and personnel resources to satisfactorily meet the requirements of the RFP.
ACH sending, receiving, and reporting capabilities.
Debit Card Program Administration along with customer service via web-based system, IVR, and operator-assisted in multiple languages.
Depository services, including teller deposits and desktop deposit scanners.
The State's overall assessment of client references.
Completeness and feasibility of the bank's implementation, testing and training plans.
Check imaging capabilities (check images front and back), seven (7) year archive, and document destruction (if applicable).

Ability to accommodate any future State-mandated program changes within the time frame acceptable to the State.

Any other information that would assist the State in the selection process.

Cost.

## VII.VENDOR RESPONSE

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

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

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

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

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

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

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

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

3. If a merger/acquisition has recently occurred or been announced prior to or during the vendor's proposal preparation period, identify all relevant or emerging dates surrounding the merger relative to the official name change, system changes, account number changes, and ALL operational changes that could affect or impact the State's required services, if known at the time of bid submission.

Confirm the bank and any successor vendor (in the event of merger/acquisition or other change in operating status), will assume sole responsibility for the complete effort of any contract(s) awarded to the bank subsequent to its bid submission, and assume all cost incurred by the State, directly or indirectly, in connection with or as a result of the transition.

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

4. Confirm the bank maintains a strong branch presence throughout the State of New Jersey. The bank must provide a detailed list of all bank ATMs and branch locations throughout the State, broken down by county. The bank must also provide a detailed high-resolution map of the State with all its *in-network* ATMs and branch locations depicted.

The bank must provide a current list of all bank ATMs and branch locations throughout the United States, Puerto Rico, and the US Virgin Islands.



If a branch location closure/merger has recently occurred or been announced prior to or during the vendor's proposal preparation period, the bank must disclose this information at the time of bid submission.

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

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

The bank must define the methods of file transmission it plans to utilize to deliver services as requested in the Department of Labor and Workforce Development Services RFP and include sample file layouts.

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

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

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

- a. **Financial Statements:** The bank and any direct subcontractors must include their most recent audited financial statements or financial comments if a privately held company.
- b. **Ownership Disclosure Form:** The Bank and all subcontractors must complete an Ownership Disclosure Form and include copies with each bank proposal. See **EXHIBIT B Ownership Disclosure Form**.

- c. **Non-discrimination Law:** The Bank must acknowledge anti-discrimination law **N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A. 10:5-1 et seq., N.J.S.A. 10:5-31 through 10:5-38 and N.J.A.C. 17:27-3.4**, and abide by all rules and regulations issued thereunder.
- d. **Collateralization of Deposits:** Confirm the bank's ability to adhere to the Department of the Treasury Collateralization Policy. Refer to **EXHIBIT C Policy Statement: Department of the Treasury Collateralization Requirements for State Held Deposits**.
- e. **Proof of Registration Requirements:** The Bank and all subcontractors must submit a copy of the Business Registration Certificate(s) prior to the time of the contract award.
- f. **N.J.S.A. 52:34-13.2:** Confirm the bank and all subcontractors' ability to adhere to **N.J.S.A. 52:34-13.2**. The State prefers the vendor submit with its bid proposal **EXHIBIT D N.J.S.A. 52:34-13.2 Certification**, completing all sourcing information required of the bank and any proposed subcontractor identified in its proposal. If the certification was not submitted with the bid proposal, confirm the bank's ability to submit the required document within **five (5) business days** of the State's request for the information.
- g. **Public Law 2005, Chapter 51 / Executive Order 117 (2008) Dual Certification:** Vendors must complete and submit **EXHIBIT E Two-Year Chapter 51/ Executive Order 117 Vendor Certification and Disclosure of Political Contributions Form** within **five (5) business days from the date on the "Intent to Award" letter** issued by the Office of Management and Budget, Cash Management Unit.
- h. **Disaster Recovery Plan:** Vendor must include a summarized Disaster and Recovery Plan in the vendor's proposal, and detailed plans must be made available for State review. Specifically address your contingency plans for data processing systems, equipment, power, information reporting, or other failures that would affect services or reporting of data. Confirm that the bank's system will be completely functional within **48 hours** of a major disaster.

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

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

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

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

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

- i. **Destruction Requirements**: Confirm the bank will destroy **all** public documents in accordance with State regulations and follow the retention schedule promulgated by NJDORES.
8. Acknowledge the bank understands the State reserves the right to increase or decrease the number of accounts and change the payment types issued from these accounts during the course of the contract term. Acknowledge the bank understands the State will require prior day, intra-day (controlled disbursement) reporting for **all** accounts established as a result of this RFP.
  9. Confirm the compensating balance will be considered as the total average collected balance of the account(s) less the non-earning Federal Reserve requirement in effect during the course of the contract term. Confirm the earnings rate will be determined from the average of each month's 13-week Treasury bill yield auction results.

Confirm the bank will pay, via compensating balances, State invoices for pre-printed laser check stock that will be submitted by DOLWD. Confirm the bank will pay these invoices **within thirty (30) days of submission to the bank.**

10. Provide the names and contact information for the officers and management personnel (including any subcontractors' personnel, if applicable) who will be responsible for the fulfillment of the services requested herein; e.g., daily operations, hard copy reports, electronic reports, file transmission issues, daily balance reporting, ARP reporting, invoices/analysis, bank statements, earnings credit rate, controlled disbursement, positive pay, ACH services (i.e., debit cards and related services, debit blocks) desktop deposit services, Web-based Inquiry Communication System to perform account detail/summary lookups (i.e., ACH Failures, NOCs, paid check images and transaction detail information) and to initiate transactions (i.e., stop payments, payment cancels, payment issues, wires, and fund transfers), disaster and recovery, technology issues, customer services, implementation and testing, and training.

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

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

11. For reference purposes, provide the names, addresses, contacts, and telephone numbers for **three (3) of your present customers** for whom the bank is providing similar services as those requested herein; ACH (including debit cards), ACH debit blocks, ACH sending capabilities and Check disbursement services, controlled disbursement, positive pay, earnings credit rate,

bank reconciliation, daily balance reporting, access to the bank's Web-based Inquiry Communication System to complete inquires and to perform/initiate transactions. If possible, provide references with activity volumes equal to or greater than those depicted in this RFP. Include any other information concerning the bank's experience that would assist the State in evaluating the bank's capabilities.

12. Describe in detail the bank's customer service operation, procedures, turnaround/response times, and staffing levels. Complete customer service capabilities and resources may be reviewed at an oral presentation or viewed and critiqued by the committee if a site visit is requested by the State.
13. The Bidder must state whether it has had a contract terminated for default in the last five (5) years. Termination for default is defined for these purposes as notice to stop performance delivery due to non-performance, or poor performance and non-performance was either: not litigated due to inaction of the Bidder; or litigated and determined that the Bidder was in default.
  - a. If the Bidder has had such a contract termination, the proposal should contain full details, including the party's name, address, and telephone number. The Bidder should explain the action taken to correct the problems involved prior to contract termination.
  - b. If the Bidder has not had a contract terminated for default in the last five (5) years, state this fact clearly.
14. Confirm that all accounts established as a result of this RFP will be established as "Preferred Status" accounts. Confirm that all accounts will be established with a credit line sufficient to cover all daylight overdrafts without penalty or additional charge to the State, and all ACHs, checks, and wires will be honored regardless of the current balance in the account(s). Confirm the bank will cover overdrafts on those occasions when there is a non-bank holiday.
15. Confirm the bank is a member of the National Automated Clearing House Association (NACHA) and will follow the rules and regulations as outlined in the latest published ACH operating manual. Confirm the bank's ability and willingness to support advancements offered by the ACH Network.

Confirm the bank will use the highest level of security to protect the State's files, data, and the integrity of the ACH system. Confirm the bank has electronic CCD, CCD+, PPD, and CTX file transfer sending and receiving capabilities.

16. Confirm that all accounts established as a result of this RFP will be protected against unauthorized ACH debit activity. Confirm the bank will notify the Cash Accounting Unit and DOL immediately via email if unauthorized attempts are made to access State funds. Confirm the bank will cooperate with State personnel and officials to identify violators and to protect the integrity of all State of New Jersey bank accounts.
17. It is State practice to transmit ACH files to the bank two (2) days prior to settlement. However, circumstances may cause the State to transmit an ACH file to the bank one (1) day prior to settlement. Confirm the bank's ability to process an ACH transmission file received one (1) day prior to the settlement date.
18. Confirm the bank's ability to accept ACH Issuance Files on Saturdays, Sundays, and holidays. Confirm the bank's system is able to accept the weekend and holiday files as discrete files and not as corrections/re-writes of the previous day's file.
19. Confirm the bank's ability to send an electronic confirmation/acknowledgment **within thirty (30) minutes of transmission receipt**. Define how the bank will provide the electronic confirmation/acknowledgment (via the Web-based Inquiry Communication System, an email, or via the original method of transmission).

Confirm the bank's ability to provide the following information in the electronic confirmation/acknowledgment: date and time the file is received, account number(s) the transmission references, the total number of records, and the total dollar amount of the file.

20. Confirm the bank's ability to notify the State of ACH Issuance Transmission Failures as requested in this RFP.

In the event of a faulty file transmission, if it is determined, by the State, that both parties have exhausted all acceptable electronic file transmission options, a CD-ROM or DVD ROM will replace the electronic transmission file. Confirm the bank's willingness and ability to make

courier arrangements for file pick up and processing. If the bank is unable to commit to this backup procedure, it must offer a detailed description of another alternative.

21. Confirm that all ACH transaction items will be accessible to the State via the bank's Web-based Inquiry Communication System the same day of settlement **by 8:00 a.m. E.T.** Confirm that all other ACH transaction items (i.e., ACH Fails and NOCs) will be accessible to the State via the bank's Web-based Inquiry Communication System **by 8:00 a.m. E.T. the morning after the transaction item is received by the bank.** Confirm that users will have the ability to search for ACH Fail items by selecting an account number and return date.
22. Confirm the bank's ability to administer a *Debit Card Payment Program* (or an alternate payment method) **at no cost to the State.** For reference purposes, list the number of Debit Card Programs the bank currently administers with disbursement volumes and dollar amounts similar to those depicted in this RFP.

Confirm that the bank will not deny a claimant enrollment into the *Debit Card Program* unless the bank is required by federal or state law to do so. Confirm the bank's debit card enrollment procedures do not require claimants to submit to a credit check or credit line approval process.

Confirm the *Debit Card Payment Program* administered by the bank will offer Regulation E coverage, individual FDIC protection, and zero liability protection for lost or stolen debit cards.

Confirm the card design will be generic and contain no indication that the cardholder is the recipient of government benefits. Acknowledge the bank understands that the DOL reserves the right to edit, review and approve the debit card design and that all card artwork will become the property of the State. If an alternative to DR Cards is proposed, please describe in detail the alternative plan, how it will be implemented, what is required by the State, how the vendor will validate the authenticity of the claimants, how funds can be reversed, held, or replaced, the cost that will be passed to the claimant, and additional charges to the State. The charges must be outlined by line item.

23. Describe **in detail** how the bank will guarantee a smooth and seamless transition from DOL's current *Debit Card Program* provider to a new Debit Card Program (or an alternate payment method) provider. List the critical steps involved in communicating the change in vendor to DOL's claimants, including, but not limited to: instructing claimants not to destroy their existing

card until after balances are exhausted, when new debit cards (or an alternate payment method) will be received, the effective date of the new debit cards (or when payment will be made by an alternate method), how to activate their new debit card (if issued), how to access their account balance and transaction history, how to avoid unnecessary transaction fees, how to obtain customer service assistance and what languages are supported.

24. Include a sample *Marketing Plan* for evaluation purposes which identifies each critical step in communicating the change in the *Debit Card Program* (or an alternate payment method) provider both prior to the change and during the transition process. Identify the beginning and end dates for each of these steps in order to achieve an **October 1, 2021 contract live date**. Include sample/mock-up marketing materials including, but not limited to: sample letters to both existing and new debit cardholders, sample website notifications to be included on DOL's website, and sample public service announcements. Acknowledge and accept that all bank-prepared marketing, communication, and instructional materials will be subject to DOL review and approval prior to release.
  
25. Include a sample *Debit Card Welcome Package* (or an alternate payment method) for evaluation purposes that includes, at a minimum, a debit card, an instructional pamphlet, information on how to access funds, transaction fee disclosure and guidelines to avoid fees, frequently asked questions and answers and a wallet-sized information card which contains a list of transaction fees, tips to avoid transaction fees, the customer service website address and the toll-free customer service phone number. **NOTE**: The RFP requires that the bank provide the *Debit Card Welcome Package* (or an alternate payment method) in both English and Spanish, at a minimum.
  
26. Confirm the debit cards issued as a result of this RFP will be accepted by all participating Visa or MasterCard merchants (including those that accept internet, mail, and telephone orders) and allow for PIN-based and signature-based purchases. Confirm the claimant's available balance will be queried every time a PIN-based POS transaction is attempted, and transactions that exceed the cardholder's account balance will be declined.

Confirm that claimants will have the ability to receive cashback with a POS transaction based on either the merchant limit or the bank's cash-back withdrawal limit. Disclose the bank's debit card cash-back withdrawal limit.



27. Describe in detail the bank's internal controls to secure debit card inventory, to prevent counterfeiting of debit cards, and to verify debit card activation by DOL claimants. Confirm that initial debit cards will be provided to the cardholder, **at no cost to the State or the cardholder** and that cardholders can request one (1) replacement card per calendar year, **at no cost to the State or the cardholder.**

Outline the bank's requirements and procedures for investigating fraudulent debit card claims. What internal controls are in place to track duplicate fraudulent debit card claims? Define how the bank will notify the DOL about fraudulent claims and duplicate fraudulent claims.

Confirm the bank will promptly investigate all fraudulent debit card claims. Define the turnaround time for claimants to receive a replacement debit card after a fraudulent claim is properly filed with the bank.

28. Define the bank's policies and procedures for the estates of deceased cardholders. Describe the bank's notification requirements, including the information and legal documentation required to submit a claim. Define the turnaround time for the release of claimants' funds to their designated beneficiaries.
29. Describe how the bank will offer bank teller access throughout the United States, Puerto Rico, and the US Virgin Islands. Describe how the debit card will be compatible with diverse financial institutions in and out of the bank's proposed bank teller network.

Describe how the bank will offer *in-network* ATM Machine access throughout the United States, Puerto Rico, and the US Virgin Islands. Describe how the debit card will be compatible with diverse financial institutions in and out of the bank's proposed ATM *in-network* locations and allow for the withdrawal of cash through a normal ATM transaction.

30. Confirm the bank's ability to receive and process the *Enrollment and Profile Update Files* Monday thru Friday by **6:00 a.m. E.T.**, including State holidays.

Confirm the bank's ability to provide the State with a *New Cardholder Accounts Added File* no later than the following business day. Provide a sample *New Cardholder Accounts Added File* for evaluation purposes.

Confirm the bank's ability to provide a *New Cardholder Accounts Activated File* containing new accounts/cards that have been activated by the bank. Provide a sample *New Cardholder Accounts Activated File* for evaluation purposes.

Confirm the bank's ability to provide the State with a *Debit Card Return File* no later than the following business day. This file must contain rejected items resulting from the State's Enrollment and Profile Update Files and indicate any cardholder accounts that have been frozen by the bank and the reason for the freeze. Provide a sample *Debit Card Return File* for evaluation purposes.

Confirm the bank's ability to provide the State with a *Debit Card Cancellation File* containing debit card accounts that have been canceled by the cardholder or bank. Provide a sample *Debit Card Cancellation File* for evaluation purposes.

31. Confirm the bank's ability to provide cardholders with access to a secure *Web-based Management Tool* that will allow cardholders to view financial transaction details posted to their accounts. Provide a sample screenshot of this page for evaluation purposes.

Confirm the website will permit cardholders to establish nearly instantaneous deposit notifications and 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 State or cardholder**.

Confirm the website will provide a search tool that will permit cardholders to find bank locations to conduct *free* ATM and teller transactions.

Confirm the bank will receive approval from DOL prior to scheduling website maintenance that is anticipated to exceed a single two (2) hour period. Confirm the bank will put a notification on the website seventy-two (72) hours prior to any normal maintenance and leave it up until the maintenance is complete. Confirm the bank's ability to switch the website over to a rollover or disaster site if maintenance is anticipated to exceed a single two (2) hour period.

Confirm the bank's ability to host public service messages on its website within two (2) hours of receipt.

32. Confirm that all products and services to be provided by the bank after contract award will comply with the accessibility requirements of Section 508 and Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794d).

Confirm the bank's willingness and ability to promptly respond to and resolve any complaints regarding accessibility of its services, which is brought to its attention.

33. Confirm the bank's ability to provide cardholders with secure access to an *IVR System* **seven (7) days a week, 24 hours per day** to obtain account information, complete routine service requests, report a card lost or stolen, reset their PIN, and to speak to a customer service representative (CSR). Confirm the *IVR System* will be accessible by touch-tone, pulse, and rotary dial telephones and that voice recognition will be a secondary option offered at each prompt.

Confirm the bank's *IVR System* will provide callers the option to press zero (0) at any time to reach a CSR.

34. Confirm the bank's *IVR System* will permit cardholders to enter a numeric or voice prompt to obtain IVR services in a minimum of English and Spanish and will offer numeric or voice prompts in no less than (8) eight of the top ten (10) most common languages spoken in NJ. Define what languages the bank's *IVR System* will support. Confirm the *IVR System* will include TTY and communications relay capability as described in the Americans with Disabilities Act.

35. Confirm the bank's IVR facility will be located within the geographical boundaries of the United States and **be available 24 hours a day, 365 days per year**, with an average wait time that is within industry standards. Confirm the bank will receive approval from DOL prior to scheduling *IVR System* maintenance that is anticipated to exceed a single two (2) hour period. Confirm the bank's ability to switch the *IVR System* over to a rollover or disaster site if maintenance is anticipated to exceed a single two (2) hour period.

36. Confirm the bank's ability and willingness to design and implement an ongoing customer service survey through the *IVR System*. Confirm the bank will permit the DOL to review and approve the survey prior to it being released. Confirm the bank's ability to compile and report the results of the customer survey on a semi-annual basis.

Confirm the bank's willingness and ability to respond promptly to and resolve *IVR System* features that cause frequent complaints.

37. Confirm the bank will cash all checks presented for payment at all member bank locations in New Jersey **at "no-cost" to the recipient**. The bank must provide a current list of all its check cashing facilities in the State of New Jersey. The list should be organized by county. The bank should also include a map of the State with locations of all available check cashing facilities depicted.

Provide specific demographics pertaining to these locations, e.g., maximum number of tellers, lobby size, ATM presence, hours of operation, etc. If the bank maintains extended hours of operation on particular days, please detail the timeframes.

Define what forms of identification will be considered "acceptable forms of identification" by all bank locations in New Jersey.

38. Confirm the bank's ability to accept Check Issuance Files on Saturdays, Sundays, and holidays. Confirm the bank's system is able to accept the weekend and holiday files as discrete files and not as corrections/re-writes of the previous day's file.

Confirm that the bank's ability to notify the State of Check Issuance File transmission failures as requested in this RFP. Confirm the bank will send DOL and OIT personnel an electronic confirmation/acknowledgment for each Check Issuance File it receives **within thirty (30) minutes** of receipt. Define which method the bank will use to deliver the acknowledgment to the State (i.e., the original method of transmission, email, or via the web).

39. Confirm the bank's ability to provide *ARP Reconciliation Reports* via the bank's Web-based Inquiry Communication System **by 3:00 p.m. E.T., three (3) business days after the activity date**. Confirm the bank's ability to provide hard copy *ARP Reports* (if requested) **by 3:00 p.m. E.T., five (5) business days after the activity date, at "no-cost" to the State**. The bank must provide samples of its hard copy *ARP Reconciliation Reports* for evaluation purposes

Confirm the bank's ability to deliver a hard copy and electronic *Full Reconciliation Balance Sheet* containing detailed backup information (i.e., checks paid, miscellaneous debits, credit adjustments, miscellaneous adjustments, debit adjustments, outstanding deletions, new

issues received, manual issues, rejected issues, canceled issues, stopped issues, checks paid no issues, checks paid current period and checks received for previous periods) as depicted in ***EXHIBIT SS Monthly Reconciliation Statement and Support*** on a monthly basis. The bank must provide a sample of its Monthly Reconciliation Statement and backup detail information for evaluation purposes.

40. Confirm the bank's ability to provide web-based access to the following reports **by 3:00 p.m. E.T., three (3) business days after the end of the calendar month:**

- Monthly Bank Statement
- Monthly Reconciliation Statement and Supporting documents
- Consolidated Recap Report
- Recap of Posted Items
- Outstanding Settlement Report
- Stop Report
- Diagnostic Summary Report

Confirm these reports will be accessible **for a minimum of eighteen (18) months via the bank's Web-based Inquiry Communication System.**

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

Confirm checks that do not exactly match the State's issue file will be electronically presented to the Cash Accounting Unit for review and "pay/no pay" instructions. Confirm the bank's Web-based Inquiry Communication System has an edit feature available to correct check serial numbers and check amounts.

Confirm the bank will not permit checks to be resubmitted after a determination/decision has been reached by the State.

42. Confirm the bank's ability to create an *Outstanding Check File* from the data contained in the check issuance file transmissions sent to the bank. Confirm that as the checks are cleared by the bank, a computer match will be made against the outstanding field by check number and

dollar amount. Confirm the bank will reconcile each check disbursement account and maintain a *Daily Outstanding Check File* for each account.

Furthermore, confirm that a check presented through *Payee Positive Pay* and corrected due to an incorrect serial number or amount will be matched against the original issue and removed from the outstanding balance.

43. Confirm the bank's ability to provide OMB Cash Accounting, when requested, with a detailed *Aged Outstanding Report* electronically, preferably in PDF format, including bank account number, original check serial number, and the original check issue date.
44. Confirm that checks will not be cashed if any one or more of the following conditions exist: postdated checks, improperly endorsed check, endorsement missing, incorrect or missing authorized signature, check amount altered or payee name altered, and stale dated checks (unless the check was submitted for re-deposit by the State with an official date extension on the back of the check).
45. Confirm that all paid items will remain on the bank's Web-based Inquiry Communication System for a **minimum of seven (7) years from the paid date**.

Confirm that State of New Jersey employees will have immediate online access to paid check images that span back **seven (7) years from the check paid date**.

Confirm that State of New Jersey employees will have immediate online access to the following check disbursement information (stop payments, paid and outstanding checks, and miscellaneous ARP items) that spans back **a minimum of eighteen (18) months**.

46. Confirm the bank's Web-based Inquiry Communication System contains a *Check Status Inquiry Module* and a *Paid Check Imaging Module*. Confirm these modules will permit users the ability to search by check status, check stops, range stops, paid items, and check image.

Confirm the bank's web-based system will treat and present the front and back of a paid check as one single image.

Confirm the Web-based Inquiry System will provide all the functionality without the user navigating through different screens to establish status. Include screen samples. The bank must provide sample screenshots of paid check images retrieved from the *Paid Check Imaging Module*.

47. Confirm the bank can meet the *Check Forgery Investigation* and *Improperly Endorsed Check* requirements as stipulated in the RFP text, including the stipulated **sixty (60) day** turnaround time for payment to the State? Confirm the bank will **not charge** the State of New Jersey or the payee/claimant a fee for issuing or replacing a previously issued cashier's check. What assurances can the bank provide the State that your bank will be proactive/aggressive regarding forgery investigations?

Confirm the bank's ability to email OMB, Cash Accounting, with a monthly *Forgery Investigation Status Report* containing the details required in this RFP. The bank must provide a sample *Forgery Investigation Status Report* for evaluation purposes.

48. Confirm the bank's ability to MICR encode **all** checks presented for deposit with the correct dollar amount, the endorsement "for deposit only," and the date the deposit is posted to the account.

Confirm that **all** deposits will be processed for collection and credited to the State's accounts the same day in accordance with the appropriate Federal Reserve District Availability Schedules.

49. Confirm the bank's ability to deliver deposit discrepancy adjustments to DOL **within three (3) business days** of the deposit date or the return of a deposited check. Confirm that all adjustment memorandums (debit or credit advice) will include the details required in this RFP.

Confirm that the bank will immediately redeposit checks that are not honored the first time because of insufficient funds and that DOL will be notified **within twenty-four (24) hours of receipt** of a dishonored check.

50. Confirm the bank's ability to provide the State with **three (3) web-based Desktop Deposit Scanners** including all the necessary software, hardware (scanner), related maintenance for the term of the contract, initial set-up support and user instruction, and on-going product support. Describe the bank's Desktop Deposit Scanners, related software, and the benefits

of both. Include the number of items the scanners can process per minute and disclose if there are volume limits.

Confirm the systems will allow access to transaction history and deposit images for the most recent **ninety (90) days of business** and that after that time frame, transaction history and deposit images will be available for **seven (7) years from the date of deposit** either via the bank's Web-based Inquiry Communication System or some other bank archive system.

51. Confirm the bank's Web-based Inquiry Communication System permits users the ability to search, view, print, and download/save transaction items. The bank must provide sample screenshots for each of the web-based reporting modules required by the State.

The sample screenshots will serve as confirmation that the bank's web-based system is capable of providing the transaction detail and reporting elements required by the State. Failure to provide the required sample screenshots will result in an unfavorable score during the evaluation process.

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

Confirm the bank has a stop payment contingency plan in place that functions the same as electronic stop payments. Confirm the bank will acknowledge all electronic and manual stop payments orders **no later than 8:00 a.m. E.T. the following day**.

Confirm that all electronic and manual stop payments will be clearly identified on the bank's Web-based Inquiry Communication System and on bank statements as "outstanding" and having a "stop payment" in place.

Confirm the stop payments will become effective for that day's clearance and will remain in effect until instructed by the project manager to remove the "stop payment." Confirm the bank will not use stop payments to reduce outstanding checks balance.



53. Confirm the bank's Web-based Inquiry Communication System contains a *Replacement Check Module* that will permit OMB, Cash Accounting to upload a file (containing replacement check issue data and check cancel data of the "original" check) to the bank's ARP System. Confirm the bank's ability to provide OMB, Cash Accounting with a *Confirmation Report* by **8:00 a.m. E.T.** the morning after the file is successfully uploaded and received by the bank.

Confirm the bank's ARP System is capable of matching the check cancel data that is uploaded to the "original" check issue data on file. Confirm the bank's ARP System will perform a match against the "original" check number, account number, and dollar amount. Confirm that all accepted items and exception items (items that the bank's ARP System cannot match) will be provided on a *Confirmation Report* by **8:00 a.m. E.T.** the morning after the file is uploaded to the bank's ARP system.

Confirm the bank's web-based *Replacement Check Module* can accept multiple check issues and multiple check cancellations on a single screen without requiring the user to log in after each transmission. Confirm the bank has a replacement check contingency plan that functions the same as the check issuance transmission. The bank must provide a detailed description of its replacement check contingency plan in its proposal.

54. Confirm that the bank is a member of the Federal Reserve Direct Wire System. Provide a detailed description of the bank's Web-based Wire Transfer System and include sample screenshots. Confirm DOL will be able to view the status of a wire immediately after the wire is approved. Confirm a daily final Confirmation Report will be available to the State via the bank's web-based system **no later than 3:00 p.m. E.T.**

Confirm the bank can comply with the State's requirement to wire transfer funds upon request without regard to the balance in the account? Define and explain any restrictions that will prevent the bank from immediately complying with the State's request to wire transfer funds.

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

55. The bank must describe its *Automated Reconciliation Services* and include in its proposal a sample report or mockup of all the *ARP Reports* as requested in the RFP with explanations for codes, abbreviations, etc. The bank must indicate the bank's ability to provide the reports on the specified media (i.e., email, web-based, hard copy, and CD-ROM).

56. Confirm the bank's ability to accept transmission files **seven (7) days a week** and its ability to accept files transmitted on holidays, Saturdays, and Sundays as discrete files and not as corrections/rewrites of previously sent files.

Confirm the bank's ability to email and telephone OIT personnel if a transmission is not received within the timeframe established between the State and the bank.

Confirm the bank's ability to send OIT Production Services a *Confirmation Email* containing the total number of records and the total dollar amount of the State's transmission file(s).

57. Confirm the bank's ability to send OIT Production Services a *Notification Email* containing the status (success or failure) of the bank's file transfer to the State.

In the event that the bank cannot successfully transmit a file to the State, confirm the bank will email and telephone OIT Production Services **within 2 hours after the scheduled time**.

58. Confirm the bank's ability to electronically provide the daily required automated balance reporting (prior-day and controlled disbursement) as defined in the RFP by **7:30 a.m. & 10:15 a.m. E.T. respectively** in the unencrypted BAI2 format directly to the State's vendor, Fidelity National Information Services, Inc., using Secure File Transfer Protocol (SFTP).

Describe the bank's controlled disbursement capabilities. For the month of August 2020, what was the earliest and latest time that final presentment was provided to the bank's controlled disbursement clients?

Confirm the bank will accommodate the State's **10:15 a.m. E.T.** final presentment requirement, as defined in the RFP. On occasion, when the bank is unable to meet the **10:15 a.m. E.T.** deadline, what alternative will be used to supply the State with the required data/totals?

59. Confirm the bank can provide the Account Reconciliation Solution information to the State's third-party vendor, Blackline Inc., by **7:30 am E.T.**, as outlined in this RFP. Define any information the bank cannot provide, if any.

60. Confirm the bank's ability to provide aggregate ACH and check clearance/settlement totals by account for both 1st and 2nd presentments via the bank's Web-based Inquiry Communication

System. The bank must provide sample screenshots of both the web-based 1st and 2nd presentments for evaluation purposes.

61. Confirm the State will not incur a fee for *MICR Testing Services* (both initially and ongoing). Indicate the number of checks required for initial testing purposes and how often testing will be required?

Confirm the bank's ability to deliver *MICR Testing Results* to the State within **five (5) business days**. Indicate how the bank will deliver the *MICR Testing Results* to the State (i.e., hardcopy, email, or secure web page format).

Confirm the bank's ability to deliver a *Monthly MICR Rejection Analysis Report to the State*. Indicate how the bank will deliver the *Monthly MICR Rejection Analysis Report* to the State (i.e., hardcopy, email, or secure web page format).

Define the bank's MICR Rejection Standards and what penalties will be incurred by the State if these standards are met.

62. Confirm the bank's ability to meet **ALL** the requirements outlined in this RFP, including but not limited to: account services and maintenance, daily automated balance reporting, required bank reports/files, monthly invoice, and analysis, ACH, and Check disbursement services (including debit block), ACH reporting, ACH file transfers, access to the bank's Web-based Inquiry Communication System (including account data information, ACH detail information, and wire transfer functionality). The bank must reveal all services defined in the RFP that it cannot provide according to the specifications. The bank should indicate why the bank cannot deliver the service or standard as requested.

63. Confirm the bank will supply a minimum of **three (3) sets** of operating manuals with any subsequent additions, deletions, or revisions to the manuals forwarded to the State promptly.

Provide a detailed training outline, schedule, and synopsis of the major training categories and the trainer's name along with their experience.

64. Provide a **detailed implementation schedule** to achieve the **October 1, 2021** contract commencement requirement. Provide the beginning and end dates for each of the critical

RFP requirements: the opening of bank accounts, establishing account administrators, training State personnel, providing access to the bank's Web-based Inquiry Communication System (including account data information, ACH detail information, stop payments, and wire transfer functionality). The implementation and testing schedule must include a least one face-to-face post-implementation meeting.

Provide a detailed breakdown of the timeframes and resources required to establish and test the information exchange communications between the State and the bank pertaining to file transfer testing, automated balance reporting testing, MICR/check testing. Define both State and bank personnel commitment requirements during the conversion process. Disclose any factors that may impact the proposed deliverable schedule.

## VIII.COST SCHEDULE

All prices submitted must remain firm and fixed for the term of the contract. All prices proposed must be inclusive of all bank supplies, postage and delivery fees, equipment costs, server space, storage fees, travel expenses, overhead, FDIC charges, profit, etc., as needed to fulfill the RFP specifications.

All costs associated with initial programming, testing, training, and post-implementation meetings must be bundled into the banking fees and are not permitted to be listed as separate line items on the Cost Schedule.

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

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

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

Following are the pricing categories that are appropriate for this RFP. It is not necessary to provide pricing for each category. When completing the pricing schedule, place an "NA" in each category for which a charge is not applicable. Banks, however, must bundle their pricing categories to best accommodate the pricing categories contained on the current Cost Schedule. If a bank must add a new pricing category, the bank must clearly define the new category of service, explain any association the new category has with existing pricing categories on the Cost Schedule and provide a clear method of measurement for the additional pricing element.

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

	<b>Account Services and Maintenance</b>		
1	Account Maintenance Fee	\$	/Account/Month
2	Daily Balance Reporting (Automated Prior Day BAI2)	\$	/Month
3	Daily Balance Reporting (Automated Intra-Day–controlled disb. BAI2)	\$	/Month
4	Controlled Disbursement Maintenance	\$	/Account/Month
5	Wire-Out	\$	/Per Wire
6	Wire-In	\$	/Per Wire
7	Book to Book Transfer (not ZBA transfers)	\$	/Per Transfer
	<b>Check Disbursement Services</b>		
8	Check Paid (Positive Pay)	\$	/Per Check
9	Forgery Investigation	\$	/Per Investigation
10	Stop Payment (Manual)	\$	/Per Stop
11	Stop Payment (Web-based)	\$	/Per Stop
12	Stop Payment (Range)	\$	/Per Range
	<b>Check Depository Services</b>		
13	Check Deposited (Over the counter)	\$	/Per Item
14	Check Redeposited	\$	/Per Item
15	Returned Item (Check)	\$	/Per Item
	<b>Desktop Deposit Services</b>		
16	Desktop Deposit Implementation Fee	\$	/Per Location
17	Desktop Deposit Monthly Maintenance	\$	/Per Location/Month
18	Desktop Deposit Item Imaged / Cleared	\$	/Per Item
19	Desktop Image Scanner (5 yr. contract term, including scanner maintenance)	\$	/Per Item
20	Deposits	\$	/Per Deposit
21	Deposited Items	\$	/Per Item

<b>ACH Services</b>			
22	ACH Item Received (In)	\$	/Per Item
23	ACH File Transmission	\$	/Per Transmission
24	ACH Credits (Payments Out)		
	CCD	\$	/Per Credit
	CCD+	\$	/Per Credit
	PPD	\$	/Per Credit
	CTX	\$	/Per Credit
25	ACH Debit Block	\$	/Account/Month
26	ACH Returns	\$	/Per Item
27	ACH Recall/Reversal	\$	/Per Item
<b>Web-Based Services</b>			
28	Web-based Product Maintenance (If Applicable)	\$	/Month
29	Web-based Check Inquiry Charge	\$	/Per Inquiry
30	Web-based ACH Inquiry Charge	\$	/Per Inquiry
31	Web-based Paid Check Image Maintenance	\$	/Month
32	Web-based Paid Check Image (All Checks)	\$	/Per Item Imaged
<b>Programming Fees/Optional Services</b>			
33	Programming Fees (If Applicable)	\$	/Per Hour
34	Check Paid (Payee Positive Pay)	\$	/Per Check

**\*If an alternative to DR Cards is proposed, please insert a cost schedule outlining the charges that the State would see by line item.**

**IX. DEBIT CARD ACCOUNT OWNER – SCHEDULE OF FEES**

The bank must complete the account owner debit card fee schedule outlined below. Pricing for each category that has NOT been predefined by State RFP requirements must be submitted.

Banks may also offer additional “free” service counts beyond the number required by the State.

Pricing elements submitted here will be evaluated during the State’s technical proposal evaluation. These costs are the account owner’s responsibility and are not State costs.

All pricing submitted must remain **firm and fixed** for the term of the contract.

When completing the “bank priced” items column, submit pricing for each highlighted item or place the word “free” in any category for which your bank will not apply a charge for the service.

	<b>State RFP Requirement</b>	<b>Bank Priced Items (Bank must submit pricing for each highlighted item)</b>
<b>Monthly fees –</b>		
Monthly maintenance	<b>Free</b>	NA
Initial Card issue fee	<b>Free</b>	NA
<b>ATM and purchase transaction fees –</b>		
ATM withdrawal domestic (in-network ATMs)	<b>Free - unlimited</b>	NA
ATM withdrawal domestic (out-of-network ATMs)	<b>2 Free per month</b>	additional beyond 2 per month fee _____
ATM withdrawal international	<i>Required service</i>	_____
ATM balance inquiries** (in-network ATMs)	<b>Free - unlimited</b>	NA



ATM balance inquiries** (out-of-network ATMs)	<b>4 Free per month</b>	additional beyond 4 per month fee _____
ATM & POS transaction decline / denied	<b>Free</b>	NA
Signature-based purchase at merchant	<b>Free</b>	NA
Pinned POS purchase	<b>Free</b>	NA
Card Overdraft	<b>Free</b>	NA
<b>Other service fees –</b>		
Automated customer service inquiry - account information	<b>Free</b>	NA
Live customer service inquiry - account information	<b>Free</b>	NA
International customer service inquiry	<i>Required service</i>	_____
PIN changes	<b>Free</b>	NA
ACH cash transfer domestic - from card	<b>Free</b>	NA
Teller Cash access (limited to available balance only)	<b>Free - unlimited</b>	NA
Card replacement domestic - standard first class mail	<b>1 Free replacement</b>	additional beyond 1st replacement fee _____
Card replacement – Express delivery (additional charge)	<i>Required service</i>	_____
Card replacement international	<i>Required service</i>	_____
International Transaction Fee	<i>Required service</i>	_____
ACH debits for bill payments	<b>Free</b>	NA
Monthly account statement (mailed)	<b>Free</b>	NA
Duplicate monthly account statement	<b>Free</b>	NA
Account closure fee (check issued)	<b>Free</b>	NA
Inactivity Fee	<b>Free</b>	NA
Legal Process Fee	<b>Free</b>	NA