

**New Jersey Department of the Treasury**  
**Division of Administration**  
**Office of Fiscal and Resources**  
  
**Judiciary Disbursement Services**  
**Request for Proposal**

June 25, 2024

To: All Interested Respondents

Re: RFP – The Judiciary

**Addendum #1**

The following constitutes Addendum #1 to the above referenced solicitation.

- 1) Responses to Questions: Please see attached

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Page # RFP Section	Question	Answer
<b>Page 4</b> <b>Section A.</b> <b>Applicable Rules and Regulations</b>  Mid Penn Bank	1. Does the State consider Account Agreements/Signature Cards to be a type of bank agreement or an exhibit of signers and their signature samples?	The State of New Jersey will consider Account Signature Cards an exhibit of signers and their signature samples only when the cards are completely void of any mention or link to Account Agreements. Signature cards which mention or link to Account Agreements will be considered a bank agreement and therefore in direct conflict with State Terms and Conditions.
<b>Page 8</b> <b>Section G.</b> <b>Proposal Requirements</b>  Bank of America Merrill Lynch	2. If we are submitting our response hard copy, does the State need copies of our annual report in the 8 proposals marked copy or will you accept a link to the annual report (the report is approximately 250 pages long).	Yes, the Department of the Treasury, Division of Administration, Office of Fiscal and Resources will accept a bank's annual report in this format.
<b>Page 8</b> <b>Section G.</b> <b>Proposal Requirements</b>  Bank of America Merrill Lynch	3. If we submit our response electronically, can we provide a link to our annual report or do you need the full report included in the response. Also, if submitting via email, will you be able to establish a bank secure email account to receive the response?	The Department of the Treasury, Division of Administration, Office of Fiscal and Resources will accept a bank's annual report in this format and will establish a bank secure email account, if needed.
<b>Page 8</b> <b>Section G.</b> <b>Proposal Requirements</b>  Mid Penn Bank	4. May we send a test secure email prior to response deadline to confirm transmission and delivery?	Yes, the Department of the Treasury, Division of Administration, Office of Fiscal and Resources will confirm a bank's test secure email prior to the response deadline at: <u><a href="mailto:TreasuryBankingServices@Treas.NJ.Gov">TreasuryBankingServices@Treas.NJ.Gov</a></u> .

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<p><b>Page 12</b>  <b>Section M.</b>  <b>Termination of Contract</b></p> <p><b>Bank of America</b>  <b>Merrill Lynch</b></p>	<p>5. The document is silent on the Bank's ability to terminate the contract but it does say "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. Our regulators have informed the bank we must have termination rights in all contracts we enter. Does the State agree to grant the bank termination rights?"</p>	<p>The State of New Jersey agrees to provide the bank the right to terminate the contract for cause upon 30 days prior written notice to the State. The State must have a 60-day cure period following termination notice in order to attempt to resolve the cause for termination to a level agreeable to both the bank and the State. Notwithstanding the above, the bank must provide Transition services pursuant to State RFP Section (I.), Subsection (N.) <i>Contract Continuity/Transition Period</i> for a period of up to 180 days.</p>
<p><b>Page 14</b>  <b>Section R.</b>  <b>Assignment</b></p>	<p>6. Does the State agree to allow the bank to assign the contract to another qualified Bank affiliate without the State's prior written consent as long the affiliate complies with the terms and conditions under the contract.</p>	<p>The State of New Jersey agrees to allow the bank to assign the <i>entire</i> contract to another qualified Bank affiliate without the State's prior written consent. Any such assignee will comply with the terms and conditions of the Contract and complete all registrations required by the contract and New Jersey Statutes. A "qualified Bank affiliate" shall be defined in the same manner as in RFP Section (I.), Subsection (A.) <i>Applicable Rules and Regulations</i> as "a state or nationally chartered bank, with a branch presence in the State of New Jersey, employ New Jersey residents, and be in compliance (Continued on next page)</p>

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<p><b>Page 14</b>  <b>Section R.</b>  <b>Assignment</b></p> <p>Bank of America  Merrill Lynch</p>	<p>6. (Continued)</p>	<p>with all Federal and/or New Jersey State laws governing all services to be awarded.”</p>
<p><b>Page 18</b>  <b>Section Z.</b>  <b>Insurance</b></p> <p>Mid Penn Bank</p>	<p>7. What is the preferred evidence of insurance?</p>	<p>Upon State request only, the preferred evidence of insurance or proof of insurance is the current insurance policy document.</p>
<p><b>Page 29</b>  <b>Section A.</b>  <b>Compensating Balances</b></p> <p>Flagstar Bank, N.A.</p>	<p>8. For each of the 15 Bank accounts, what is the average monthly balance for each account? Would NJ Judiciary be able to supply redacted bank statements and/or redacted account analysis statements?</p>	<p>Please see attached Exhibit A.</p> <p>Please refer to the RFP’s Exhibit G Monthly Analysis Sample Format for a sample account analysis.</p>
<p><b>Page 31</b>  <b>Section IV.</b>  <b>Purpose and Intent</b></p> <p>Flagstar Bank, N.A.</p>	<p>9. What is the average number of “no-fee” checks cashed at local NJ branches on a monthly basis?</p>	<p>An average of 11 checks per month are utilizing the “no fee” check cashing.</p>
<p><b>Page 31</b>  <b>Section IV.</b>  <b>Purpose and Intent</b></p> <p>Bank of America  Merrill Lynch</p>	<p>10. It mentions “no fee” check cashing services. Can you provide insight as to how many checks are cashed each month and how many by county?</p>	<p>An average of 11 checks per month are utilizing the “no fee” check cashing. The statistics per county is not able to be tracked.</p>
<p><b>Page 31</b>  <b>Section IV.</b>  <b>Purpose and Intent</b></p> <p>Flagstar Bank, N.A.</p>	<p>11. What is the average monthly Stop Payment check activity per account? (#5)</p>	<p>Please see attached Exhibit B.</p>
<p><b>Page 31</b>  <b>Section IV.</b>  <b>Purpose and Intent</b></p> <p>Bank of America  Merrill Lynch</p>	<p>12. Under the list of services, number 8 and 9, can the Judiciary download bank statements and reconciliation reports from web-based reporting system in lieu of hard copy sent via US mail?</p>	<p>A physical copy must be delivered to the Judiciary for all accounts <u>and</u> the ability to access the reports electronically on a web-based reporting system.</p>

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<p><b>Page 31</b>  <b>Section IV.</b>  <b>Purpose and Intent</b></p> <p>Flagstar Bank, N.A.</p>	<p>13. What is the daylight overdraft activity (aggregate \$ volume per day)? How much of a total credit line is needed? (#11)</p>	<p>On a daily basis, the Judiciary issues \$3-\$6 million in ACH and checks. Reviewing Calendar Year 2023, there was an occurrence of \$55 million that was disbursed in a single day. The Judiciary would need to be assured for any overdraft amount that occurs during our course of business.</p>
<p><b>Page 31</b>  <b>Section IV.</b>  <b>Purpose and Intent</b></p> <p>Flagstar Bank, N.A.</p>	<p>14. What is the average number of incoming/outgoing wires per month per account? (#11)</p>	<p>Please see attached Exhibit C.</p>
<p><b>Page 33</b>  <b>Section A.</b>  <b>General Requirements</b></p> <p>Bank of America  Merrill Lynch</p>	<p>15. Please provide further insight as to what you mean by "Unauthorized Fed wires" should not be accepted into this account and should be prevented? Are you looking for some sort of mechanism to block wires from posting to the account or just provide assistance when the Judiciary discovers a wire that should be returned to the originator?</p>	<p>The Judiciary is stating that a wire unauthorized from the Judiciary should not be permitted and any wires that occur should be assisted by the bank in resolving.</p>
<p><b>Page 33</b>  <b>Section A.</b>  <b>General Requirements</b></p> <p>Flagstar Bank, N.A.</p>	<p>16. Our system does not recognize "0" as a check digit, therefore, can the bank use a three-digit number instead? {Ex: Atlantic County (101), Bergen County (102) etc.}.</p>	<p>No, the Judiciary requests that if the check should begin with 01, that it begin with 1 and the check number have one less digit compared to checks with a two digit prefix.</p>
<p><b>Page 33</b>  <b>Section A.</b>  <b>General Requirements</b></p> <p>Mid Penn Bank</p>	<p>17. In addition to the county prefix, how many digits does the State use for its check numbering?</p>	<p>Contingent on the account, the number of digits can vary, but they will not exceed 9 digits including the two digit prefix. For example, if the check has a prefix of 11 the check number would read 112144350.</p>

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<p><b>Page 33</b>  <b>Section A.</b>  <b>General</b>  <b>Requirements</b></p> <p>Flagstar Bank, N.A.</p>	<p>18. Will there be any check deposit activity? Is there a need for check scanners? How will the accounts be funded?</p>	<p>The accounts will be funded via wire transfers. There will be no check deposits into any of the Judiciary accounts.</p>
<p><b>Page 33</b>  <b>Section A.</b>  <b>General</b>  <b>Requirements</b></p> <p>Flagstar Bank, N.A.</p>	<p>19. Will there be a need for currency transactions (deposits or withdrawals) at a branch or via courier?</p>	<p>The Judiciary accounts will not require currency transactions at a branch or via courier.</p>
<p><b>Page 33</b>  <b>Section A.</b>  <b>General</b>  <b>Requirements</b></p> <p>Flagstar Bank, N.A.</p>	<p>20. Would NJ Judiciary be interested in learning about other non-check payment solutions that we could provide?</p>	<p>The Judiciary may be interested in the future but not at this time. If a bank chooses to include additional solutions in its proposal submission, it will not be considered as part of the State's proposal evaluation.</p>
<p><b>Page 33</b>  <b>Section B.</b>  <b>Accounts to be</b>  <b>Established</b></p> <p>Bank of America  Merrill Lynch</p>	<p>21. Please confirm a master funding account will not be used and each individual account will be funded with a separate wire as needed.</p>	<p>Confirmed, a master funding account would not be required, accounts would be funded with separate wires as needed.</p>
<p><b>Page 33</b>  <b>Section B.</b>  <b>Accounts to be</b>  <b>Established</b></p> <p>Bank of America  Merrill Lynch</p>	<p>22. Regarding the Preferred Status accounts, in the statement: "In the rare situation that an overnight overdraft occurs, the State requests that the bank honor all checks, ACH's, and wires without penalty or additional charge to the State". In the past year, how many times have any of the accounts in this RFP ended the day in an overdraft position? To facilitate the release of wire transfers when the balance in the account is insufficient, we will need to establish a daylight overdraft facility. Can the State provide insight as to how much daylight overdraft protection you will need?</p>	<p>In Calendar Year 2023, there were eight (8) overnight overdrafts among all Disbursement Accounts. The largest overnight overdraft was under \$700.00; however, we will need to require that any overdraft not accrue a fee. On a daily basis, the Judiciary issues \$3-\$6 million in ACH and checks. Reviewing Calendar Year 2023, there was an occurrence of \$55 million that was disbursed in a single day.</p>

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<p><b>Page 33</b>  <b>Section B.</b>  <b>Accounts to be Established</b></p> <p>Mid Penn Bank</p>	<p>23. To clarify, is the State expecting MPB to pay all Pos Pay exception items presented on days the State is not open but the bank is?</p>	<p>The Judiciary is expecting to <u>return</u> all Positive Pay exception items presented on the days the State is not open, but the bank is open.</p>
<p><b>Page 33</b>  <b>Section B.</b>  <b>Accounts to be Established</b></p> <p>Mid Penn Bank</p>	<p>24. Is the State able to provide approximate or average overnight and intraday overdrafts for Calendar Year 2023?</p>	<p>The average of the eight (8) overnight overdrafts for Calendar Year 2023 was \$261.00. On a daily basis, the Judiciary issues \$3-\$6 million in ACH and checks.</p>
<p><b>Page 36</b>  <b>Section C.</b>  <b>ACH Requirements</b></p> <p>Wells Fargo Bank, N.A.</p>	<p>25. Is there Federal Tax Information (FTI) in scope for this RFP?</p>	<p>No, the State does not anticipate any individual's Federal Tax Information to be provided as part of this contract.</p>
<p><b>Page 36</b>  <b>Section C.</b>  <b>ACH Requirements</b></p> <p>Wells Fargo Bank, N.A.</p>	<p>26. Please confirm the ACH credit and debit exposure limits?</p>	<p>The Judiciary ACH exposure would be approximately between \$3-\$6 million.</p>
<p><b>Page 36</b>  <b>Section C.</b>  <b>ACH Requirements</b></p> <p>Mid Penn Bank</p>	<p>27. How many ACH Company IDs does the state maintain for its ACH debit services and ACH credit services?</p>	<p>The Judiciary maintains eight (8) ACH Company ID's.</p>

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<p><b>Page 36</b>  <b>Section C.</b>  <b>ACH Requirements</b></p> <p>Bank of America  Merrill Lynch</p>	<p>28. "The Conditional credit cannot be reversed until the Judiciary and the bank both agree upon the resolution". Please define "agreed upon resolution."</p>	<p>Upon discovery, both the Judiciary and the bank research to come to a mutual agreement for the discrepancy.</p>
<p><b>Page 41</b>  <b>Section 1.</b>  <b>ACH Debit Origination File</b></p> <p>Mid Penn Bank</p>	<p>29. MPB's last ACH pickup window is 5:00 PM. Any file submitted for next day settlement after that time will be treated as a same-day request the following business day instead. Does the state typically have \$1.0M+ trxn's?</p>	<p>No, the Judiciary does not typically have over \$1 million in an individual transaction.</p>
<p><b>Page 43</b>  <b>Section E.</b>  <b>Check Disbursement Requirements and Services</b></p> <p>Wells Fargo Bank, N.A.</p>	<p>30. Does NJ Judiciary anticipate moving some of the 52,754 checks per year to ACH?</p>	<p>No, the Judiciary does not anticipate on moving these checks to ACH at this time.</p>
<p><b>Page 44</b>  <b>Section 1.</b>  <b>Check Issue</b></p> <p>Bank of America  Merrill Lynch</p>	<p>31. In order to ensure the bank's system is compatible with the State's systems in order to update the bank's database upon receiving check issue information we need to know additional information about your system: what type of system is the State using?</p>	<p>The Judiciary utilizes Pega 8.7.4 for its check writer to generate a CSV formatted file that is then uploaded to the bank.</p>



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<p><b>Page 48</b>  <b>Section c.</b>  <b>Probation Void File</b></p> <p>Mid Penn Bank</p>	<p>32. For Calendar Year 2023, what was the volume of voids/cancels/stops on the Probation Disbursement Account?</p>	<p>In Calendar Year 2023, there were 6,800 stop/cancels totaling \$1,616,027.33 in the Probation Disbursement account.</p>
<p><b>Page 50</b>  <b>Section 3.</b>  <b>Payee Positive Pay Services</b></p> <p>Bank of America  Merrill Lynch</p>	<p>33. "Once a check is processed through the bank's payee positive pay system and a decision/determination is made by the Judiciary, the item/check must not be resubmitted". Please define what you mean by resubmitted. If the State instructs the bank to return the Bank will return it to the bank of first deposit. However, the fraudster can resubmit / redeposit another check with the same issuance information. If this happens the check will appear on the exception list again. Is this acceptable?</p>	<p>Confirmed, this would be acceptable.</p>
<p><b>Page 53</b>  <b>Section 7.</b>  <b>Paid Check Image Retrieval and Retrieval Performance</b></p> <p>Bank of America  Merrill Lynch</p>	<p>34. "Images should be stored in a manner that allows immediate retrieval via the Internet for checks imaged within one (1) year of cancellation and 24 hours for older records." By cancellation, do you mean one year from the date the check is paid?</p>	<p>The Judiciary is stating that images should be stored for one (1) year from the check being paid or cancelled.</p>
<p><b>Page 57</b>  <b>Section 2.</b>  <b>Web-based ACH Inquiry/ Communication System</b></p> <p>Bank of America  Merrill Lynch</p>	<p>35. Due to the advancements in ACH capabilities (such as same day ACH) return item reporting can be early morning, mid-day or end of day depending on the timing of when the transaction was originated. As a result, return items and some NOC's will not be available until the day after they are received. Is this acceptable?</p>	<p>This would be acceptable.</p>

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<p><b>Page 61</b>  <b>Section b.</b>  <b>Web-based Paid Check Imaging</b></p> <p>Bank of America  Merrill Lynch</p>	<p>36. "Once an inquiry has been received by the bank's system, the bank should provide search inquiry results within five (5) seconds. The response time on the bank's system is dependent upon several factors, including the internet connection of the user and the operating system used by the requestors computer. What operating system does Judiciary use? Do you agree to meet the minimum requirements over the life of the contract?</p>	<p>The Judiciary utilizes Microsoft's operating system. We would need to review the minimum requirements to agree to that over the life of the contract.</p>
<p><b>Exhibit A</b>  <b>State of New Jersey OIT File Transfer Guide</b></p> <p>Mid Penn Bank</p>	<p>37. For the SFTP file exchange, does the State intend for the Bank/Bank's web system to PICKUP the ACH file from the State's SFTP or does the state intend to deliver, via its SFTP, the ACH file to our endpoint?</p>	<p>The State will deliver the ACH file via SFTP to the bank's endpoint.</p>
<p><b>Exhibit C</b>  <b>Policy Statement: Department of the Treasury Collateralization Requirements for State Held Deposits</b></p> <p>Mid Penn Bank</p>	<p>38. Can the state please provide monthly +/- average balances for each account in consideration?</p>	<p>Please see attached Exhibit D.</p>
<p><b>Exhibit H</b>  <b>New Jersey Judiciary Account Structure and Funds Flow</b></p> <p>Mid Penn Bank</p>	<p>39. What method(s) does the State use for interbank transfers-- ACH, wire, etc.?</p>	<p>Interagency transfers are completed via wire transfer.</p>
<p><b>Exhibit H</b>  <b>New Jersey Judiciary Account Structure and Funds Flow</b></p> <p>Mid Penn Bank</p>	<p>40. What is the volume of international wire transfers requested for Calendar Year 2023?</p>	<p>There were zero (0) international wire transfers in Calendar Year 2023.</p>

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Written responses contained in the Addendum will amend the RFP and control. Vendors must sign this addendum below and submit it with your bid proposal. Proposals are due on July 12, 2024 by 4:00 p.m. E.T.

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Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

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Print Name \_\_\_\_\_ Date \_\_\_\_\_

**EXHIBIT A**

<b>Accounts</b>	<b>Average Monthly Balance</b>
Probation Disbursement Account	\$0.00
Bail Disbursement Account	\$0.00
Special Civil Disbursement Account	\$0.00
Superior Court Trust Fund Disbursement Account	\$0.00
Appellate Disbursement Account	\$0.00
Attorney Collateral Disbursement Account	\$0.00
Supreme Court Disbursement Account	\$0.00
Board on Continuing Legal Education Disbursement Account	\$0.00
Board on Attorney Certification Disbursement Account	\$0.00
Board of BAR Disbursement Account	\$0.00
Attorney Collateral ACH Account	\$6,861,162.12
Automated Traffic System ACH Account	\$30,426.27
Client Protection Fund ACH Account	\$0.00
Board on Continuing Legal Education ACH Account	\$0.00
State of NJ Judiciary ACH Account	\$0.00

**EXHIBIT B**

<b>Accounts</b>	<b>Count</b>	<b>Amount</b>
Probation Disbursement Account	567	\$134,668.94
Bail Disbursement Account	37	\$73,470.51
Special Civil Disbursement Account	48	\$1,476.84
Superior Court Trust Fund Disbursement Account	3	\$146,635.09
Appellate Disbursement Account	2	\$565.42
Attorney Collateral Disbursement Account	1	\$341.13
Supreme Court Disbursement Account	1	\$313.37
Board on Continuing Legal Education Disbursement Account	0	\$0.00
Board on Attorney Certification Disbursement Account	0	\$0.00
Board of BAR Disbursement Account	0	\$0.00

**EXHIBIT C**

<b>Accounts</b>	<b>Average Number Incoming/Outgoing Wires per Month</b>
Probation Disbursement Account	21
Bail Disbursement Account	21
Special Civil Disbursement Account	20
Superior Court Trust Fund Disbursement Account	17
Appellate Disbursement Account	7
Attorney Collateral Disbursement Account	9
Supreme Court Disbursement Account	4
Board on Continuing Legal Education Disbursement Account	1
Board on Attorney Certification Disbursement Account	0
Board of BAR Disbursement Account	1
Attorney Collateral ACH Account	1
Automated Traffic System ACH Account	3
Client Protection Fund ACH Account	16
Board on Continuing Legal Education ACH Account	1
State of NJ Judiciary ACH Account	21

**EXHIBIT D**

<b>Accounts</b>	<b>Average Monthly Balance</b>
Probation Disbursement Account	\$0.00
Bail Disbursement Account	\$0.00
Special Civil Disbursement Account	\$0.00
Superior Court Trust Fund Disbursement Account	\$0.00
Appellate Disbursement Account	\$0.00
Attorney Collateral Disbursement Account	\$0.00
Supreme Court Disbursement Account	\$0.00
Board on Continuing Legal Education Disbursement Account	\$0.00
Board on Attorney Certification Disbursement Account	\$0.00
Board of BAR Disbursement Account	\$0.00
Attorney Collateral ACH Account	\$6,861,162.12
Automated Traffic System ACH Account	\$30,426.27
Client Protection Fund ACH Account	\$0.00
Board on Continuing Legal Education ACH Account	\$0.00
State of NJ Judiciary ACH Account	\$0.00