

REQUEST FOR PROPOSALS

RFP NUMBER: 0A1043

DATE ISSUED: July 20, 2009

The State of Ohio, through the Department of Administrative Services, General Services Division, for the Ohio Department of Job and Family Services is requesting proposals for:

Child Support Payment Central Services

INQUIRY PERIOD BEGINS:	July 20, 2009
INQUIRY PERIOD ENDS:	September 4, 2009
OPENING DATE:	September 14, 2009
OPENING TIME:	1:00 P.M.
OPENING LOCATION:	Department of Administrative Services Office of State Purchasing Bid Room 4200 Surface Road Columbus, Ohio 43228

This RFP consists of five parts and ten attachments, totaling 159 consecutively numbered pages. Supplements also are attached to this RFP with a beginning header page and an ending trailer page. Please verify that you have a complete copy.



PART ONE: EXECUTIVE SUMMARY 3

PART TWO: STRUCTURE OF THIS RFP 6

PART THREE: GENERAL INSTRUCTIONS 7

PART FOUR: EVALUATION OF PROPOSALS 10

PART FIVE: AWARD OF THE CONTRACT 15

ATTACHMENT ONE: EVALUATION CRITERIA 17

ATTACHMENT TWO: WORK REQUIREMENTS AND SPECIAL PROVISIONS 21

Scope of Work..... 21

Transition Services..... 21

Task 1 - Project Management..... 21

Task 2 – Systems Analysis, Design, Configuration and Customization 23

Task 3 – Data Conversion 24

Task 4 – System Testing 25

Task 5 – User Acceptance Testing 26

Task 6 – Training 27

Task 7 – Implementation..... 29

Task 8 – System Operations..... 29

Task 9 – Transition CSPC Operations..... 30

Task 10 – End of Contract Transition 32

CSPC Operations..... 36

1.0 Account Management 36

2.0 Collections..... 42

3.0 Disbursement Operations 46

4.0 Customer Support Services 53

5.0 Reconciliation Activities..... 54

6.0 System Requirements and Functionality 56

7.0 Data Management Function..... 72

8.0 Reporting..... 73

9.0 Mail Processing..... 73

10.0 Training..... 75

11.0 Security Management..... 75

12.0 Business Continuity 78

13.0 Disaster Recovery 80

14.0 Marketing 81

15.0 Documentation Management 83

16.0 Quality Assurance..... 84

17.0 Discretionary Technical Services 84

18.0 Desirables..... 85

ATTACHMENT THREE: REQUIREMENTS FOR PROPOSALS 96

ATTACHMENT FOUR: GENERAL TERMS AND CONDITIONS 106

ATTACHMENT FIVE: SAMPLE CONTRACT..... 123

ATTACHMENT SIX: OFFEROR CERTIFICATION FORM 124

ATTACHMENT SEVEN: OFFEROR PROFILE SUMMARY 127

ATTACHMENT EIGHT: PERSONNEL PROFILE SUMMARY 139

ATTACHMENT NINE: GLOSSARY 156

ATTACHMENT TEN: COST SUMMARY..... 158

PART ONE: EXECUTIVE SUMMARY

Purpose. This is a Request for Competitive Sealed Proposals (“RFP”) under Sections 125.071 and 125.18 of the Ohio Revised Code (the “Revised Code”) and Section 123:5-1-8 of the Ohio Administrative Code (the “Administrative Code”). The Ohio Department of Job and Family Services has asked the Department of Administrative Services to solicit competitive sealed proposals (“Proposals”) for Child Support Payment Central services (CSPC) (the “Work”), and this RFP is the result of that request.

If a suitable offer is made in response to this RFP, the State of Ohio (the “State”), through the Department of Administrative Services, may enter into a contract (the “Contract”) to have the selected offeror (the “Contractor”) perform all or part of the Work. This RFP provides details on what is required to submit a Proposal for the Work, how the State will evaluate the Proposals, and what will be required of the Contractor in performing the Work.

This RFP also gives the estimated dates for the various events in the submission process, selection process, and performance of the Work. While these dates are subject to change, prospective offerors must be prepared to meet them as they currently stand.

Once awarded, the term of the Contract will be from the award date until the Work is completed to the satisfaction of the State and the Contractor is paid or June 30, 2011, whichever is sooner. The State may renew this Contract for up to four additional two-year biennium term(s) plus one additional year to allow for the continuation of banking services for closure of outstanding account activity, subject to and contingent on the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. Any such renewal of all or part of the Contract also is subject to the satisfactory performance of the Contractor and the needs of the Ohio Department of Job and Family Services (ODJFS).

The State may reject any Proposal if the offeror fails to meet a deadline in the submission or evaluation phases of the selection process or objects to the dates for performance of the Work or the terms and conditions in this RFP.

Background. The State's Title IV-D Support Program is a state-supervised, county-administered program with 88 local county Child Support Enforcement Agencies (CSEAs) and a central state supervisory office. Ohio's current estimated caseload volume is 1,073,819 open cases with over 3,546,492 active clients, including 800,821 payors and 742,296 payees. In federal fiscal year (FFY) 2008, the IV-D program collected nearly 13 million payments totaling \$2 billion, with approximately 86% of the daily collections processed through wage or other income withholding. The remaining 14% of collections came from individual payments or group payments such as IRS tax offset submittal returns.

Currently approximately 50% of all payments are received electronically. In the future, legislation may be enacted that will require employers with more than 50 employees to send child support payments by electronic means. As a result, the State expects the percentage of electronic payments to increase and overall costs to decrease.

ODJFS' Support Enforcement Tracking System (SETS) is the statewide, automated Title IV-D system developed to meet requirements mandated in the Family Support Act (FSA) of 1988 as amended. The full IV-D and non-IV-D case and financial cycle is supported by SETS.

The Federal Personal Responsibility Work Opportunity and Work Reconciliation Act (PRWORA) of 1996 mandated the State to develop a statewide operation to serve as a central point for all support collections and disbursements. PRWORA requires the operation to provide employers with the opportunity to remit a single payment to one location for multiple payors across the State.

On the State level, House Bill (HB) 352 (1997) provides State authorization for centralized collection and disbursement. In addition, HB 352 provides counties with the option to accept payments from individual payors at the local CSEA office. While addressing the requirements at both the State and federal level,

ODJFS views centralized collection and disbursement as an opportunity to provide a comprehensive solution that will enhance the delivery of support at all levels.

CSPC receives both paper and electronic support payments. The incumbent contractor currently providing CSPC operations uses state-of-the-art equipment to batch, image and process payments. All payments with accurate and complete posting information are processed on the same day they are received. Payments with invalid posting information are researched, reconciled and processed the same day or "suspended" for additional research.

The incumbent contractor currently providing CSPC operations attempts to resolve all "suspense" payments within five business days by conducting research, contacting remitters for additional information and/or seeking direction from the local county Child Support Enforcement Agencies (CSEA). If CSPC is unable to resolve a payment within five business days, the payment is referred to the ODJFS Office of Child Support's Payment Analysis and Account Reconciliation (PAAR) section. PAAR is responsible for researching suspense payments until they are resolved.

CSPC is also responsible for processing Return Deposit Items (RDIs). Non-sufficient funds and stop payments are the most common forms of RDIs. CSPC conducts research on these items and contacts remitters to resolve the issues. RDIs that are not resolved in a timely manner are referred to the State of Ohio, Attorney General's Office for collection.

Objectives. The State has the following objectives that it wants the Work to fulfill, and it will be the Contractor's obligation to ensure that the Work meets these objectives:

- Deliver services that comply with PRWORA State Disbursement Unit provisions through highly automated, "next-generation" services.
- Provide consolidated payment collection services to payors and to the employer community responsible for processing income withholding obligations, including electronic remittance solutions such as corporate EFT/EDI and Internet-based billing and payment;
- Enhance the efficiency of payment processing to expedite "throughput" and "turnaround time" associated with the federal requirement for the State to process all support payments; and
- Provide comprehensive audit and oversight functions, including stringent State of Ohio, Board of Deposit governance procedures.

Overview of the Work's Scope. The scope of the Work is provided in Attachment Two of this RFP. This section only gives a summary of the Work. If there is any inconsistency between this summary and the attachment's description of the Work, the attachment will govern.

ODJFS seeks to transition services from its current State Disbursement Unit (SDU) operation to the successful offeror and have that Contractor establish and operate a new SDU. The Contractor must provide a statewide operation to serve as a central point for all support collections and disbursements. Support collections is primarily for child support but may also include spousal support, medical support, etc. The official name of Ohio's SDU is Child Support Payment Central (CSPC). ODJFS uses the term Ohio CSPC or CSPC interchangeably with the term SDU. The Contractor must provide for the acquisition, installation, upgrading, and support of all necessary equipment, hardware and software for the term of the Contract.

The Contractor must provide the following:

Transition Services

- Project Management;
- Systems Analysis, Design, Configuration and Customization;
- Data Conversion;
- System Testing;
- User Acceptance Testing;
- Training;

- Implementation;
- System Operations;
- Transition CSPC Operations; and
- End of Contract Transition.

CSPC Operations

- Account Management
- Collections
- Disbursement Operations
- Customer Support Services
- Reconciliation Activities
- System Requirements and Functionality
- Data Management Function
- Reporting
- Mail Processing
- Training
- Security Management
- Business Continuity
- Disaster Recovery
- Marketing
- Document Management
- Quality Assurance

Calendar of Events. The schedule for the RFP process and the Work is given below. The State may change this schedule at anytime. If the State changes the schedule before the Proposal due date, it will do so through an announcement on the State Procurement Website's question and answer area for this RFP. The Website announcement will be followed by an amendment to this RFP, also available through the State's Procurement Website. After the Proposal due date and before the award of the Contract, the State will make schedule changes through the RFP amendment process. Additionally, the State will make changes in the Work schedule after the Contract award through the change order provisions in the General Terms and Conditions Attachment to this RFP. It is each prospective offeror's responsibility to check the Website question and answer area for this RFP for current information regarding this RFP and its Calendar of Events through award of the Contract.

Dates:

Firm Dates

RFP Issued:	July 20, 2009
Inquiry Period Begins:	July 20, 2009
Inquiry Period Ends:	September 4, 2009, at 8:00 a.m.
Proposal Due Date:	September 14, 2009, at 1:00 p.m.

Estimated Dates

Award Date:	December 2009
-------------	---------------

Estimated Work Dates

Work Begins:	December 2009 – January 2010
Transition of SDU Complete:	Approximately 6 months after Work Begins

There are references in this RFP to the Proposal due date. Unless it is clearly provided to the contrary in this RFP, any such reference means the date and time (Columbus, Ohio local time) that the Proposals are due and not just the date.

PART TWO: STRUCTURE OF THIS RFP

Organization. This RFP is organized into five parts and has ten attachments. The parts and attachments are listed below. There also may be one or more supplements to this RFP listed below.

Parts:

- Part 1 Executive Summary
- Part 2 Structure of this RFP
- Part 3 General Instructions
- Part 4 Evaluation of Proposals
- Part 5 Award of the Contract

Attachments:

- Attachment One Evaluation Criteria
- Attachment Two Work Requirements and Special Provisions
- Attachment Three Requirements for Proposals
- Attachment Four General Terms and Conditions
- Attachment Five Sample Contract
- Attachment Six Offeror Certification Form
- Attachment Seven Offeror Profile Summary
- Attachment Eight Personnel Profile Summary
- Attachment Nine Glossary
- Attachment Ten Cost Summary

Supplements:

- Supplement One W-9 Form
- Supplement Two Ohio e-QuickPay® Card (front)
- Supplement Three Ohio e-QuickPay® Card (back)
- Supplement Four Terms of Use Statement
- Supplement Five Ohio Client Instructions
- Supplement Six Ohio e-QuickPay® Fact Sheet
- Supplement Seven Employer Brochure
- Supplement Eight Ohio e-QuickPay® Tip Sheet
- Supplement Nine Employer Electronic Payment Guide
- Supplement Ten Ohio Card Carrier
- Supplement Eleven Sample Bill
- Supplement Twelve Data File and Definitions
- Supplement Thirteen Copybooks
- Supplement Fourteen Reports
- Supplement Fifteen Support Enforcement Tracking System (SETS) Description
- Supplement Sixteen Safeguarding IRS Contract Language
- Supplement Seventeen CSPMTL 7 Safeguarding of Participant Information
- Supplement Eighteen Ohio e-QuickPay® or Direct Deposit Enrollment Form

Web Site References. The State of Ohio, Department of Administrative Services, Office of Information Technology web site references listed below provide additional information regarding State IT Rules, IT Policies, IT Standards and IT Enterprise Procedures. Information of interest available via the web site at <http://www.oit.ohio.gov/IGD/policy/OhioITPolicies.aspx> includes:

- Ohio IT Administrative Rules
 - Uses of Electronic Signatures and Records (OAC123: 3-1-01)
 - Also, please review the link titled: Important additional information.
- Ohio IT Polices
 - Security Policies – B Series

- Ohio IT Standards
 - Data Encryption and Cryptography (ITS-SEC-01)
- Ohio Enterprise Procedures
 - Statewide Incident Response Reporting (OEP-SEC.4001)
- Ohio IT Bulletins
 - Data Encryption and Security Sensitive Data (ITB-2007.02)

PART THREE: GENERAL INSTRUCTIONS

The following sections provide details on how to get more information about this RFP and how to respond to it. All responses must be complete and in the prescribed format.

Contacts. The following person will represent the State during the RFP process:

Procurement Representative:

Bruce Reichenbach
 Acquisition Analyst
 Department of Administrative Services
 Office of State Purchasing, IT Procurement Services
 4200 Surface Road
 Columbus, Ohio 43228

During the performance of the Work, a State representative (the “Work Representative”) will represent ODJFS and be the primary contact for the Work. The State will designate the Work Representative in writing after the Contract award.

Inquiries. Offerors may make inquiries regarding this RFP anytime during the inquiry period listed in the Calendar of Events. To make an inquiry, offerors must use the following process:

- Access the State’s Procurement Website at <http://procure.ohio.gov/>;
- From the Navigation Bar on the left, select “**Find It Fast**”;
- Select “Doc/Bid/Schedule #” as the Type;
- Enter the RFP number found on the first page of this RFP (the RFP number begins with zero followed by the letter “A”);
- Click the “Find It Fast” button;
- On the document information page, click the “Submit Inquiry” button;
- On the document inquiry page, complete the required “Personal Information” section by providing:
 - First and last name of the prospective offeror’s representative who is responsible for the inquiry,
 - Name of the prospective offeror,
 - Representative’s business phone number, and
 - Representative’s email address;
- Type the inquiry in the space provided including:
 - A reference to the relevant part of this RFP,
 - The heading for the provision under question, and
 - The page number of the RFP where the provision can be found; and
- Click the “Submit” button.

An offeror submitting an inquiry will receive an immediate acknowledgement that the State has received the inquiry as well as an email acknowledging receipt. The offeror will not receive a personalized response to the question nor notification when the State has answered the question.

Offerors may view inquiries and responses on the State’s Procurement Website by using the “Find It Fast” feature described above and by clicking the “View Q & A” button on the document information page.

The State usually responds to all inquiries within three business days of receipt, excluding weekends and State holidays. But the State will not respond to any inquiries received after 8:00 a.m. on the inquiry end date.

The State does not consider questions asked during the inquiry period through the inquiry process as exceptions to the terms and conditions of this RFP.

Amendments to the RFP. If the State revises this RFP before the Proposals are due, it will announce any amendments on the State Procurement Website.

Offerors may view amendments by using the “Find It Fast” function of the State’s Procurement Webpage (described in the Inquiries Section above) and then clicking on the amendment number to display the amendment.

When an amendment to this RFP is necessary, the State may extend the Proposal due date through an announcement on the State Procurement Website. The State may issue amendment announcements anytime before 5:00 p.m. on the day before Proposals are due, and it is each prospective offeror’s responsibility to check for announcements and other current information regarding this RFP.

After the Proposal due date, the State will distribute amendments only to those offerors whose Proposals are under active consideration. When the State amends the RFP after the due date for Proposals, the State will permit offerors to withdraw their Proposals within five business days after the amendment is issued. This withdrawal option will allow any offeror to remove its Proposal from active consideration should the offeror feel that the amendment changes the nature of the transaction so much that the offeror’s Proposal is no longer in its interest. Alternatively, the State may allow offerors that have Proposals under active consideration to modify their Proposals in response to the amendment.

If the State allows offerors to modify their Proposals in response to an amendment, the State may limit the nature and scope of the modifications. Unless otherwise provided in the State’s notice, offerors must make any modifications or withdrawals in writing and submit them to the State within five business days after the amendment is issued at the address and in the same manner required for the submission of the original Proposals. If this RFP provides for a negotiation phase, this submission procedure will not apply to changes negotiated during that phase. The State may reject any modification that is broader in scope than the State has authorized in the announcement of the amendment and treat it as a withdrawal of the offeror’s Proposal.

Proposal Submittal. Each offeror must submit a technical section and a cost section as part of its total Proposal before the opening time on the Proposal due date. The offeror must submit the technical section as a separate package from the cost section of its Proposal, and each section must be submitted in its own separate, opaque package. The package with the technical section of the Proposal must be sealed and contain one originally signed technical section and ten (10) copies of the technical section, and the package with the cost section also must be sealed and contain five (1) complete copies of the cost section of the Proposal. Further, the offeror must mark the outside of each package with either “Child Support Payment Central Services RFP – Technical Proposal” or “Child Support Payment Central Services RFP – Cost Summary,” as appropriate.

Included in each sealed package, the offeror also must provide an electronic copy of everything contained within the package on CD-ROM in Microsoft Office, Microsoft Project, and Adobe Acrobat format, as appropriate. If there is a discrepancy between the hard copy and the electronic copy of the Proposal, the hard copy will control, and the State will base its evaluation of the offeror’s Proposal on the hard copy.

Proposals are due no later than 1:00 p.m. on the Proposal due date. Proposals submitted by email, fax, or other electronic means are not acceptable, and the State may reject them. Offerors must submit their Proposals to:

Department of Administrative Services

Office of State Purchasing
Attn: Bid Room
4200 Surface Road
Columbus, Ohio 43228

The State may reject any Proposals or unsolicited modifications that it receives after the deadline. An offeror that mails its Proposal must allow for adequate mailing time to ensure its timely receipt. Offerors also must allow for potential delays due to increased security.

Each offeror must carefully review the requirements of this RFP and the contents of its Proposal. Once opened, Proposals cannot be altered or withdrawn, except as allowed by this RFP.

By submitting a Proposal, the offeror acknowledges that it has read this RFP, understands it, and agrees to be bound by its requirements. The State is not responsible for the accuracy of any information regarding this RFP that was gathered through a source other than the inquiry process described in the RFP.

Revised Code Section 9.24 prohibits the State from awarding a contract to any entity against whom the Auditor of State has issued a finding for recovery (a "Finding"), if the Finding is unresolved at the time of the award. This also applies to renewals of contracts. By submitting a Proposal, the offeror warrants that it is not subject to an unresolved Finding under Section 9.24 at the time of its submission. Additionally, the offeror warrants that it will notify the Department of Administrative Services in writing immediately upon becoming subject to such an unresolved Finding after submitting its Proposal and before the award of a Contract under this RFP. Should the State select the offeror's Proposal for award of a Contract, this warranty of immediate written notice will apply during the term of the Contract, including any renewals or extensions. Further, the State may treat any unresolved Finding against the Contractor that prevents a renewal of the Contract as a breach, in accordance with the provisions of Attachment Four, General Terms and Conditions.

The State may reject any Proposal if the offeror takes exception to the terms and conditions of this RFP, includes unacceptable assumptions or conditions in its Proposal, fails to comply with the procedure for participating in the RFP process, or fails to meet any requirement of this RFP. The State also may reject any Proposal that it believes is not in its interest to accept and may decide not to award a contract to any or all of the offerors responding to this RFP.

Offerors may not prepare or modify their Proposals on State premises.

All Proposals and other material that offerors submit will become the property of the State and may be returned only at the State's option. Offerors should not include any confidential information in a Proposal or other material submitted as part of the evaluation process. All Proposals will be open to the public after the State has awarded the Contract.

The State will retain all Proposals, or a copy of them, as part of the Contract file for at least three years. After the three-year retention period, the State may return, destroy, or otherwise dispose of the Proposals and any copies of them.

Waiver of Defects. The State may waive any defects in any Proposal or in the submission process followed by an offeror, but the State will only do so if it believes that it is in the State's interest and will not cause any material unfairness to other offerors.

Multiple or Alternate Proposals. The State will not accept multiple Proposals from a single offeror or any alternative solutions or options to the requirements of this RFP. Additionally, any offeror that disregards a requirement in this RFP simply by proposing an alternative to it will have submitted a defective Proposal that the State may reject. Further, any offeror that submits multiple Proposals may have all its Proposals rejected.

Changes to Proposals. The State will allow modifications or withdrawals of Proposals only if the State receives them before the Proposal due date. No modifications or withdrawals will be permitted after the due date, except as authorized by this RFP.

Proposal Instructions. Each Proposal must be organized in an indexed binder ordered in the same manner as the response items are ordered in the applicable attachments to this RFP. The requirements for a Proposal's contents and formatting are contained in the attachments to this RFP. The State wants clear and concise Proposals, but offerors must answer questions completely and meet all the RFP's requirements.

The State is not liable for any costs an offeror incurs in responding to this RFP or from participating in the evaluation process, regardless of whether the State awards the Contract through this process, decides not to go forward with the Work, cancels this RFP for any reason, or contracts for the Work through some other process or through another RFP.

Location of Data. Unless the State agrees otherwise in writing, the selected offeror and its subcontractors must do the Work and keep all State data at the location(s) disclosed in the offeror's Proposal. Additionally, if Attachment Two contains any restrictions on where the Work may be done or where any State data may be kept, the State may reject any Proposal that proposes to do any Work or make State data available outside of those geographic restrictions.

PART FOUR: EVALUATION OF PROPOSALS

Disclosure of Proposal Contents. The State will seek to open the Proposals in a manner that avoids disclosing their contents. Additionally, the State will seek to keep the contents of all Proposals confidential until the Contract is awarded. But the State will prepare a registry of Proposals that contains the name of each offeror. The public may inspect that registry after the State opens the Proposals.

Rejection of Proposals. The State may reject any Proposal that is not in the required format, does not address all the requirements of this RFP, objects to the terms or conditions of this RFP, or that the State determines is excessive in price or otherwise not in the State's interest to accept. In addition, the State may cancel this RFP, reject all the Proposals, and seek to do the Work through a new RFP or other means.

Evaluation of Proposals Generally. The evaluation process may consist of up to six distinct phases:

1. Initial review;
2. Technical evaluation;
3. Evaluation of costs;
4. Requests for more information;
5. Determination of responsibility; and
6. Contract Negotiations.

The State may decide whether phases four and six are necessary, and the State may rearrange the order in which it proceeds with the phases. The State also may add or remove sub-phases to any phase at any time, if the State believes doing so will improve the evaluation process.

Clarifications and Corrections. During the evaluation process, in the State's sole discretion, it may request clarifications from any offeror under active consideration and may give any offeror the opportunity to correct defects in its Proposal, if the State believes doing so would not result in an unfair advantage for the offeror, and it is in the State's interest. The State may reject any clarification that is non-responsive or broader in scope than what the State requested. If the State does so, or if the offeror fails to respond to the request for clarification, the State then may request a corrected clarification, consider the offeror's Proposal without the clarification, or disqualify the offeror's Proposal.

Corrections and clarifications must be completed off State premises.

Initial Review. The State will review all Proposals for their format and completeness. The State normally rejects incomplete or incorrectly formatted Proposals, though it may waive any defects or allow an offeror to submit a correction, if the State believes doing so would not result in an unfair advantage for the offeror and it is in the State's interest. Further, if the Auditor of State does not certify a Proposal due to lateness, the State will not open it. After the initial review, the State will forward all timely, complete, and properly formatted Proposals to an evaluation team, which the Procurement Representative will lead.

Technical Evaluation. The State will evaluate each Proposal that it has determined is timely, complete, and properly formatted. The evaluation will be scored according to the requirements identified in this RFP, including the requirements in Attachment One. Other attachments to this RFP may further refine these requirements, and the State has a right to break these requirements into components and weight any components of a requirement according to their perceived importance.

The State also may have the Proposals or portions of them reviewed and evaluated by independent third parties or various State personnel with experience that relates to the Work or to a criterion in the evaluation process. Additionally, the State may seek reviews from end users of the Work or the advice or evaluations of various State personnel that have subject matter expertise or an interest in the Work. The State may adopt or reject any recommendations it receives from such reviews and evaluations or give them such weight as the State believes is appropriate.

During the technical evaluation, the State will calculate a point total for each Proposal that it evaluates. At the sole discretion of the State, it may reject any Proposal receiving a significant number of zeros for sections in the technical portions of the evaluation. The State may select those offerors submitting the highest rated Proposals for the next phase. The number of Proposals that advance to the next phase will be within the State's discretion, but regardless of the number of Proposals selected, they always will be the highest rated Proposals from this phase.

At any time during this phase, in the State's sole discretion, it may ask an offeror to correct, revise, or clarify any portions of its Proposal.

The State will document all major decisions and make these a part of the Contract file, along with the evaluation results for each Proposal considered.

Requirements. Attachment One provides requirements the State will use to evaluate the Proposals, including any mandatory requirements. If the offeror's Proposal meets all the mandatory requirements, the offeror's Proposal may be included in the next phase of the evaluation, which will consider other requirements described in a table in Attachment One.

In the case of any requirements for a team of people the offeror is proposing, the offeror must submit a team to do the Work that collectively meets all the team requirements. But the experience of multiple candidates may not be combined to meet a single requirement. Further, previous experience of the candidate submitted for a Project Manager position may not be used to meet any other team member requirements. Each candidate proposed for the Work team must meet at least one of the requirements.

This RFP asks for responses and submissions from offerors, most of which represent components of the requirements in Attachment One. While each requirement represents only a part of the total basis for a decision to award the Contract to an offeror, a failure by an offeror to make a required submission or meet a mandatory requirement normally will result in a rejection of that offeror's Proposal. The value assigned above to each requirement is only a value used to determine which Proposal is the most advantageous to the State in relation to the other Proposals that the State received. It is not a basis for determining the importance of meeting that requirement.

If the State does not receive any Proposal that meets all the mandatory requirements, the State may cancel this RFP. Alternatively, if the State believes it is in its interest, the State may continue to consider the highest-ranking Proposals despite their failure to meet all the mandatory requirements. In doing this, the State may consider one or more of the highest-ranking Proposals. But the State may not consider

any lower-ranking Proposals unless all Proposals ranked above it are also considered, except as provided below.

In any case where no Proposal meets all the mandatory requirements, it may be that an upper ranking Proposal contains a failure to meet a mandatory requirement that the State believes is critical to the success of the RFP's objectives. When this is so, the State may reject that Proposal and consider lower ranking Proposals. Before doing so, the State may notify the offeror of the situation and allow the offeror an opportunity to cure its failure to meet that mandatory requirement.

If the offeror cures its failure to meet a mandatory requirement that the State has deemed critical to the success of the RFP's objectives, the State may continue to consider the offeror's Proposal. But if the offeror is unwilling or unable to cure the failure, its Proposal may be rejected. The State then may continue to consider the other remaining Proposals, including, if the State so chooses, Proposals that ranked lower than the rejected Proposal.

Cost Evaluation. Once the technical merits of the Proposals are considered, the State may consider the costs of one or more of the highest-ranking Proposals. But it is within the State's discretion to wait until after any interviews, presentations, and demonstrations to evaluate costs. Also, before evaluating the technical merits of the Proposals, the State may do an initial review of costs to determine if any Proposals should be rejected because of excessive cost. And the State may reconsider the excessiveness of any Proposal's cost at any time in the evaluation process.

The State may select one or more of the Proposals for further consideration in the next phase of the evaluation process based on the price performance formula contained in Attachment One. The Proposal(s) selected for consideration in the next phase always will be the highest-ranking Proposal(s) based on this analysis. That is, the State may not move a lower-ranking Proposal to the next phase unless all Proposals that rank above it also are moved to the next phase, excluding any Proposals that the State disqualifies because of excessive cost or other irregularities.

If the State finds that it should give one or more of the highest-ranking Proposals further consideration, the State may move the selected Proposals to the next phase. The State alternatively may choose to bypass any or all subsequent phases and make an award based solely on its scoring of the preceding phases, subject only to its review of the highest-ranking offeror's responsibility, as described below.

Requests for More Information. The State may require some offerors to interview, make a presentation about their Proposals, or demonstrate their products or services. If the presentations, demonstrations, or interviews are held as part of the technical evaluation phase, all offerors that have Proposals under evaluation may participate. Alternatively, if the presentations, demonstrations, or interviews are held after the technical evaluation, the State normally will limit them to one or more of the highest ranking offerors. The State normally will limit such presentations, demonstrations, and interviews to areas in which it seeks further information from the highest ranking offeror or offerors. Typically, these discussions provide an offeror with an opportunity to do one or more of the following:

- Clarify its Proposal and ensure a mutual understanding of the Proposal's content;
- Showcase its approach to the Work; and
- Demonstrate the professionalism, qualifications, skills, and work knowledge of its proposed candidates.

The State will schedule the presentations, demonstrations, and interviews at its convenience and discretion. The State will determine the scope and format of any such presentations, demonstrations, and interviews and may record them. Additionally, if the State moves more than one offeror to this phase, the scope and format of these presentations, demonstrations, and interviews may vary from one offeror to the next, depending on the particular issues or concerns the State may have with each offeror's Proposal.

The State normally will not rank interviews, demonstrations, and presentations. Rather, if the State conducts the interviews, demonstrations, or presentations as part of the technical evaluation, the State

may use the information it gathers during this process in evaluating the technical merits of the Proposals. If the State holds the demonstrations, presentations, or interviews only for one or more of the top-ranking offerors after the evaluation phase, the State may decide to revise its existing Proposal evaluations based on the results of this process.

Determination of Responsibility. The State may review the background of one or more of the highest-ranking offerors and its or their Key Team Member and subcontractors to ensure their responsibility. For purposes of this RFP, a Key Team Member is a person that an offeror identifies by name in its Proposal as a member of its proposed team. The State will not award the Contract to an offeror that it determines is not responsible or that has proposed candidates or subcontractors to do the Work that are not responsible. The State's determination of an offeror's responsibility may include the following factors: experience of the offeror and its Key Team Members and subcontractors, its and their past conduct on previous contracts, past performance on previous contracts, ability to execute this Contract properly, and management skill. The State may make this determination of responsibility based on the offeror's Proposal, reference evaluations, a review of the offeror's financial ability, and any other information the State requests or determines is relevant.

Some of the factors used in determining an offeror's responsibility, such as reference checks, may also be used in the technical evaluation of Proposals in phase two of the evaluation process. In evaluating those factors in phase two, the weight the State assigns to them, if any, for purposes of the technical evaluation will not preclude the State from rejecting a Proposal based on a determination that an offeror is not responsible. For example, if the offeror's financial ability is adequate, the value, if any, assigned to the offeror's relative financial ability in relation to other offerors in the technical evaluation phase may or may not be significant, depending on the nature of the Work. If the State believes the offeror's financial ability is inadequate, the State may reject the offeror's Proposal despite its other merits.

The State may make a responsibility determination at any time during the evaluation process, but it typically will do so only once it has evaluated the technical merits and costs of the Proposals. The State always will review the responsibility of an offeror selected for an award before making the award, if it has not already done so earlier in the evaluation process. If the State determines that the offeror selected for award is not responsible, the State then may go down the line of remaining offerors, according to rank, and determine responsibility with the next highest-ranking offeror.

Reference Checks. As part of the State's determination of an offeror's responsibility, the State may conduct reference checks to verify and validate the offeror's and its proposed candidates' and subcontractors' past performance. Reference checks that indicate poor or failed performance by the offeror or a proposed candidate or subcontractor may be cause for rejection of the offeror's Proposal. Additionally, the State may reject an offeror's Proposal as non-responsive if the offeror fails to provide requested reference contact information.

The State may consider the quality of an offeror's and its candidates' and subcontractors' references as part of the technical evaluation phase, as well as in the State's determination of the offeror's responsibility. The State also may consider the information it receives from the references in weighing any requirement contained in the technical evaluation phase, if that information is relevant to the requirement. In checking an offeror's or any of its proposed candidates' or subcontractors' references, the State will seek information that relates to the offeror's previous contract performance. This may include performance with other governmental entities, as well as any other information the State deems important for the successful operation and management of the Work and a positive working relationship between the State and the offeror. In doing this, the State may check references other than those provided in the offeror's Proposal. The State also may use information from other sources, such as third-party reporting agencies.

Financial Ability. Part of State's determination of an offeror's responsibility may include the offeror's financial ability to perform the Contract. This RFP may expressly require the submission of audited financial statements from all offerors in their Proposals, but if this RFP does not make this an express requirement, the State still may insist that an offeror submit audited financial statements for up to the past three years, if the State is concerned that an offeror may not have the financial ability to carry out the

Contract. Also, the State may consider financial information other than the information that this RFP requires as part of the offeror's Proposal, such as credit reports from third-party reporting agencies.

Contract Negotiations. The final phase of the evaluation process may be contract negotiations. It is entirely within the discretion of the State whether to permit negotiations. An offeror must not submit a Proposal assuming that there will be an opportunity to negotiate any aspect of the Proposal, and any Proposal that is contingent on the State negotiating with the offeror may be rejected. The State is free to limit negotiations to particular aspects of any Proposal or the RFP, to limit the offerors with whom the State negotiates, and to dispense with negotiations entirely. If negotiations are held, they will be scheduled at the convenience of the State, and the selected offeror or offerors must negotiate in good faith.

The State may limit negotiations to specific aspects of the RFP or the offeror's Proposal. Should the evaluation result in a top-ranked Proposal, the State may limit negotiations to only that offeror and not hold negotiations with any lower-ranking offeror. If negotiations are unsuccessful with the top-ranked offeror, the State then may go down the line of remaining offerors, according to rank, and negotiate with the next highest-ranking offeror. Lower-ranking offerors do not have a right to participate in negotiations conducted in such a manner.

If the State decides to negotiate simultaneously with more than one offeror, or decides that negotiations with the top-ranked offeror are not satisfactory and therefore negotiates with one or more of the lower-ranking offerors, the State then will determine if an adjustment in the ranking of the offerors with which it held negotiations is appropriate based on the negotiations. The Contract award, if any, then will be based on the final ranking of offerors, as adjusted.

Auction techniques that reveal one offeror's price to another or disclose any other material information derived from competing Proposals are prohibited. Any oral modification of a Proposal will be reduced to writing by the offeror as described below.

Following negotiations, the State may set a date and time for the offeror(s) with which the State conducted negotiations to submit a best and final Proposal. If negotiations were limited and all changes were reduced to signed writings during negotiations, the State need not require a best and final Proposal.

If best and final Proposals are required, they may be submitted only once, unless the State determines that it is in the State's interest to conduct additional negotiations. In such cases, the State may require another submission of best and final Proposals. Otherwise, discussion of or changes in the best and final Proposals will not be allowed. If an offeror does not submit a best and final Proposal, the State will treat that offeror's previous Proposal as its best and final Proposal.

The State usually will not rank negotiations and normally will hold them only to correct deficiencies in or enhance the value of the highest-ranked offeror's Proposal.

From the opening of the Proposals to the award of the Contract, everyone evaluating Proposals on behalf of the State will seek to limit access to information contained in the Proposals solely to those people with a need to know the information. The State also will seek to keep this information away from other offerors, and the State may not tell one offeror about the contents of another offeror's Proposal in order to gain a negotiating advantage.

Before the award of the Contract or cancellation of the RFP, any offeror that seeks to gain access to the contents of another offeror's Proposal may be disqualified from further consideration.

Negotiated changes will be reduced to writing and become a part of the Contract file, which will be available for public inspection after award of the Contract or cancellation of the RFP, provided the State does not plan to reissue the RFP. If the State plans to reissue the RFP, the Contract file will not be available until the subsequent RFP process is completed. Unless the State agrees otherwise in writing, the offeror must draft and sign the written changes and submit them to the State within five business

days. If the State accepts the changes, the State will give the offeror written notice of the State's acceptance, and the negotiated changes to the successful offer will become a part of the Contract.

Failure to Negotiate. If an offeror fails to provide the necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the State may terminate negotiations with that offeror, remove the offeror's Proposal from further consideration, and seek such other remedies as may be available in law or in equity.

PART FIVE: AWARD OF THE CONTRACT

Contract Award. The State plans to award the Contract based on the schedule in the RFP, if the State decides the Work is in its best interest and has not changed the award date.

Under Ohio's anti-terrorism legislation, effective April 14, 2006, the selected offeror must complete a Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization to certify that the offeror has not provided material assistance to any terrorist organization listed on the Terrorist Exclusion List. The form and the Terrorist Exclusion List are available on the Ohio Homeland Security Website. The form must be submitted with the offeror's Proposal. If an offeror answers yes or fails to answer any question on the form, the State may not award the Contract to that offeror. The offeror may request the Department of Public Safety to review such a denial of an award. More information concerning this law is available at: <http://www.homelandsecurity.ohio.gov>.

Included with this RFP, as Attachment Five, is a sample of the Contract for the RFP. The State will issue two originals of the Contract to the Contractor proposed for award. The offeror must sign and return the two originals to the Procurement Representative. The Contract will bind the State only when the State's duly authorized representative signs all copies and returns one to the Contractor with an award letter, the State issues a purchase order, and all other prerequisites identified in the Contract have occurred.

The Contractor must begin work within 5 business days after the State issues a purchase order under the Contract. If the State awards a Contract pursuant to this RFP, and the Contractor is unable or unwilling to begin the Work within the time specified above, the State may cancel the Contract, effective immediately on notice to the Contractor. The State then may return to the evaluation process under this RFP and resume the process without giving further consideration to the originally selected Proposal. Additionally, the State may seek such other remedies as may be available to the State in law or in equity for the selected offeror's failure to perform under the Contract.

Contract. If this RFP results in a Contract award, the Contract will consist of this RFP, including all attachments, written amendments to this RFP, the Contractor's accepted Proposal, and written, authorized amendments to the Contractor's Proposal. It also will include any materials incorporated by reference in the above documents and any purchase orders and change orders issued under the Contract. The form of the Contract is included as a one-page attachment to this RFP, but it incorporates all the documents identified above. The general terms and conditions for the Contract are contained in Attachment Four to this RFP. If there are conflicting provisions between the documents that make up the Contract, the order of precedence for the documents is as follows:

1. The one-page Contract (Attachment Five) in its final form;
2. This RFP, as amended;
3. The documents and materials incorporated by reference in the RFP;
4. The Contractor's Proposal, as amended, clarified, and accepted by the State; and
5. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, change orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract. To be binding on the

State, a duly authorized representative of the Department of Administrative Services must sign any change order under or amendment to the Contract.

ATTACHMENT ONE: EVALUATION CRITERIA

Mandatory Requirements. The first table lists this RFP’s mandatory requirements. If the offeror’s Proposal meets all the mandatory requirements, the offeror’s Proposal may be included in the next part of the technical evaluation phase described in the next table.

Mandatory Requirements	Reject	Accept
The offeror must demonstrate experience as the prime contractor on at least one project responsible for management and ongoing operations of a single child support State Disbursement Unit that processes a minimum of 800,000 monthly collection payments and a similar number of disbursements. Each project provided in response to this requirement must demonstrate ongoing operations for at least 36 months in duration.		
The entity proposed to serve as the financial institution must be a member of FDIC and an Ohio Depository Bank.		
The offeror or subcontractor proposed to handle the banking functions must be a member in good standing with the American Banking Association.		

Scored Criteria. In the technical evaluation phase, the State will rate the technical merits of the Proposals based on the following requirements and the weight assigned to each requirement:

Scored Criteria	Weight	Does Not Meet	Meets	Exceeds	Greatly Exceeds
Offeror Requirements					
The offeror must demonstrate experience as the prime contractor on at least one project responsible for management and ongoing operations of a single child support State Disbursement Unit that processes a minimum of 800,000 monthly collection payments and a similar number of disbursements. Each project provided in response to this requirement must demonstrate ongoing operations for at least 36 months in duration.	60	Reject	5	7	9
The offeror must demonstrate experience as the prime contractor on at least one project providing lockbox operation services involving a minimum of 800,000 monthly payments. Each project provided in response to this requirement must be at least 36 months in duration.	40	0	5	7	9
Minimum of three previous projects where the offeror performed the prime contractor duties on projects that required compliance with federal regulations.	10	0	5	7	9
Minimum of 36 months experience providing account management and fiscal services to a federal, state or local government agency.	40	0	5	7	9
Minimum of 36 months experience adhering to NACHA and EFT/EDI standards.	10	0	5	7	9
Minimum of 36 months experience managing and administering a stored value card program.	60	0	5	7	9
Offeror or Subcontractor Requirements					

The offeror or subcontractor must demonstrate account manager experience managing and monitoring customer accounts totaling at least \$1.5 billion annually on at least one project.	40	0	5	7	9
The offeror or subcontractor must demonstrate experience supporting CTX or CCD+ protocols on at least one project.	10	0	5	7	9
Minimum of 36 months experience providing IVR call center services and customer support.	30	0	5	7	9
Personnel Requirements					
Project Manager Requirements					
A minimum of 60 months experience in operational project management including direct management and supervisory responsibility for a project team of at least 30 people.	14	0	5	7	9
A minimum of 60 months experience on a large-scale data processing or technical project.	13	0	5	7	9
A minimum of 60 months experience with financial applications and operations.	13	0	5	7	9
IT Manager Requirements					
A minimum of 36 months experience operating and managing a high volume, complex network environment supporting multiple users in remote locations.	20	0	5	7	9
A minimum of 60 months experience on a large-scale data processing or technical project.	20	0	5	7	9
EFT/EDI Manager Requirements					
A minimum of 48 months experience with projects that required adherence to NACHA standards regarding electronic transaction processing such as EFT/EDI.	8	0	5	7	9
A minimum of 36 months experience in providing technical assistance to electronic payment remitters.	12	0	5	7	9
Payment Processing Manager Requirements					
A minimum of 36 months managerial or supervisory experience in a lockbox operation involving a minimum of 800,000 monthly transactions in a child support or other government lockbox operation.	14	0	5	7	9
A minimum of 48 months experience with projects that required adherence to NACHA standards regarding electronic transaction processing such as EFT/EDI.	16	0	5	7	9
Customer Support Manager Requirement					
A minimum of 36 months managerial or supervisory experience in a call center operation that handled a minimum of 10,000 calls per month.	20	0	5	7	9

Project Manager, Payment Processing Manager or Customer Support Manager Requirements – the following requirements must be met by any of these proposed candidates.					
At least one candidate must demonstrate a minimum of 60 months experience managing direct cash and accounts for an entity with transactions similar in size and scope to this project.	8	0	5	7	9
At least one candidate must demonstrate a minimum of 36 months managerial or supervisory experience in commercial banking account services.	6	0	5	7	9
At least one candidate must demonstrate a minimum of 12 months experience providing fiscal agent services for child support enforcement collections and disbursement.	6	0	5	7	9
Project Manager, Payment Processing Manager or Customer Support Manager Desirable Requirement – the following requirement must be met by any of these proposed candidates.					
At least one candidate must demonstrate a minimum of 24 months experience working with state of Ohio custodial account relationships or the State Treasurer's Office.	10	0	5	7	9
Operations Staffing Plan					
Operations Staffing Plan	20	0	5	7	9
Proposed Solution for SDU					
Transition Services	100	0	5	7	9
Account Management	40	0	5	7	9
Collections	27	0	5	7	9
Disbursement Operations	50	0	5	7	9
Customer Support Services	27	0	5	7	9
Reconciliation Activities	40	0	5	7	9
System Requirements and Functionality	85	0	5	7	9
Data Management	20	0	5	7	9
Reporting	10	0	5	7	9
Mail Processing	20	0	5	7	9
Training	5	0	5	7	9
Security Management	15	0	5	7	9
Business Continuity	15	0	5	7	9
Disaster Recovery	15	0	5	7	9
Marketing	10	0	5	7	9
Document Management	5	0	5	7	9
Quality Assurance	10	0	5	7	9
Desirable Requirements					
Send and Receive International Payments Electronically	2	0	5	7	9
Automated Outbound Notification System	2	0	5	7	9
SAS-70 Audit	2	0	5	7	9

Price Performance Formula. The evaluation team will rate the Proposals that meet the Mandatory Requirements based on the following criteria and respective weights.

Criteria	Percentage
Technical Proposal	70%
Cost Summary	30%

To ensure the scoring ratio is maintained, the State will use the following formulas to adjust the points awarded to each offeror.

The offeror with the highest point total for the Technical Proposal will receive 700 points. The remaining offerors will receive a percentage of the maximum points available based upon the following formula:

$$\text{Technical Proposal Points} = (\text{Offeror's Technical Proposal Points} / \text{Highest Number of Technical Proposal Points Obtained}) \times 700$$

There is a maximum of 300 Cost Proposal Points available. The Cost Proposal Points for each offeror will be determined based upon the following formula:

$$\text{Cost Proposal Points} = \text{Total Cost for Evaluation Points} + \text{Rate Card Evaluation Total Points}$$

The State will use the following formulas to determine the points awarded to each offeror for the Cost Proposal.

$$\text{Total Cost for Evaluation Points} = (\text{Lowest Total Cost for Evaluation} / \text{Offeror's Total Cost for Evaluation}) \times 250.$$

$$\text{Rate Card Evaluation Total Points} = (\text{Lowest Rate Card Evaluation Total} / \text{Offeror's Rate Card Evaluation Total}) \times 50$$

Total Points Score: The Total Points Score is calculated using the following formula:

$$\text{Total Points} = \text{Technical Proposal Points} + \text{Cost Proposal Points}$$

ATTACHMENT TWO: WORK REQUIREMENTS AND SPECIAL PROVISIONS

PART ONE: WORK REQUIREMENTS

This attachment describes the Work and what the Contractor must do to get the job done. It also describes what the Contractor must deliver as part of the completed Work (the "Deliverables"). Additionally, it gives a detailed description of the Work's schedule.

Scope of Work. This section of the RFP describes the deliverables required for the CSPC services project. The scope of services required includes Transition Services (i.e., Tasks 1 through 10) and CSPC Operations.

The following tasks and deliverables represent the work to be completed to successfully implement the CSPC operation. They do not necessarily represent a logical sequence for completion of the work to be performed.

Transition Services.

Task 1 - Project Management

Kick Off Meeting. The Contractor and ODJFS will conduct a kick-off meeting within 5 business days after receipt of a purchase order.

Manage Staff. The State will provide oversight for the Work, but the Contractor must provide overall Work management for the tasks under this Contract, including the day-to-day management of its staff. The Contractor also must assist the State with coordinating assignments for State staff, if any, involved in the Work. Additionally, the Contractor must provide all administrative support for its staff and activities. Throughout the Work effort, the Contractor must employ ongoing management techniques to ensure a comprehensive Work Plan is developed, executed, monitored, reported on, and maintained.

Maintain Work Plan. The Work Plan must allow sufficient time for the State's staff to review all Work. The State will determine the number of business days it needs for such reviews and provide that information to the Contractor after award and early in the development of the Work Plan. (See Attachment Three for components of the Work Plan.)

Update Project Schedule. The Project schedule submitted with the Contractor's proposal must be updated and submitted in electronic and paper form to the State no later than 30 days after receipt of a Purchase Order. The revised Project schedule will become the Contractor's approved plan to transition the current operation to the Contractor. The Project Schedule must include planned activities, events and milestones with measurable outcomes. The Contractor must develop the Project schedule using Microsoft® Project. The schedule must indicate milestones and the duration for each Project task and subtask, define work steps to fully implement the SDU, and provide dates when all deliverables will be completed.

The Project schedule must be formally updated in conjunction with the reporting requirements throughout the transition phase of the Project. Timeline variances must be reported to ODJFS immediately along with a written strategy detailing how the Contractor will ensure the completion of the proposed milestones.

Assemble Project Team. The Contractor must provide a Project Manager for the Work. The Contractor must employ the proposed Project Manager as a regular, fulltime employee on the Proposal submission date and throughout the term of the Contract, including all renewals of it. Additionally, the Contractor's full-time regular employees must perform at least 30% of the effort required to complete the Work. The Contractor may use its personnel or subcontractor personnel to meet the remaining 70% of the effort. All proposed personnel for the five Key Team Members

(Project Manager, Information Technology Manager, EFT/EDI Manager, Payment Processing Manager, and Customer Support Manager) must work at the CSPC facility full-time on the CSPC project unless otherwise approved by the State.

The Contractor must assemble its Project team at the CSPC facility to conduct the Project tasks. The State may screen or interview members of the Contractor's Project team prior to their assignment to the Project. All Project team members must demonstrate skills appropriate to their assigned roles. The State may reject any Project team member for business or legal reasons. Switching any Key Team Members after the Contract award will not be allowed without written approval from the State.

Establish State Disbursement Unit (SDU). The Contractor must establish the Ohio CSPC site for the Project per the requirements of Section 11.4, Site Security.

The Contractor must provide for the acquisition, installation, upgrading, and support of all necessary equipment, hardware and software. The Contractor is responsible for all costs associated with equipment, hardware and software refreshes during the term of the Contract, including all renewals of it.

Communication Plan. As part of the Project Management Task the Contractor must develop a communication plan to ensure timely and appropriate generation, collection, and dissemination of project information. This includes the communications protocols and procedures for reporting to ODJFS stakeholders regarding project issues, work activities, and deliverables. The Contractor must detail its procedure for assuring effective project management activities, specify all project management activities and responsibilities, and quantify how project progress will be measured and controlled. Additionally, the Contractor must describe the Contract escalation and resolution process for Contract issues, including contact names and contact information.

Meeting Attendance and Reporting Requirements. The Contractor's management approach to the Work must adhere to the following meeting and reporting requirements:

- Immediate Reporting - The Project Manager or a designee must immediately report any staffing changes for the Work to the Work Representative (see: Attachment Four: Part Two: Replacement Personnel).
- Attend Status Meetings - The Project Manager and other Work team members must attend status meetings with the Work Representative and other people deemed necessary to discuss Work issues. The Work Representative will schedule these meetings, which will follow an agreed upon agenda and allow the Contractor and the State to discuss any issues that concern them.
- Provide Status Reports - The Contractor must provide written status reports to the Work Representative at least one full business day before each status meeting.
- The Contractor's proposed format and level of detail for the status report is subject to the State's approval.
- Prepare Monthly Status Reports - During the Transition Services, the Contractor must submit a written monthly status report to the Work Representative by the fifth business day following the end of each month. At a minimum, monthly status reports must contain the following:
 - A description of the overall completion status of the Work in terms of the approved Work Plan (schedule);
 - Updated Work schedule;
 - The plans for activities scheduled for the next month;
 - The status of any Deliverables;
 - Time ahead or behind schedule for applicable tasks;
 - A risk analysis of actual and perceived problems; and
 - Strategic changes to the Work Plan, if any.

Contractor Deliverables. The deliverables to be produced by the Contractor for the Project Management Task must include the following:

1. Updated Project Schedule
2. Communication Plan
3. SDU (Ohio CSPC) Site Established
4. Status Reports (through acceptance of the Transitions Services)*

*The status reports do not require a Deliverable review cycle.

Task 2 – Systems Analysis, Design, Configuration and Customization

The Contractor must perform a detailed review and analysis of the requirements provided in this RFP, refine the requirements using the Contractor's information gathering processes and develop the detailed specifications required to customize and configure the new CSPC solution. The Contractor must work closely with ODJFS to develop a comprehensive solution. The solution must define a thorough application that is organized by discrete functional areas. The solution must be documented in an industry standard format. The Contractor is expected to provide qualified and experienced JAD facilitator(s), technical staff, and technical writers to document the process and develop the Deliverables. The Contractor's solution must ensure a seamless transition with no adverse effect upon the State or program stakeholders.

The major objectives of the System Analysis, Design, Configuration and Customization task are as follows:

- Ensure that the Contractor has a thorough, detailed understanding of the CSPC requirements;
- Confirm and refine the requirements specified in this RFP and supporting documents;
- Elaborate on and document the requirements of the solution;
- Support and participate in requirements management;
- Document the analysis of the solution;
- Design the solution; and
- Configure, customize, and unit test the application.

The products of this task must be developed according to the approved detailed System Design Documents developed during this task, and must be consistent with the agreed upon standards.

Contractor Responsibilities. The Contractor must complete activities consistent with its proposed methodology to accomplish the task objectives and meet all RFP requirements. The State desires methodologies that allow the State multiple opportunities to validate requirements and the design. This includes a desire to view rapid prototypes of requirements and design concepts, screens, content, and application flow. Prototypes do not necessarily need to neither become operational nor be reused during development. At a minimum, completion of this task must include the following activities:

Validate CSPC Requirements. The Contractor must thoroughly review, confirm, and validate all requirements specified in this RFP. In addition, the Contractor must work with State staff to fully understand the scope, purpose, and implications of each requirement.

Construct Systems Requirements Specification (SRS). The Contractor must develop a System Requirements Specification document. This SRS document must include business rules and non-functional requirements (e.g., quality attributes, legal and regulatory requirements, standards, performance requirements, and design constraints). These detailed requirements must be traceable back to the requirements identified in the RFP.

The Contractor must develop a Gap Analysis document that outlines the differences between the approved requirements in the SRS and the Contractor's system and identifies strategies for reconciling these differences.

The specification for each requirement should include a means of measuring that the requirement has been satisfied. This measurement will be utilized to generate the necessary test cases for system and acceptance testing.

Develop Requirements Traceability Matrix. The Contractor must provide and maintain a requirements traceability matrix to track all requirements specified in the RFP and SRS. This matrix will be used throughout the project to assure the CSPC solution meets the approved requirements.

Prepare System Design Document. Based upon the approved SRS and Gap Analysis documents, the Contractor must prepare a detailed System Design document. The System Design document must define the design and the complete architecture of the system.

All the elements of the System Design document must be traceable back to the requirements defined and documented in the SRS and Gap Analysis documents. They must also trace forward into actual implementation components and test cases.

The Contractor must use a State approved version control process for revisions made to the various design documents described in this section.

CSPC Application Customization, Configuration and Unit Testing. The Contractor responsibilities during this task include customizing, configuring, unit testing and documenting all system functions. The documentation must also include traceability from the requirements forward to the test cases developed for system testing.

The Contractor must develop the required application interfaces to communicate with ODJFS applications (e.g. SETS) and external systems. The developed interfaces must also undergo unit testing.

Contractor Deliverables. Deliverables to be produced by the Contractor for this task include:

1. System Requirements Specification (SRS) Document;
2. Gap Analysis Document;
3. Requirements Traceability Matrix;
4. System Design Document; and
5. CSPC Application Customization, Configuration and Unit Testing Documentation.

Task 3 – Data Conversion

The data conversion process will be a collaborative effort between the Contractor, the incumbent contractor and the ODJFS staff. The incumbent contractor will be responsible for all costs and work effort necessary to extract the data and to provide it in a mutually agreed upon format to the Contractor. The Contractor is responsible for all necessary data conversion efforts to load the data in their system. The transferred data must be fully accessible and searchable by the users. The following data and images will need to be converted, at a minimum:

- Collection Images (Type: JPG and TIFF) - Size: 2800 GB
- Disbursement Images (Type: TIFF) - Size: 489 GB
- Electronic Collection Data (Type: Data stored in Oracle DB) - Size: 12 GB
- Direct Deposit Data (Type: Data stored in Oracle DB) - Size: 292 MB
- Recollection Activity Data (Type: Data stored in Oracle DB) – Size: 640 MB
- Derog Data (Type: Data stored in Oracle DB) - Size: 40 MB
- Ohio e-QuickPay® Card Holder Information

Prior to converting the data, the Contractor must provide a Data Conversion Plan. The Data Conversion Plan must include a process and strategy for converting the identified data and images. The Contractor must:

- Provide detailed data conversion documentation including data conversion rules, field mappings, issues that may be encountered, and proposed actions to be taken during conversion
- Establish rules to resolve data issues
- Create methods to correct erroneous data

The Contractor must perform a pre-conversion test designed to verify that the conversion programs are reliable and accurately reflect the source data through the review of random batches and ensures that the data conversion process completely imports the converted historical data. Once the Contractor certifies that the tests are successful and ODJFS approves the test results, the Contractor may perform the full conversion.

The Contractor must perform the following with minimal involvement of ODJFS staff. The Contractor effort will include:

- Extracting and cleansing data from current host systems
- Mapping to and populating the data
- Verifying that the data is imported completely and accurately reflects the source data

The Contractor must convert the data and images. Where data cannot be electronically converted, the Contractor must provide manual entry.

The Contractor must provide a Data Conversion Results document that provides conversion statistics for all phases of the conversion of the data and images. The format of this document will be mutually agreed upon by the Contractor and ODJFS during the data conversion planning effort.

Contractor Deliverables. Deliverables to be produced by the Contractor for this task include:

1. Data Conversion Plan;
2. Pre-Conversion Test Results; and
3. Data Conversion Results.

Task 4 – System Testing

The Contractor's system must be subjected to system testing.

Contractor Responsibilities. At a minimum, the Contractor must perform the following activities during this phase:

System Test Plan. The Contractor must develop the System Test Plan that includes, at a minimum, the following:

- Test cases, scripts and scenarios developed with the State's assistance (Test samples must include all payment processing functions and payment sources, incoming and outgoing data, posting, disbursing, reconciliation and reporting requirements);
- The scope of the tests (i.e., regression testing, load testing and balancing) that clearly describe how the system test will fully test the system functions, features and performance;
- The inputs to the test, the steps and procedures in the testing process, timelines and the expected results;
- A description of the Contractor and State staff roles and responsibilities during testing;
- An indication of all State resources needed; and
- A description of the defect identification and resolution processes to be executed during the system test.

Execute System Testing. The Contractor must test all system functionality, which includes the interfaces developed (e.g., SETS). System testing must occur in an established test environment that mirrors the Contractor's production environment. To complete the System Test the Contractor must perform the following:

- Execute the system test plan;
- Function as system users during system testing and evaluate and validate all test outcomes;
- Provide system output and test outcomes to the State as requested;
- Analyze and evaluate performance of all systems, telecommunication networks, hardware, and software;
- Perform all system modifications required to ensure system performance meets performance requirements as specified in the System Design Document;
- Document and resolve any errors encountered during system testing; if major defects are found during system testing, the entire test script must be re-initiated and the test period must begin again (e.g., a major defect is anything that stops the system/application from functioning or fails to deliver required functionality); and
- Provide adequate staff dedicated to testing support and problem resolution while the test is in progress.

The Contractor must provide a defect and resolution log to the State as requested during system testing.

System Test Results Document. The System Test Results document must include all system test results and system recommendations. The document must contain sufficient information to permit the State to validate that the test has been successfully executed in accordance with the approved system test plan and that the tests performed adequately meet the approved requirements. All defects encountered during the system test and their resolutions must also be reported in the system test results document.

If test results are deemed unacceptable by the State, the Contractor must make modifications to appropriate systems and repeat the testing and approval process.

Contractor Deliverables. The Deliverables to be produced by the Contractor for the system-testing task must include the following:

1. System Test Plan; and
2. System Test Results Document.

Task 5 – User Acceptance Testing

The user acceptance testing (UAT) will verify the full functionality and technical usability of the system. UAT includes testing the Internet connections and system accessibility.

Contractor Responsibilities. The Contractor responsibilities for UAT include managing and supporting the user acceptance testing. At a minimum, the activities of this task must include the following:

Develop UAT Plan. The Contractor must develop, with assistance from the State, a UAT Plan that includes, at a minimum, the following:

- Test cases, scripts and scenarios developed with the State's assistance (Test samples must include all payment processing functions and payment sources, incoming and outgoing data, posting, disbursing, reconciliation and reporting requirements);
- A description of the Contractor and State staff roles and responsibilities during testing;
- The scope of UAT, which includes the inputs to the test, the steps and procedures in the testing process, timelines and the expected results; and

- A description of the defect identification and resolution processes to be executed during UAT.

Train UAT Staff. The Contractor must train all designated State staff for successful execution of User Acceptance Testing.

Monitor and Support UAT. During UAT, State staff trained by the Contractor will test the system to validate that the functionality, features and performance meet approved requirements. The Contractor must monitor and support UAT in the following ways:

- Provide required system data and files to execute the user acceptance test;
- Analyze and evaluate performance of all systems, telecommunication networks, hardware, and software;
- Evaluate all UAT outcomes;
- Document, track, repair and report to the State all defects encountered during UAT; if major defects are found during UAT, the entire test script must be re-initiated and the test period must begin again (e.g., a major defect is anything that stops the system/application from functioning or fails to deliver required functionality);
- Perform all system modifications required to ensure system meets approved requirements as specified in the System Design document;
- Provide adequate staff dedicated to UAT support and problem resolution while the test is in progress; and
- Operate the system.

The Contractor must provide a defect and resolution log to the State as requested during UAT.

Produce UAT Final Report. The Contractor must include the results of the UAT and any system recommendations in the UAT Final Report. The report must contain sufficient information to validate that UAT has been successfully executed in accordance with the approved UAT Plan and that the tests performed adequately meet the approved requirements. All defects encountered during UAT and their resolutions must be reported in the UAT Final Report. The report must also include a written letter from the Contractor certifying that UAT was successfully completed.

If test results are deemed unacceptable by the State, the Contractor must make modifications to appropriate systems and repeat the testing and approval process.

Contractor Deliverables. Deliverables to be produced by the Contractor for this task include the following:

1. UAT Plan; and
2. UAT Final Report.

Task 6 – Training

The Contractor must provide the State and county users with training and materials on the Contractor's systems and processes. State staff will provide information to Contractor staff on critical aspects of operating Ohio's SDU during the System Analysis, Design and Development task, including but not limited to, an understanding of the SETS system and ODJFS policies and procedures. Training sites and video conference facilities will be available to the Contractor for training. The Contractor must:

- a. Provide State and county training on the Contractor's system, procedures and protocols. The Contractor will be responsible for training up to 200 State and county staff in up to 10 regional offices.
- b. Provide training on the daily and month-end reconciliation processes. The Contractor will be responsible for training up to 20 State staff.

- c. Provide additional training via video conferencing as needed.

Contractor Responsibilities. At a minimum the activities of this task include the following:

1. **Training Plan.** The Contractor must create, maintain and update, as required, the approved statewide training plan.
 - The Training Plan must provide an overview of training methodology;
 - The Training Plan must identify the training courses and associated course objectives and competency descriptions, including the format and content of all training material to be developed by the Contractor;
 - The training schedule must identify the number of users to be trained, the number of training sessions offered, and the length of each training course;
 - The Training Plan must include the number of sessions required for staff and management training;
 - The Training Plan must define hardware, software, and supplies required for the training environment;
 - The Training Plan must identify potential impact to on-going business operations and determine methods to minimize impact to on-going business operations. Due to the nature and timing of work performed, all of the trainee's functional groupings of staff and managers cannot be trained during the same session. There must be adequate coverage for business functions to proceed; and
 - Training must be coordinated with the State staff to ensure that training meets the objectives and for performance support once trainees complete training.
2. **Develop and Provide Training Materials.** The Contractor must develop all training materials. All training materials must be reviewed and approved by the State prior to the start of the training. The Contractor must provide sufficient copies of training materials for all users plus a reserve equal to 5% of the total number of copies. The Contractor must provide all electronic source documents and graphics used in the development and presentation of all aspects of training.
3. **Certificate of Completed Training.** Training must be implemented in accordance with the Contractor's approved Training Plan. The Contractor will be responsible for conducting training of all State and county users. Upon completion of the training the Contractor must submit a letter certifying that all training has been completed.
4. **Onsite Operation Support.** The Contractor should resolve issues remotely; however in the unlikely event that an issue cannot be resolved remotely the Contractor must provide on-site support for the State and counties. This support must be provided for the first 30 calendar days that the Contractor receipts and disburses support collections. The Contractor is responsible for all travel costs incurred to provide on-site support.

Contractor Deliverables. Deliverables to be produced by the Contractor include the following:

1. Training Plan;
2. Training Materials; and
3. Letter certifying completion of training.

Task 7 – Implementation

During this task, implementation of the Contractor's system must occur.

Contractor Responsibilities. At a minimum, the Contractor activities of this task include the following:

Implementation Plan. The Implementation Plan must demonstrate to the State how the Contractor will deploy the system. The plan, at a minimum, must detail the approach for coordinating the following:

- Technical preparation and system changeover activities;
- Development of an implementation activities checklist; and
- Deployment schedule.

Implementation Certification. The Contractor must provide an Implementation Certification Letter that certifies that the system is ready for implementation. The Certification letter must confirm:

- Training task is complete;
- All system and user acceptance testing is complete;
- The production environment has been prepared in accordance with the Contractor's requirements; and
- All user and system supports are in place.

Upon acceptance of the Implementation Certification, the Contractor may promote the system to a production environment to initiate the performance period defined in Attachment 4, Standards of Performance and Acceptance.

Present Project to the State for Final Acceptance. Upon completion and acceptance of the Implementation, and successful completion of the performance period as defined in Attachment 4, Standards of Performance and Acceptance, the Contractor must present the system to the State for acceptance. The system presented for final acceptance must account for all required functionality, features and performance requirements.

User Documentation. The Contractor must develop and provide all user documentation at the time the system is presented for final acceptance. The Contractor must provide electronic and hard copies of the documentation for the system. The documentation must include all manual and system processes and procedures.

Contractor Deliverables. Deliverables to be produced by the Contractor for the implementation task must include the following:

1. Implementation Plan;
2. Signed Implementation Certification Letter;
3. Performance Period Report; and
4. User Documentation.

Task 8 – System Operations

The Contractor will be responsible for system operations for the term of the Contract, including all renewals of it.

Contractor Responsibilities. The Contractor must provide system operations, which include updates, patches and repairs; defect resolution; software upgrades; enhancements; and technical support during the term of the Contract, including all renewals of it.

Updates, Patches and Repairs. The Contractor must update, patch, and repair the application components in appropriate Contractor environments and package software changes for promotion to production. All updates, patches, and repairs must be fully and successfully tested before migration to production.

For implementation of updates, patches, and repairs the Contractor must work with the State to coordinate the release of the updates, patches, and repairs with regularly scheduled maintenance releases.

Defect Resolution. The Contractor must correct system defects, which are malfunctions or functional deviations from approved system design. The Contractor must take corrective action and ensure that the system performs as designed.

The Contractor must consider the performance standards (data files, systems and reporting) described in the Liquidated Damages section for timely completion of system defects.

The Contractor must fix all system defects unless the Contractor is not authorized to fix the defect. All system defect repairs must be fully and successfully tested before migration to production. For implementation of system defect repairs the Contractor must work with the State to coordinate the release of the repairs.

Upon correction of the problem, the Contractor must notify the State that the problem is resolved and submit a written report of the defect analysis and resolution implemented.

Software Upgrades. When evaluating software upgrades, the Contractor must determine the impact on current configurations. The Contractor is expected to keep software current by implementing upgrades as specified in the software license agreements. All upgrades must be fully and successfully tested before migration to production.

For the implementation of software upgrades, the Contractor must work with the State to coordinate the release of the upgrades with regularly scheduled maintenance.

Enhancement: During this task, the Contractor will be responsible for application enhancements approved by the State. These enhancements may be caused by changes in State regulatory requirements or by requests from the State. All State requested enhancements will be negotiated through the Changes provision in Attachment 4.

All enhancements must be fully and successfully tested before migration to production.

For the implementation of enhancements, the Contractor must work with ODJFS to coordinate the release of the enhancements with regularly scheduled maintenance.

Technical Support. The Contractor must provide technical support. The Contractor must acknowledge all incidents within 4 hours of notification of a problem. Incident resolution must be within the timeframes identified in the Specific Remedies section of the RFP, unless otherwise agreed upon by the State or county user. All incidents and resolutions must be documented. The Contractor must provide the State with documentation of all incident tracking and resolutions implemented.

Task 9 – Transition CSPC Operations

During this task, transition of the CSPC operations must occur. At a minimum, the Contractor must complete the following activities to accomplish the task objectives and meet all RFP requirements:

1. **Accounts.** The Contractor must establish account transition procedures to ensure a smooth transfer of responsibilities from the incumbent contractor currently providing CSPC operations

to the Contractor. The Contractor must provide transition workflows, training and ongoing support during the account transition. The Contractor must also:

- a. Coordinate with the State and the incumbent contractor currently providing CSPC operations to transfer funds between the existing and new accounts.
 - b. Provide full accounting for the transition of all funds from the existing accounts to the new CSPC bank accounts, including itemized reporting to the State.
 - c. Establish accounting protocols for collections deposited into the CSPC Account Structure, but not yet disbursed.
 - d. Establish accounting protocols for handling RDI's that occur in the existing Account Structure after the transition to the new Account Structure.
 - e. Establish and provide reporting and reconciliation services to the State.
- 2. Payment Processing.** The Contractor must develop a process which ensures that collection activity has no disruptions during the transition. Additionally, the Contractor must:
- a. Assist State with the resolution of unresolved exception items from the incumbent contractor currently providing CSPC operations.
 - b. Work with the incumbent contractor currently providing CSPC operations to transition electronic payment remitters to the new bank accounts.
 - c. Work with the State and incumbent contractor to address electronic payments sent to the incumbent contractor in error.
- 3. Disbursements.** The Contractor must develop a State approved process which ensures that disbursement activity has no disruptions during the transition. The State will have final approval of the Ohio e-QuickPay® card conversion plan. At a minimum, the Contractor must:
- a. Receive and store direct deposit account information from the incumbent contractor currently providing CSPC operations.
 - b. Document and describe changes to the program. All changes must be approved by the State.
 - c. Transfer existing card holder client data to Contractor's card management system.
 - d. Produce and issue new cards to all existing Ohio e-QuickPay® cardholders, if necessary.
 - e. Waive expedited card fees for two months after transition.
 - f. Conduct testing to ensure complete card usability.
- 4. Customer Support Transition.** The Contractor must provide all customer support functions within the SDU. Several operational functions may also require the transfer of data from the incumbent contractor currently providing CSPC operations to the Contractor during the transition period in order to prevent disruption of services. The Contractor must coordinate the transfer of data with the incumbent contractor. Transition must be seamless and ensure that there is no adverse effect upon ODJFS or support recipients. At a minimum, the Contractor must:
- a. Perform call center testing.
 - b. Document all testing results.
 - c. Make modifications to appropriate systems and repeat the testing and approval process if test results are deemed unacceptable by the State.
 - d. Provide procedures for revisions made to the customer support transition plan or timeline to include approval from the State.

Contractor Deliverables. Deliverables to be produced by the Contractor for the Transition CSPC Operations task must include the following:

1. Transition Results Document

Task 10 – End of Contract Transition

1. **End of Contract Transition Plan.** Upon notification that the Contract will not be renewed at the end of its term or is terminated prior to its expiration for any reason, the Contractor must provide all reasonable transition assistance requested by the State to ensure a smooth and orderly transfer of data and services.

Transition assistance and cooperation requires the submittal of an End of Contract Transition Plan six months prior to Contract expiration. If notice of termination is provided to the Contractor in a timeframe that is less than six months, the End of Contract Transition Plan must be provided within a timeframe established by the State. The proposed End of Contract Transition Plan must be approved by the State.

The End of Contract Transition Plan must include, at a minimum:

- a. Project plan for transition assistance of all CSPC operations and accounts;
 - Identification of the Services and related positions or functions that require transition and a schedule, plan and procedures for the successive CSPC vendor or the State assuming or reassuming responsibility.
 - Description of actions to be taken by the Contractor in performing transition assistance.
 - Description of how the transfer of (i) relevant information regarding the CSPC services, (ii) resources (if any), (iii) operations, (iv) data, (v) documentation and work products, and (vi) contracts (if any) will be achieved.
 - Description in detail of any dependencies on the successive CSPC vendor or the State necessary for the Contractor to perform the transition assistance services (including an estimate of the specific Contractor staffing required).
 - Inventory of documentation and work products required to facilitate the transition of responsibilities.
 - Assist the State in the identification of significant potential risk factors relating to the transition and in designing plans and contingencies to help mitigate the risk.
 - Set out the timeline for the transfer of each component of the terminated CSPC services (including key milestones to track the progress of the transfer).
 - Define a schedule and plan for Contractor's return to the State or its designee of the State's confidential information, data, documents, records, files, images, tapes and disks in the Contractor's possession.
 - b. Procedures for transferring of all documentation pertaining to the operation of the CSPC as well as all documentation requested by the State within the Contract;
 - c. Detailed proposal to ensure the continued use of the existing Ohio e-QuickPay® cards through the transition to the new issued Ohio e-QuickPay® cards;
2. **Transition Management Team.** The Contractor must provide a Project Manager who will lead and be responsible for the Contractor's overall performance of the transition assistance services and who will be the primary point of contact for the State during the End of Contract Transition.

The State will identify a Project Manager who will be the primary point of contact for Contractor during the End of Contract Transition. Additionally, the State may identify a transition team to review current services provided by the Contractor and work to facilitate an orderly transition of services.

3. **Operational Transfer.** The Contractor must perform the activities reasonably required to help effect a smooth and orderly transfer of operational responsibility for the terminated services.

Following operational transfer, the Contractor must provide the State with a report providing the results of the operational transfer. The report must document completion of each requirement within the End of Contract Transition Plan and its outcome.

4. **Transition.** A seamless transition is critical to the CSPC operations. The Contractor must provide the following transition assistance services in connection with the termination or expiration of the Contract. The Contractor must work with the State to ensure that all areas of CSPC operations remain functional with no disruptions in services to support recipients, local County CSEAs and ODJFS during the transition to the successive CSPC vendor or the State.

4.1 **Accounts**

The Contractor must coordinate a State approved process which ensures continued banking services until all collection and disbursement activity is final.

The Contractor must:

- a. Provide ongoing banking services for up to six months after expiration or termination of the Contract.
- b. Upon request, provide copies of canceled disbursement checks for six years, free of charge, to the State.
- c. Assist in the transition to the successive CSPC vendor or the State's accounts.

4.2 **Payment Processing**

The Contractor must develop a process which ensures that collection activity has no disruptions during the transition. Accountability must be retained for collection activity that occurred during the life of the Contract.

The Contractor must:

- a. Complete all work in progress as a prerequisite to final payment.
- b. Provide, to the successive CSPC vendor or the State, all outstanding exception items along with all supporting documentation.
- c. Retain accountability for reimbursement of collections misapplied by the Contractor during the Contract that are identified after expiration or termination of the Contract.
- d. Provide a report detailing all unidentified or held items that could not be resolved prior to expiration or termination of the Contract. Supporting documentation of research activities must be included in the report.
- e. Work with the successive CSPC vendor or the State to transition electronic payment remitters to the new bank accounts.

4.3 **Disbursements**

The Contractor must develop a process which ensures that disbursement activity has no disruptions during the transition. The Ohio e-QuickPay® card conversion must be specifically addressed.

The Contractor must:

- a. Complete all work in progress as a prerequisite to final payment.
- b. Provide a three month supply of check stock and billing stock inventory.

- c. Transfer Ohio e-QuickPay® card holder information to the successive CSPC vendor or the State.
- d. Transfer direct deposit account information to the successive CSPC vendor or the State.

4.4 Customer Support

The Contractor must develop a process which ensures that there are no disruptions to Customer Support during the transition.

The Contractor must:

- a. Complete all work in progress as a prerequisite to final payment.
- b. Provide the successive CSPC vendor or the State with a list of remaining unpinned Ohio e-QuickPay® cards.
- c. Provide a report detailing all customer support requests that, after extensive research, remain open. Supporting documentation of research activities must be included in the report.
- d. Transfer ownership of all PO boxes, CSPC phone numbers and domain names to the successive CSPC vendor or the State, at no additional cost to the State. The PO boxes, phone numbers and domain names that must be transferred are those that the State transferred to the Contractor at the commencement of the Contract and all PO boxes, phone numbers and domain names acquired by the Contractor during the term of the Contract to enable the Contractor to perform.

4.5 Systems

The Contractor must develop a process to assist the State with a smooth transition from the Contractor's systems to the successive CSPC vendor or the State's systems for continued compliance with federal and State laws and regulations.

The Contractor will be responsible for all costs and work effort necessary to extract all of the data and images and to provide them, in a mutually agreed upon format, to the successive CSPC vendor or the State. The successive CSPC vendor or the State is responsible for all necessary conversion efforts to load the data and images in the successive CSPC vendor or the State's system.

The Contractor must:

- a. Freeze all non-critical software changes.
- b. Provide all non-proprietary documentation stored within the documentation repository to the State.
- c. Return any State equipment provided to the Contractor, if applicable.
- d. Provide the data and images from the Contractor's system to the successive CSPC vendor or the State.
- e. Allow access to the Contractor's system for up to six months from Contract termination for viewing images, disbursement status updates and reconciliation and recollection activity.

4.6 Reconciliation

The Contractor must provide a final reconciliation that includes a complete account of all CSPC accounts.

The Contractor must:

- a. Provide a certified cash balance.
- b. Provide a certified listing of outstanding liabilities.
- c. Provide detailed documentation of any unreconciled items.

4.7 Reports

The Contractor must provide all reports deemed necessary by the State to close the Contract.

4.8 Cooperation

The Contractor must provide transition assistance requested by the State to allow for the services to continue without disruption and to facilitate the transfer of such services to the successive CSPC vendor or the State.

The Contractor must:

- a. Provide full cooperation with the successive CSPC vendor or the State in the transition.
- b. Provide all information requested by the State to ensure a successful and smooth transition.
- c. Provide a detailed report of current staffing levels necessary to operate the CSPC to include job titles and responsibilities.
- d. Provide all records stored both electronically and in hard copy in accordance with Contract requirements.
- e. Transfer all State property, information, documents, mail, instruments, and all electronic images to the successive CSPC vendor or the State.
- f. Promptly correct, at no cost to the State, any problems which were caused by lack of support at transition, as may be determined by the State (anything that causes negative impact/financial damages/etc.)

Contractor Deliverables. Deliverables to be produced by the Contractor for this task include:

- 1. End of Contract Transition Plan
- 2. Cancelled Disbursement Check Images;
- 3. Exception Items and Supporting Documentation;
- 4. End of Contract Transition Reports and Supporting Research and Documentation;
- 5. Three month supply of check stock and billing stock inventory;
- 6. List of remaining unpinned Ohio e-QuickPay® cards;
- 7. All Stored Documentation from the Repository;
- 8. Certified Cash Balance
- 9. Certified Listing of Outstanding Liabilities
- 10. Unreconciled Item Documentation
- 11. Current Staffing Level Report
- 12. End of Contract Transition Plan Final Report

Transition Milestone, Delivery and Completion Dates.

The State recognizes that this project requires an aggressive schedule to complete the activities below within the State's timeframes. The Contractor's project schedule and plan must include the proposed delivery dates for items marked 'Contractor'.

Milestone	Date
Project Kick-off Meeting	Five business days after receipt of Purchase Order
Technical Design and Implementation	
New Contract Transition Plan	No later than 30 days after receipt of Purchase Order
System Requirements Specification Document	Contractor
System Design Specifications Document	Contractor
System Testing Complete	Contractor
Disaster Recovery Plan	6 months after Work Start date

Milestone	Date
Marketing	
Transition Marketing Plan	Contractor
Outreach to existing EDI/EFT remitters initiated	Contractor
Transition Marketing Materials Distributed (Audience: County CSEAs, Employers, Obligors)	Contractor
On-going Marketing Plan	Contractor
Training	
Training Plan and Materials Developed	Contractor
Training Materials Completed	Contractor
Training Delivery	Just-in-time as agreed in the accepted Training Plan
Account Management – Transition and Ongoing	
Account Structure Set-up Completed	Contractor
e-Disbursement Procedures in Place	Contractor
Transition Completed (no later than)	6 months after Work Start date

CSPC Operations

The Contractor must provide a statewide operation, State Disbursement Unit (SDU), to serve as a central point for all support collections and disbursements. Ohio's SDU is known as Child Support Payment Central (CSPC). The Contractor will be required to provide the following:

- Account Management
- Collections
- Disbursement Operations
- Customer Support Services
- Reconciliation Activities
- System Requirements and Functionality
- Data Management Function
- Reporting
- Mail Processing
- Training
- Security Management
- Business Continuity
- Disaster Recovery
- Marketing
- Document Management
- Quality Assurance

1.0 Account Management

The Contractor must establish and maintain new accounts for payments received, posted and disbursed. The Contractor must also ensure a smooth transition of accounting responsibilities from the incumbent contractor to the Contractor.

1.1 Establish Account Structure

The Contractor is responsible for defining and describing the bank account structure. The proposed Account Structure must minimally cover the features and capabilities contained in the current account structure described in Section 1.2. Any significant deviation from the current account structure must be mutually agreed upon by both the Treasurer of State (TOS) and ODJFS prior to implementation. The Contractor must establish and maintain its proposed Account Structure with oversight from the TOS and ODJFS.

The proposed Account Structure description must include the following, at a minimum:

- a. Number of accounts
- b. Types of accounts
- c. Size of accounts
- d. Availability schedule
- e. Collateralization of funds
- f. Reporting Requirements
 - Bank account reporting
 - Account analysis.

1.2 Review Current Account Structure

The following is the Current Account structure in use by the Child Support Payment Central (CSPC). The Contractor must review this structure when developing their proposed Account Structure. For this Contract, the accounts will not be subject to the designation of the State Board of Deposit pursuant to ORC 135.12.

- a. Master Concentration Account
- b. County Collection Zero Balance Account (ZBA)
- c. Check Disbursement Accounts
- d. Outbound Electronic Disbursements Account
- e. Inbound Electronic Collection Account
- f. Returned Deposit Item (RDI) Account
- g. Tax Intercept Account
- h. Suspense Account
- i. CSPC Refund Account
- j. Recoupment Account and Associated Make-Whole Accounts
- k. County Depository Accounts
- l. Lockbox Account

1.2.1 Master Concentration Account

The Master Concentration Account houses all collection and disbursement balances. Concentrating balances in a single account enables the State to consolidate funds from multiple sub-accounts and provides efficient management and optimized earnings credits to offset bank service charges. Earnings credits are to be calculated to ensure the State receives best rates possible as determined by the Treasurer of State. Earnings credits must be credited to the State through the monthly billing. Funds from all 88 counties remain in this account and accrue earnings credits. At the end of each business day, settlement transactions occur in each sub-account for the net amount of the transactions, centralizing all balances into the Master Concentration Account.

The only transactions that occur in the Master Concentration Account are settlement transfers from other accounts. This account is considered the "group" account for the State's monthly account analysis statement, a detailed monthly summary of the average balances and service charges.

Responsibilities associated with this account:

- a. Provide Banking Services:

- Provide settlement transaction protocol.
 - Secure, process, and track all settlement transactions.
 - Establish internal controls on the Master Concentration Account.
 - Identify, utilize, and validate the calculation algorithm to be used in determining the average daily balance of the Master Concentration Account.
- b. Provide oversight of the accounts used for the Master Concentration Account.
 - c. Provide on-going maintenance and management of all aspects of the Master Concentration Account.
 - d. Provide accurate and comprehensive auditing records for each component of the Master Concentration Account.
 - e. Implement all transaction reporting formats for the Master Concentration Account with approval from the State.
 - f. Transaction Reporting:
 - Provide a daily transaction report to include settlement transactions.
 - Provide monthly bank account statements.
 - Provide monthly account analysis statements to include:
 1. Calculation of average daily balance for reporting period
 2. Itemized and summary statement of earnings
 3. Itemized and summary statement of banking service fees
 - g. Provide BAI2 detail activity reports on the Master Concentration Account to the State.
 - h. Provide BAI2 summary reports for the Master Concentration Account to the Treasurer of State's Office.
 - i. Deliver or fax the Custodial Deposit Form (CDF) to the TOS before 12:00 noon, daily
 - j. Collateralization Requirements:
 - Locate all accounts within the boundaries of the State.
 - Manage funds in excess of \$2 billion annually.
 - Provide securities, held by a third party, to secure the available funds on deposit that exceed FDIC limits for the Master Concentration Account.
 - Collateralize all active deposits pursuant to Section 135.18 of the Revised Code or upon approval of the Treasurer of State.
 - Comply with Revised Code section 1109.03.
 - Provide account collateral updates to the State.
 - Implement all collateralization arrangements to support deposits in the Master Concentration Account with approval from the State.
 - k. Provide 95% next day availability of deposited funds to include periodic end point analysis as required.
 - l. Transfer and reconcile funds in accordance with Generally Accepted Accounting Principles.
 - m. Provide prior day account activity by 7:30 am EST.
 - n. Maintain financial data and reports on-line for a minimum of 180 days.
 - o. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.2 County Collection Zero Balance Account

A single Zero Balance Account (ZBA) must be established for receiving daily County CSEA deposits. The County Collection Account receives next day ACH transfers from County CSEA depository accounts. Funds received in the account are automatically transferred to the Master Concentration Account on a daily basis to take full advantage of earnings credits.

Responsibilities associated with this account:

- a. Provide the following banking services:
 - Convert foreign currency to US dollars by determining the appropriate rate of exchange
- b. Establish protocol for County CSEA receipt and processing.
- c. Establish settlement transaction protocol.

- d. Identify the out-of-balance condition to the appropriate County CSEA and ensure that it is corrected on the same business day if there are out-of-balance conditions related to County CSEA postings and cash deposits.
- e. Provide ongoing maintenance and management of all aspects of the County Collection Account.
- f. Maintain financial data and reports on-line for a minimum of 180 days.
- g. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.3 Check Disbursement Accounts

SETS generates and transmits a daily disbursement file. Based on the information in the file, the checks are printed and issued from 88 separate disbursement accounts. These accounts include only debit transactions, making exception items easier to identify. Checks paid from these accounts trigger daily settlement transactions from the Master Concentration Account.

Responsibilities associated with this account:

- a. Review all checks presented for payment.
- b. Accept and honor all issues from the SETS disbursement file sent from the State.
- c. Utilize positive pay during the check clearing process.
- d. Provide monthly Account Reconciliation Package (ARP) reporting, with information sorted by check number, within five business days of the calendar month end.
- e. Generate reports per individual County CSEA account to include the individual County CSEA designation as well as a statewide summary of:
 - Checks paid
 - Stop payments
 - Void checks
- f. Provide a list of outstanding disbursements.
- g. Provide ongoing maintenance and management of all aspects of the disbursement accounts.
- h. Maintain financial data and reports on-line for a minimum of 180 days.
- i. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.4 Outbound Electronic Disbursement Account

All electronic disbursements originate from this account which is funded from the Master Concentration Account on a daily basis.

Responsibilities associated with this account:

- a. Provide ongoing maintenance and management of all aspects of the outbound electronic disbursements account.
- b. Maintain financial data and reports on-line for a minimum of 180 days.
- c. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.5 Inbound Electronic Collections Account

This account serves as the depository for employer and interstate EFT submissions. Each night a settlement transaction is initiated to the Master Concentration Account for the net amount of the daily EFT transactions.

Responsibilities associated with this account:

- a. Receive and process EFT/EDI payments.
- b. Ensure debit block is in place on the inbound electronic collection account.
- c. Approve and process ACH file entry reversals as necessary.
- d. Provide ongoing maintenance and management of all aspects of the inbound electronic collections account.

- e. Maintain financial data and reports on-line for a minimum of 180 days.
- f. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.6 Returned Deposit Item (RDI) Account

This account is for the receipt of all financial instruments processed at the SDU that are returned (primarily checks and money orders) for exception conditions such as insufficient funds (NSF), lack of endorsement, stopped payment, account closed, etc. It is used to efficiently handle the processing of returned deposit items.

Responsibilities associated with this account:

- a. Accept receipt of return deposit items.
- b. Redeposit all instruments according to standard banking protocol.
- c. Receive the instruments, or other required information that identified returned items could not be deposited.
- d. Use all physical instruments to serve as notification.
- e. Provide ongoing maintenance and management of all aspects of the RDI Account.
- f. Maintain financial data and reports on-line for a minimum of 180 days.
- g. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.7 Tax Intercept Account

The Internal Revenue Service (IRS) and the Ohio Department of Taxation (ODT) programs assist the State with the collection of overdue and overpaid support payments. They offer an offset to any refunds that are payable to the payee or payor. The State pays a participation fee to the IRS for this service. This account receives electronic fund transfers associated with the IRS and ODT intercept payments through ODJFS Fiscal.

Responsibilities associated with this account:

- a. Notify the State once funds have been received.
- b. Provide ongoing maintenance and management of all aspects of the tax intercept account.
- c. Maintain financial data and reports on-line for a minimum of 180 days.
- d. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.8 Suspense Account

This account is designated for all transactions that can not be immediately posted and require additional research. Individual entries in the suspense account are identified and the balance in the suspense account is reviewed regularly.

Responsibilities associated with this account:

- a. Ensure all entries (debit and credit) in this account can be separately and individually verified.
- b. Review and reconcile the suspense account.
- c. Provide a suspense aging report.
- d. Provide ongoing maintenance and management of all aspects of the suspense account.
- e. Maintain financial data and reports on-line for a minimum of 180 days.
- f. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.9 CSPC Refund Account

This account is for disbursing refunds for overpayments or misdirected payments back to remitters for payments that have been received by CSPC.

Responsibilities associated with this account:

- a. Monitor and reconcile account.
- b. Issue refund checks upon approval from the State.
- c. Reissue stale dated checks.
- d. Provide ongoing maintenance and management of all aspects of the CSPC refund account.
- e. Maintain financial data and reports on-line for a minimum of 180 days.
- f. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.

1.2.10 Recoupment Account and Associated Make-Whole Accounts

The Recoupment Account is for receiving deposits for collections on make-whole transactions. It provides a mechanism for tracking shortages to the Master Concentration Account due to a variety of reasons (mis-applied payments, overpayments, RDI, etc.). The Contractor must make-whole all Contractor mis-applied payments. The Recoupment Account handles make-whole payments transferred to and from the State make-whole account and the Contractor make-whole account.

Responsibilities associated with this account:

- a. Transfer funds from the Contractor's make-whole account to the recoupment account.
- b. Provide ongoing maintenance and management of all aspects of the Recoupment Account and Contractor's make-whole account.
- c. Maintain financial data and reports on-line for a minimum of 180 days.
- d. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.
- e. Establish Contractor's make-whole account.

1.2.11 County Depository Accounts

Each County CSEA may receive and post walk-in support payments. Currently, the County CSEA posts support payments into the Contractor's payment processing system and makes a nightly deposit of those payments into their County Depository Account. The funds are debited from the counties' depository accounts and deposited into the County Collection ZBA account.

Responsibilities associated with this account:

- a. Provide free depository accounts at the Contractor's designated bank for any county that wishes to establish an account with the Contractor's designated bank.

1.2.12 Lockbox Account

The Lockbox Account is for paper based collections. Funds deposited into this account are transferred to the Master Concentration Account on a daily basis to take full advantage of earnings credits.

Responsibilities associated with this account:

- a. Create and maintain a lockbox account.
- b. Convert foreign currency to US dollars.
- c. Provide ongoing maintenance and management of all aspects of the Lockbox Account.
- d. Provide 95% next day availability of deposited funds.
- e. Maintain financial data and reports on-line for a minimum of 180 days.
- f. Maintain financial data and reports and make them available to the State electronically per the requirements of the State's seven year retention schedule.
- g. Perform daily settlement of the Lockbox Account to Master Concentration Account.

2.0 Collections

2.1 Establish Payment Processing Functions

The Contractor must employ state of the art equipment and software to ensure that payment processing functions are performed efficiently and effectively. The current processing functions include:

- Paper Payments
- Employer/Payor EFT/EDI
- County Walk-in Payments
- IRS/ODT
- Web Based Payments

2.1.1 Paper Payments

Paper payments are received at the Contractor lockbox operation. Lockbox postable payments are sent electronically to SETS in the payment posting file. For a payment to be posted, at least two of the following five identifiers must be present without conflict among the identifiers provided:

- a. SETS case number
- b. Court order number
- c. Payor's social security number
- d. Payor's name
- e. Payee's name

Minimum Requirements:

- a. Receive, open, sort, process and post mailed remittance payments received by 8:30 a.m. EST on the same day they are received.
- b. Validate that posted payments are valid case/order combinations in SETS prior to transmission to SETS.
- c. Identify protocol for "flagging" transactions with case related information received from remitters (e.g. terminations, financial instrument, or remittance documents) and identify the process for systematically relaying this information to the appropriate entity (County CSEA, State Third Party Unit, etc.).
- d. Identify correspondence that includes an address change and forward the address update to SETS in the address change file.
- e. Send lockbox postable payments to SETS in the payment posting file daily no later than 5:00 p.m. EST.
- f. Store all records electronically. The electronic record retention must be available to the State and counties online and must be provided to the successive CSPC vendor or the State upon termination of the Contract. Records must be searchable by payment and case criteria to be determined by the State.
- g. Store all hard copy documentation for seven years unless prior written authorization to destroy is provided by the State.
- h. Follow Generally Accepted Accounting Principles (GAAP) and techniques when cash deposits are received in the lockbox. This procedure must involve dual cash control.

2.1.2 Employer/Payor EFT/EDI

Employers and other state's IV-D agencies may transmit their payments via EFT/EDI to CSPC for deposit into the centralized account structure. The records associated with each payment include identifying case related information.

Minimum Requirements:

- a. Receive and process EFT/EDI payments.
- b. Validate that all mandatory fields in the EDI records are appropriately populated.

- c. Validate information received against SETS information to ensure that payments are properly identified and applied to the correct case/order.
- d. Identify specific remitter type (e.g., unemployment, financial institution) to apply appropriate source code to payment.
- e. Send EFT/EDI postable payments to SETS in the daily payment posting file no later than 5:00 p.m. EST.
- f. Market EFT/EDI protocol to employers.
- g. Develop, provide and maintain enrollment materials.
- h. Manage and maintain enrollment procedures for EFT/EDI.
- i. Provide customer service to employers and payors with EFT/EDI protocol questions.
- j. Provide online access for State and county staff to view addenda records.
- k. Maintain addenda records for seven years and provide to the State upon termination of Contract.

2.1.3 County Walk-In Payments

Pursuant to section 3125.29 of the Ohio Revised Code, a County CSEA may process payments from payors who make payments in person at the local agency.

Minimum Requirements:

- a. Provide county CSEAs the ability to post payments online.
- b. Include all payments from closed and approved county walk-in batches in the daily Vendor Payment Posting Data File to SETS.
- c. Debit payments electronically from the County CSEA depository accounts to the county collection account daily.
- d. Identify and report out-of-balance conditions to County CSEA for resolution upon occurrence.
- e. Provide customer service to County CSEAs regarding payment system.
- f. Establish and manage user log-in procedures.

2.1.4 IRS/ODT

The Contractor's payment processing system must support the mandated function of processing collections through the State Disbursement Unit (SDU) by accepting and processing the IRS/ODT Tax Offset Collections Extract files.

Minimum Requirements:

- a. Receive IRS and ODT tax intercept funds from ODJFS Fiscal to be transferred to the Tax Offset Account.
- b. Receive and process IRS/ODT Tax Offset Collections Extract files from SETS.
- c. Transmit IRS/ODT posted payment information in the daily payment posting file to SETS.

2.1.5 Web Based Payments

Payor and employers must have the option to transmit payments electronically via the internet on a secure web based payment site.

Minimum Requirements:

- a. Accept web based debit payments, at no cost to payors or employers, for payments transmitted to the CSPC.
- b. Process payments via bank account debit and credit card.
- c. Provide options to allow for recurring payments.
- d. Receive SETS files containing case and order information to validate information provided by the remitter before the payment is posted.
- e. Assume liability for charge backs, payment reversals and fraudulent activity for credit card payments.

- f. Provide monthly management reports including, but not limited to, the number of internet payments received, the dollar amount, and the number of charge backs requested and granted. The report must also indicate whether the payment was made by credit, debit card or direct debit.

2.2 Exception Processing

Exception processing occurs when items received or processed at CSPC require special handling. Payment processing exceptions include:

- a. Returned Deposit Items
- b. Historical RDI Payment Tracking
- c. Misapplied Payments
- d. Unprocessable Items
- e. Suspense Items

2.2.1 Returned Deposit Items

A returned deposit item (RDI) results when a payment is deposited and the remitter's bank refused payment due to non-sufficient funds (NSF), lack of endorsement, closed account, etc. The Contractor is responsible to pursue collection of funds, only from the maker, to cover returned items along with service fee/charge. A recollection account must be established in the Contractor's system to track the recovery of these funds.

Minimum Requirements:

- a. Complete necessary research to identify and resolve issues with items that have been returned to the bank as unpaid.
- b. Flag payors who have financial instruments returned unpaid based on business requirements defined by ODJFS:
 - Flag individual payors at the routing transit number and account number level as well as at the case level
 - Flag employers at the routing transit and account number level.
- c. Notify the State and county of RDI via a report or email.
- d. Establish and maintain RDI and recollection information within Contractor's system.
- e. Provide RDI, recollection status and tracking information access to the State and counties.

2.2.2 Historical RDI Payment Tracking

The Contractor must provide an automated solution for storing and tracking outstanding returned deposit items.

Minimum Requirements:

- a. Transfer data from incumbent's system to Contractor's system.
- b. Update recollection balance and status as payments are received.
- c. Provide on-line access to RDI information.
- d. Provide search capabilities for all RDI's.

2.2.3 Misapplied Payments

A misapplied payment is a payment posted to a case/order other than the one for which it was remitted.

Minimum Requirements:

- a. Identify and correct payments that have been incorrectly posted due to Contractor error.
- b. Provide error prevention functionality to prevent mispostings. Examples of such logic would include looking for payments to a case that fall outside of the minimum and maximum previously posted payments.
- c. Make whole all Contractor misapplied payments.

- To offset the State's cost of assisting the Contractor with recollection of these funds, the Contractor will reduce their monthly invoice by an amount equal to 10% of the funds transferred monthly from the Contractor's make-whole account to the recoupment account.
- d. Notify counties and PAAR, within one business day, of misapplied payment so they can initiate the recoupment process and collection efforts.
- e. Provide the ability to flag cases and add notes to alert payment processors of special processing instructions (i.e., cases to which there is a potential for a payment to be misapplied in order to redirect payment to the correct case/order).

2.2.4 Unprocessable Items

Monetary Unprocessable Items are items that arrived in the lockbox that cannot be immediately deposited or processed. These items include nonnegotiable instruments, underpayments, excessive overpayments and complex out of balance remittances. These items must be worked by the Contractor for three business days and then returned to the remitter if still unresolved.

Minimum Requirements:

- a. Return unopened mail not belonging to CSPC (misdirected mail) to the Post office as soon as possible.
- b. Return opened mail not belonging to CSPC (misdirected mail) to sender as soon as possible.
- c. Restrictively endorse and securely store an undeposited financial instrument until the item is successfully resolved and the payment is posted or returned.
- d. Contact remitter to obtain missing payment information or resolve payment discrepancies.
 - When contact has been made to obtain payment information, Contractor staff must:
 - Educate and promote the submission of future payments with the required information to allow for expedited payment processing.
 - Promote and facilitate electronic submission of payments.
- e. Track all payments in which the Contractor has exhausted all resolution attempts. The system must allow for cross-referencing to the images and provide for detailed notes and summary reporting of the researched items.
- f. Provide State and county staff the ability to view and query unresolved Unprocessable Items on line.

2.2.5 Suspense

A suspense payment, either cash, check, money order, or EFT, is a payment that cannot be matched conclusively to a SETS case and order number because the remittance contains conflicting information, is a non-excessive overpayment, or it does not contain at least two of the following five required data elements:

- a. SETS case number
- b. Court or administrative order number
- c. Payor Social Security Number (SSN)
- d. Payor name
- e. Payee name

The Contractor must research suspense payments for 15 business days. If the issue remains unresolved after 15 days, the responsibility for researching and resolving the payment transfers to the State. Unresolved suspense items are refunded to the remitter after four months.

Minimum Requirements:

- a. Contact the remitter or the county to resolve suspense items.

- When contact has been made with the remitter to obtain payment information, Contractor staff must:
 - Educate and promote the submission of future payments with the required information to allow for expedited payment processing
 - Promote and facilitate electronic submission of payments
- b. Conduct research in SETS to resolve suspense items.
- c. Transfer the responsibility for resolving suspense items to the State after 15 business days.
- d. Send collections to SETS in payment posting file upon resolution of suspense items.
- e. Provide State and county staff the ability to view and query suspense items on line.
- f. Provide the ability to assign suspense items to various workers.
- g. Categorize suspense items (refund, overpayment, etc.).
- h. Allow responsibility to be manually assigned to the State prior to or after the 15 day timeframe.

3.0 Disbursement Operations

The Contractor's system must integrate with SETS to ensure a two business day turnaround for collections and use automation to the maximum extent feasible. Disbursement exceptions (pulls, voids, etc.) must be managed by the Contractor based on a plan submitted by the Contractor prior to implementation and approved by the State.

3.1 Establish Disbursement Operations

Pursuant to Ohio Revised Code Sec. 3121.50, the Office of Child Support is to provide support payments through mandatory electronic disbursement. The Contractor must provide the following disbursement operations designed to support electronic disbursement processes as well as supporting check disbursement processes for exception cases.

- a. Electronic Disbursement via the Ohio e-QuickPay® debit card
- b. Electronic Disbursement via direct deposit
- c. Interstate EFT Disbursement
- d. Check Disbursement

3.1.1 Electronic Disbursement via the Ohio e-QuickPay® debit card

The Contractor must support a stored value/debit card, the Ohio e-QuickPay® debit card as a method for disbursing support payments. The Contractor must support the use of the current card name and graphic.

Minimum Requirements:

- a. Establish and implement enrollment procedures.
- b. Receive and process completed electronic disbursement enrollment forms.
 - Enter enrollment information.
 - Assign participants, choosing to enroll in the Ohio e-QuickPay® debit card program, an Ohio e-QuickPay® account number.
 - Produce and mail all correspondence associated with enrollment processing.
- c. Receive and process all Ohio e-QuickPay® debit card cancellation requests and initiate the direct deposit enrollment process.
- d. Receive and process all requests for opt outs.
- e. Establish a process and re-issue Ohio e-QuickPay® debit cards prior to card expiration.
- f. Process all returned cards.
- g. Transmit a daily ACH enrollment file to SETS.
- h. Receive and process daily disbursement files from SETS
- i. Transmit electronic disbursement transactions to the card management system.
- j. Transfer funds to the Contractor's Ohio e-QuickPay® debit card program bank account.

- k. Provide a daily disbursements issued file which updates the status of each disbursement to SETS.
- l. Provide the capability of “pulling” (voiding) an electronic disbursement at the request of the State or a County CSEA.
- m. Combine multiple electronic disbursements received in the same day for the same participant into one payment.
- n. Notify cardholders that have balances on unpinned cards.
- o. Contact the county when enrollees have multiple participant numbers tied to one social security number in SETS to confirmation which participant number to enroll.

3.1.1.1 Debit Card/Stored Value Card Program Fees

Minimum Requirements:

- a. Manage the full service debit card activity at no cost to the State.
- b. Provide non-surcharge ATM transactions to cardholders through the Contractor’s banking provider.
- c. Market a surcharge waiver to other banking entities within Ohio in an attempt to increase cardholder access to non-surcharge ATM transactions.
- d. Deduct all cardholder fees from the cardholder’s Ohio e-QuickPay® debit card balance.
- e. Obtain approval from the State prior to making any changes to the current terms of use statement (Supplement 4 – Terms of Use Statement).
- f. The Contractor may not charge cardholder a monthly or annual cardholder fee.

3.1.1.2 Card Production and Distribution

Minimum Requirements:

- a. Produce and issue all Ohio e-QuickPay® debit cards in accordance with the cardholder agreement that is applicable under this Contract.
- b. Mail all cards in non-forwarding, first-class envelopes containing the CSPC name, address and Ohio e-QuickPay® logo.
- c. Process all returned cards which must include an address verification code update being sent to SETS.
- d. Provide cards that must be valid for three years from the date of issuance.
- e. Issue cards to replace a lost, damaged or stolen card
- f. Establish a process to replace cards every three years including the process to:
 - Validate customer addresses
 - Ensure the customer’s current card remains active until it expires, is reported lost or stolen or until the replacement card is pinned by the cardholder

3.1.1.3 Card Features and Capabilities

Minimum Requirements:

- a. Provide a MasterCard or Visa branded magnetic stripe card of high quality that is fully compliant with all federal laws and regulations, meets the industry standard for quality, and operates via the MasterCard or Visa Debit Network.
- b. Provide card magnetic stripe encoding, security features and primary account number assignment process that meets MasterCard or Visa specifications.
- c. Provide a card that must operate as a debit card, a stored value card, or another electronic access-type card and must not have a line of credit associated with it.
- d. The card must be accepted by any merchant accepting MasterCard or Visa Debit Cards and must allow for PIN-Based and signature based purchases.
- e. The card must allow Point of Sale (POS) transactions and the purchase of goods and services anywhere debit MasterCard or Visa is accepted, including via the Internet, mail order and telephone order.

- f. The cardholder must be allowed to receive cash back with a POS transaction based on the store limit or the negotiated cash-back withdrawal limit.
- g. Cardholder must have the ability to dispute card transactions.
- h. The operating network must query the cardholder's available balance at the time of any PIN-based POS transaction and disallow any transaction that would exceed the cardholder's balance.
- i. The card must allow for nationwide and international ATM access as well as the withdrawal of cash through a normal ATM transaction.
- j. Cardholders must be able to check balance and access transaction history information by telephone or online free of charge.
- k. Cardholders must be able to check the balance on the card at an ATM in accordance with the cardholder agreement that is applicable under this Contract.
- l. Cardholders must be able to withdraw their entire balance from teller window based on banking institutions standards;
- m. Cardholder's account must not have a minimum balance threshold.

3.1.2 Electronic Disbursement via Direct Deposit

The Contractor must support electronic direct deposit as a method of disbursing support payments. Additionally, the Contractor is responsible for tracking and recording all returned EFT disbursements for appropriate reporting, research and resolution.

Minimum Requirements:

- a. Establish and implement enrollment procedures.
- b. Receive and process completed electronic disbursement enrollment forms:
 - Enter enrollment information into Contractor's enrollment system.
 - Produce and mail all correspondence associated to enrollment processing.
- c. Receive and process all requests to cancel direct deposit including initiating the Ohio e-QuickPay® debit cards enrollment process.
- d. Contact the county when enrollees have multiple participant numbers tied to one social security number in SETS to confirm which participant number to enroll.
- e. Receive and process all requests for Opt Outs.
- f. Receive and process requests for financial institution change from direct deposit participants.
- g. Transmit daily ACH enrollment file to SETS.
- h. Receive and process daily disbursement files from SETS.
 - The Contractor must ensure data integrity of the SETS disbursement file through use of secure file protocols and checks and balances procedures.
- i. Provide a daily disbursements issued file which updates the status of each disbursement.
- j. Provide the capability of "pulling" (voiding) an electronic disbursement at the request of the State or a County CSEA.
- k. Process EFT disbursement return results from payee's financial institution, update disposition status and return disbursement status to SETS.
- l. Combine multiple electronic disbursements received in the same day for the same participant into one payment.
- m. Provide for automatic enrollment in Ohio e-QuickPay® when direct deposit is end-dated and participant has not re-enrolled within 45 days;
- n. Store participants current and historical banking information to include routing transit and account numbers;
- o. Process a pre-notification to verify the routing transit and account numbers for participants' banking information.

3.1.3 Interstate EFT Disbursement

Other state IV-D agencies can elect to receive electronic disbursements from the State of Ohio.

Minimum Requirements:

- a. Process a pre-notification to verify the other state's SDU bank information.
- b. Notify the SETS Help Desk of the other state's enrollment information to enable SETS to be properly updated.
- c. Receive and process daily disbursement file from SETS.
- d. Provide a daily disbursements issued file which updates the status of each disbursement.
- e. Store other states' current and historical banking information on Contractor's system.

3.1.4 Check Disbursement

The Contractor must establish check disbursement operations for individuals and entities determined by the State to be excluded from the e-disbursement requirement. Contractor's system must accept and process the SETS disbursements file to create and mail checks, then provide a disbursements and checks paid file back to the State. State of the art security measures approved by the State must be in place to ensure data integrity and protect against fraud. The Treasurer of State's signature is used on all disbursements.

Minimum Requirements:

- a. Establish a check printing system and facility in Ohio (anticipated daily volume may range from between 3200 and 3600 checks per day).
- b. Provide centralized return address.
- c. Standardize and process all addresses on the SETS disbursement file through an address verification database to identify address updates prior to check printing.
 - o If a forwarding address is provided, the check will be printed with and mailed to that address and the appropriate address code and forwarding address will be returned to SETS.
 - o If there is a forwarding order and no forwarding address, the check must be voided and the appropriate address verification code and void status will returned to SETS.
- d. Provide online access to Contractor's system for disbursement status to County CSEAs and State staff.
- e. Generate and transmit daily disbursements issued and checks paid files to SETS.

3.1.4.1 Print and Mail Checks

Minimum Requirements:

- a. Check Design Requirements:
 - o Provide only one check stock for all 88 counties
 - o Provide check security measures that meet or exceed industry standard
- b. Check Generation Requirements:
 - o Provide all supplies necessary for the daily check run including but not limited to paper and ink
 - o Provide all hardware and software necessary to support the check printing solution
- c. Print all checks from the SETS disbursement data file each business day;
- d. Provide the ability to reprint checks when a check becomes unusable before leaving the Contractor's facility. The Contractor must reprint the check using the original SETS check number, although the new check may have a new vendor inventory control number;
- e. Validate amounts and totals of checks against the amounts and totals in the daily SETS disbursement file.
- f. Meet the following mailing requirements:
 - o Provide all hardware, software, and activities associated with preparing the mail package for delivery to the U.S. postal facility, including sealing envelopes, paying for and affixing

proper postage, and transferring the mail in a secure manner to the appropriate U.S. post office mail center within the State of Ohio.

- o Provide a single address for all returned disbursement checks.
 - o Adhere to accepted USPS protocol to ensure that all undeliverable items will be returned to the State address indicated on the outside of the mail package.
 - o Actual postage expense will be charged to ODJFS as a "pass-through" of the actual expense.
 - o The postage rate must always be the best possible rate available without affecting delivery.
- g. Print and deliver all disbursement mail pieces to an authorized U.S. mail facility by 8:00 PM EST of the day the Contractor receives the SETS disbursement file.
- h. Convey post print status information in the daily disbursements issued file.
- i. Images of paid checks must be made available to State and county staff for viewing and research online.
- j. Access to check images must be made available to State and county staff by either the Contractor or the Contractor's banking institution for seven years after the check cleared date at no cost;
- k. Develop procedures and requirements for access to check images after Contract award. Procedures must include the requirements for accessing check images after expiration of Contract, including all renewals of it.
- l. Store all hard copy documentation for seven years unless prior written authorization to destroy is provided by the State.

3.1.4.2 Undeliverable Disbursement Processing

Minimum Requirements:

- a. Open and image all undeliverable disbursements, checks and envelopes, daily.
- b. Receive and process checks returned by USPS at the Contractor's central location.
 - o If a forwarding address is provided, the Contractor must initiate a void on the item and return the appropriate address code and forwarding address to SETS.
 - o If there is a forwarding order with no forwarding address, disbursement must be voided and a void status sent to SETS.
- c. Process and resubmit items for the following reasons:
 - o Payee address did not appear through the window
 - o Improper postage affixed to item.
- d. Void any disbursement items that cannot be immediately resubmitted.
- e. Initiate a void on all checks damaged during postal delivery and return that status to SETS.

3.1.4.3 Security Measures

Minimum Requirements:

- a. The Contractor must assume responsibility for all fraud that occurs while disbursement items or data files are in its possession. This includes, but may not be limited to:
 - o Onsite prior to printing
 - o Onsite after printing
 - o In transit to the USPS facility.

- b. The Contractor must take precautions to prevent fraud from occurring once the disbursement item or data file has left its possession including, but not limited to the use of Positive Pay Service. The following conditions require the Contractor to conduct a Positive Pay Review:
 - o Alteration of a check to modify the check amount.
 - o Alteration or modification of any information on the check MICR line. This includes the routing transit, account and check numbers and check amount.
 - o Duplicate check numbers must be checked for 60 days in the past.
 - o Mismatch between county name on check and the county account number on the bottom of the check.

3.1.4.4 Positive Pay Exception Processes

Minimum Requirements:

- a. Contractor's selected bank must generate Account Reconciliation Program (ARP) exception notices which must be made available to the State for appropriate research by 10:00 a.m. EST.
- b. If item is a valid issuance (e.g., encoding error), the State will give "pay decision" If item is NOT a valid issuance, the State will return a "no pay decision".
- c. ARP rejects the item.
- d. Checks on which a void or stop payment transaction has been placed (on the ARP system), that are presented for payment will be identified as a Positive Pay exception and reported by the financial institution daily for a pay/no pay decision.
- e. Research items that do not match and correct any bank errors, such as miscoded items, zero serial numbers and duplicate paid items.
- f. Provide a Positive Pay Exception Report of checks presented the previous business day. If there are no checks to report, a "nil" report must be provided.
- g. Determine the disposition of each item on the Positive Pay Exception Report on each business day by 2:00 p.m. EST.
- h. PAY or RETURN the check in accordance with the determination.
- i. Mark all checks to be returned "Refer to Maker" and process in compliance with the Uniform Commercial Code.
- j. If the Contractor does not determine explicit pay or return instruction by 2:00 p.m. EST it must be determined by default that all items on the Positive Pay Exception Report are UNAUTHORIZED and must be RETURNED.
- k. Contractor branch offices may have access or visibility to the positive paycheck issue files, therefore, checks presented for payment can be verified against the check issue file prior to the check being cashed as long as all of the recipient's personal and confidential information is removed from the issue file.

3.2 Disbursement Exceptions

There are a variety of reasons why a disbursement may be considered a disbursement exception. Appropriate and timely processing of pulls, voids and stop payments is critical to ensure proper allocation and disbursement of support collections as is the identification and timely resolution of fraudulent activity.

3.2.1 "Pull" processing

County CSEA and State staff must be able to initiate, via an online application, the "pull" of a check or electronic disbursement on the SETS disbursement file sent to the Contractor.

Minimum Requirements:

- a. Establish a deadline for submitting pull requests. The deadline must be approved by the State.
- b. Provide appropriate training and materials for the pull process.
- c. Void the disbursement in the Contractor's system.
- d. Void, maintain and secure physical checks.
- e. Identify a back up process (i.e., dedicated fax or email) for use if the online application is not available.
- f. Assign the appropriate disposition status.
- g. Create a daily file of pull, stop and void activity and transmit the file to SETS.
- h. Update ARP system.

3.2.2 Voids

A void may only be placed on an item when either the County CSEA or the Contractor is in possession of the instrument.

Minimum Requirements:

- a. Establish and manage a process for Void requests from County CSEAs.
- b. Provide appropriate training and materials for the pull process.
- c. Void the instrument in the Contractor's systems upon request from a County CSCA.
- d. Image void request forms.
- e. Initiate voids for returned disbursements.
- f. Assign the appropriate disposition status.
- g. Create a daily file of pull, stop and void activity and transmit the file to SETS.
- h. Update ARP system.

3.2.3 Stop Payments

A stop payment is used to prevent an outstanding check from being paid against an account and should be used if the check has already been released into circulation.

Minimum Requirements:

- a. Establish and manage a process for Stop Payment requests from County CSEAs.
- b. Provide appropriate training and materials for the stop payment process.
- c. Image stop payment request forms.
- d. Place a stop payment on an item (versus a void), if the physical instrument is in circulation.
- e. Stop payment and void transactions must not be placed on the same check.
- f. Assign the appropriate disposition status.
- g. Update ARP system.
- h. Create a daily file of pull, stop and void activity and transmit the file to SETS.

3.2.4 Fraudulent Activity

The Contractor is responsible for processing fraud claims (i.e. forged endorsement) submitted by clients or counties and ensuring the timely resolution of the investigations.

3.2.5 Stale Dated Checks

Contractor must maintain a process of considering a check stale dated after a number of days identified by the State have passed since check issuance. The stale date status must be sent to SETS.

3.2.6 Unpinned Ohio e-QuickPay® Debit Cards

Contractor must provide a process for notifying cardholders who have balances on unpinned cards.

4.0 Customer Support Services

Customer support is responsible for ensuring that customer needs and expectations are met. Customer inquiries should be handled in a professional manner with timely, accurate and comprehensive resolutions. CSPC customer support services for the SDU must be housed within the SDU facility and process customer inquiries in a manner that will facilitate and expedite payment processing. Customer support services for the Ohio e-QuickPay® debit card cardholders may be housed outside of the SDU facility but must be provided within the United States and will retain responsibility for all card related inquiries with the exception of the enrollment process.

4.1 CSPC Customer Support

The Contractor must provide customer support to assist employers and County CSEA/State staff with SDU functions and payment processing inquiries and assist clients with electronic disbursement enrollment inquiries.

Minimum Requirements:

- a. Provide customer support via telephone or email.
- b. House the CSPC customer support services in the same facility as the SDU.
- c. Provide toll free numbers for direct customer service access.
- d. Receive and respond to calls on all business days from 7:00 a.m. EST to 6:00 p.m. EST. Coverage may be extended as needed.
- e. Ensure average hold time is 2 minutes or less.
- f. Respond to inquiries and requests for assistance within timeframes established by the State.
- g. Notify the State immediately of a call center outage.
- h. Provide interpretation services, as needed, at no additional cost to the State.
- i. Research and respond to payment and related inquiries and issues in a time frame not to exceed one business day.
- j. Implement and maintain a system for tracking and reporting inquiries received via both email and telephone, including, but not limited to:
 - o Incoming calls, faxes or emails
 - o Outgoing calls, faxes or emails (not billable)
 - o Incoming call hold time
 - o Inquiry category
 - o Inquiry resolution to include how inquiries were addressed and resolved.
 - o Closure and follow-up on customer inquiries that cannot be satisfied immediately and require additional research.
 - o Provide State staff with complete and direct access to the Contractor's tracking system and data pertaining to services provided including issues, problem management, resolution, SLA component and reporting tools.
 - o Track call patterns for individuals and counties.
- k. Strictly adhere to all Child Support confidentiality rules.
- l. Provide the capability to transfer a call to the Office of Child Support (OCS) Customer Inquiry Call Center (CICC).
- m. The Contractor must provide an option to the caller to transfer to the ODJFS IVR ACD to check the status of their payment. Calls routed to the ODJFS IVR ACD system must not be charged as a billable call.
- n. Maintain an employer contact directory containing at a minimum, employer name, telephone number, and contact name.

4.2 Ohio e-QuickPay® Debit Card Customer Support

Support of the Ohio e-QuickPay® debit card must be provided within the United States by the Contractor at no cost to the State. All aspects of card management support should be handled by the Ohio e-QuickPay® debit card customer support.

Minimum Requirements:

- a. Provide 24 hour customer support via a toll free telephone number accessible to Ohio e-QuickPay® debit card cardholders which must provide, at a minimum:
 - Unlimited balance inquiries
 - Transaction inquiry
 - PIN activation
 - Request for hardcopy statements
 - Ability to report a lost or stolen card
 - Ability to dispute a transaction on card
 - Ability to request a replacement card (card damaged or not working properly)
 - Ability, with minimal effort, to opt out and speak directly to a customer service representative.
- b. Provide an internet web site which must provide, at a minimum:
 - Ohio e-QuickPay® debit card marketing information (copies provided as Supplements 6, 7, 8 and 18)
 - Online enrollment application
 - Portal for reporting a lost or stolen card
 - Ohio e-QuickPay® debit card customer support toll free telephone number
 - Cardholder agreement
 - Balance inquiry
 - Transaction history

5.0 Reconciliation Activities

At a minimum, the Contractor must maintain current bank reconciliation processes which are defined below.

5.1 Bank Reconciliation

The Contractor must reconcile account data within the CSPC accounts and statements provided by the bank for the following CSPC functions.

- a. Receipting reconciliation
- b. Disbursements reconciliation
- c. Returned deposit items reconciliation
- d. Recoupment reconciliation
- e. Suspense reconciliation
- f. CSPC refund reconciliation

The Contractor must partner with State staff on all reconciliation activities, training issues, research, etc.

5.1.1 Receipting Reconciliation Requirements

The Contractor must reconcile, on a daily basis, all receipts recorded within the Contractor's system to the information provided by the bank in the daily BAI2 file. Reconciliation activity includes matching all items that can be verified as well as researching and tracking any variances identified within the following accounts:

- a. Lockbox account
- b. Inbound electronic collections account
- c. County collection account
- d. Tax offset (IRS and ODT) account

Minimum Requirements:

- a. Receive and import daily BAI2 file from bank.
- b. Reconcile funds in accordance with Generally Accepted Accounting Principles.

- c. Maintain reconciliation records online and in hard copy for a time frame to be determined by the State.
- d. Promptly identify out of balance conditions for county collection accounts for County CSEA resolution.
- e. Complete daily reconciliation by close of business the following day.
- f. Notify the State immediately of any error involving the CSPC bank accounts.
- g. Report variances that have not been reconciled within a timeframe to be determined during the design phase.

5.1.2 Disbursement Reconciliation Requirements

The Contractor must reconcile, on a daily basis, all disbursements and adjustments recorded within the Contractor's system to the information provided by the bank in the daily BAI2 file. Reconciliation activity includes matching all items that can be verified as well as researching and tracking any variances identified. Monthly reconciliation must be completed based on information provided by the bank in the monthly ARP file. Disbursement reconciliation must encompass the following accounts:

- a. County check disbursement accounts
- b. Outbound electronic disbursement accounts

Minimum Requirements:

- a. Receive and import daily BAI2 file from bank.
- b. Import monthly ARP file from the bank
 - ARP file must be utilized to provide the following totals:
 - Checks outstanding
 - Checks paid
 - Checks cancelled/ voided
 - Checks stopped
 - Items not matched between Contractor's system and ARP file will be considered variances and will require manual research.
- c. Reconcile funds in accordance with Generally Accepted Accounting Principles.
- d. Maintain reconciliation records online and in hard copy for a time frame to be determined by the State.
- e. Complete daily reconciliation by close of business the following day.
- f. Notify the State immediately of any error involving the CSPC bank accounts.

5.1.3 Returned Deposit Item Account Reconciliation

The Contractor must assume all responsibilities related to returned deposit items including account coverage, derog with State approval and collections.

Minimum Requirements:

- a. Maintain reconciliation records online and in hard copy for a time frame to be determined by the State.
- b. Ensure that fund coverage is provided for all RDIs.
- c. Notify the State of any error involving CSPC bank accounts.

5.1.4 Recoupment Account Reconciliation

The recoupment reconciliation effort must involve pairing up financial correction data stored within SETS and outside of SETS (manual spreadsheets/databases) with the Contractor's general ledger accounts. This paired information must be reconciled against the information supplied by the bank.

Minimum Requirements:

- a. Receive and import daily BAI2 file from bank.
- b. Receive and import recoupment and adjustment files from SETS.

- c. Reconcile funds in accordance with Generally Accepted Accounting Principles.
- d. Maintain reconciliation records online and in hard copy for a time frame to be determined by the State.
- e. Complete daily reconciliation by close of business the following day.
- f. Notify the State immediately of any error involving the CSPC bank accounts.
- g. Research and reconcile all variances.

5.1.5 Suspense Account Reconciliation

Reconciliation of the suspense account must consist of a comparison between the suspense items identified within the Contractor's system and information provided by the bank.

Minimum Requirements:

- a. Receive and import daily BAI2 file from bank.
- b. Reconcile funds in accordance with Generally Accepted Accounting Principles.
- c. Maintain reconciliation records online and in hard copy for a time frame to be determined by the State.
- d. Complete daily reconciliation by close of business the following day.
- e. Notify the State immediately of any error involving the CSPC bank accounts

5.1.6 CSPC Refund Account Reconciliation

The CSPC refund account reconciliation process must entail the comparison of activities into and out of the CSPC refund account per the Contractor's records with the information provided by the bank. Monthly reconciliation must be completed based on information provided by the bank in the monthly ARP file.

Minimum Requirements:

- a. Receive and import daily BAI2 file from bank.
- b. Import monthly ARP file from the bank.
- c. Reconcile funds in accordance with Generally Accepted Accounting Principles.
- d. Maintain reconciliation records online and in hard copy for a time frame to be determined by the State.
- e. Complete daily reconciliation by close of business the following day.
- f. Notify the State immediately of any error involving the CSPC bank accounts

5.2 Summary Accounting

The State will provide a daily summary containing the total dollar amounts of the reconciling items within the SETS financial management structure. These summary totals must be compared to the financial information provided by the bank to complete a high level summary accounting of receipts and disbursements. The State will provide baseline training and education on SETS financial management structure during the design period.

Minimum Requirements:

- a. Complete bank reconciliation as defined above.
- b. Receive and import daily BAI2 file from bank.
- c. Import monthly ARP file from the bank.
- d. Import daily summary containing dollar amounts of all reconcilable items within SETS.
- e. Complete daily and monthly summary accounting within a timeframe to be determined and forward results to the State for approval.
- f. Notify the State immediately of any error involving the CSPC bank accounts

6.0 System Requirements and Functionality

The Contractor's system(s) must include the following.

6.1 Establish System Functionality

The Contractor's system(s) must support the following functionality and must interface with the SETS system. The system must be accessible by State and county users via a secured internet connection Monday through Saturday, 7 a.m. – 6 p.m., unless otherwise approved by the State. Internet connectivity is provided for and managed by the State. All connections are part of the ODJFS private network, are the same for each site and are comprised primarily with T-1 circuits. All data that resides in the Contractor's system(s) is property of the State.

The Contractor must use a State approved method for file transfers. There must be a validation process in place to insure file transfer integrity, if using entities outside of the facility.

At a minimum, the following functionality must be developed and maintained:

6.1.1 Front End Imaging

The Contractor must use document-imaging technology to create and maintain images of a variety of collection and disbursement documentation. The Contractor must maintain these images in their primary system and the images must be accessible to State and county workers.

Minimum Requirements:

- a. Capture front and back images of the following documentation, instruments, and transactions and make available on-line to State and county staff.
 - o Payment transactions
 - o Financial instruments
 - o Remittance documents
 - o Envelopes for all payor payments
 - o Envelopes for all payments received with no additional supporting documentation
 - o Posting instructions received during payment research
 - o Non-monetary correspondence
 - o Unprocessable items
 - o Rejected items
 - o Suspense items
 - o Cleared, returned and voided disbursements
 - Envelopes of returned disbursements
 - o Electronic disbursement enrollment applications
- b. Ensure all images are easily accessible and searchable by State and county personnel by the next business day.
- c. Provide the ability to print the front and back of a single document within the transaction or the entire transaction.
- d. Develop a user manual and make it available on-line.
- e. Maintain images in the Contractor's primary system until ODJFS authorizes the Contractor to move the images to off-line storage.
- f. Transfer stored images to the successive CSPC vendor or State operated storage medium.

6.1.2 Paper Payment Processing

Paper payments received at the Contractor's lockbox operation, after posted to a case, must be sent electronically to SETS in the daily Vendor Payment Posting Data File.

Minimum Requirements:

- a. Import the SETS Monthly Master File Extract and the SETS Master Daily Order and Recoupment Update File. This data will be used during paper payment posting operations to match the posting information from the remittance document(s) to valid SETS cases.
- b. Receive and process paper payments.

- c. Post payment only when at least two of the following five identifiers are present with no conflicting information:
 - SETS case number
 - Court order number
 - Payor's social security number
 - Payor's name
 - Payee's name.
- d. Flag payments that do not match two of the five criteria or have conflicting information for additional research.
- e. Initiate an alert if check or case data matches data in derog database.
- f. Assign a unique payment ID number for each individual payment.
- g. Transmit to SETS the check or money order number associated with each individual payment.
- h. Search paper payment transactions using single or multiple criteria based on the following fields, at a minimum:
 - Process date
 - Batch number
 - Case number
 - Order number
 - County
 - State
 - Employer name
 - Payor first name
 - Payor last name
 - Payor social security number
 - Payor participant number
 - Remitter type
 - Collection type
 - Payment source type
 - Payment method type
 - Payment ID number
 - SETS receipt ID
 - Check amount
 - Payment amount
 - Routing Transit number
 - Account number
 - Check number.
- i. Ensure all payments processed on weekends and holidays receive a date of collection of the next business day.
- j. Send all posted paper payments in the daily Vendor Payment Posting Data File no later than 5:00 p.m. EST.

6.1.3 Monetary Correspondence

Monetary correspondence is defined as case, address or employer information received and imaged in conjunction with a payment.

Minimum Requirements:

- a. Flag all payment transactions that contain case related or change of address correspondence (i.e. terminations, vacation notifications, etc.).
- b. Provide searches for payment transactions that contain correspondence that is relevant to a specific county or other user entity (i.e. Third Party Group).
- c. Drive the user to the relevant page(s) within the transaction if a transaction contains multiple pages of supporting documentation and only one of those pages contains correspondence for the user group that is conducting a search.
- d. Capture and forward Payor change of address information in payment transactions to the Participant Address Update Data File in SETS.

- e. Monetary correspondence must be searchable by the following criteria:
 - o Process date
 - o Batch number
 - o Type of correspondence (monetary or non-monetary)
 - o User group (i.e., county, Third Party Group)
 - o Nature of correspondence (i.e., change of address, termination, lump sum, etc.)

6.1.4 Non-Monetary Correspondence

Non-monetary correspondence is defined as case, address, or employer information received and imaged without an associated payment.

Minimum Requirements:

- a. Image and flag all non-monetary correspondence to indicate the associated user group (i.e. county, Third Party Group, etc.).
- b. Drive the user to the relevant page(s) within the transaction if a transaction contains multiple pages of supporting documentation and only one of those pages contains correspondence for the user group that is conducting a search.
- c. Non-monetary correspondence must be searchable by the following criteria:
 - o Process date
 - o Batch number
 - o Type of correspondence (monetary or non-monetary)
 - o User group (i.e. county, Third Party Group)
 - o Nature of correspondence (i.e. change of address, termination, lump sum, etc.)

6.1.5 Monetary Unprocessables

Monetary Unprocessables are items that arrive at CSPC and cannot be immediately deposited or processed. These items include non-negotiable instruments, damaged payments, underpayments, excessive overpayments and complex out-of-balance remittances. The Contractor must work these items for three consecutive business days and then return them to the remitter if still unresolved. The financial instrument must not be deposited until the item is successfully resolved and the payment is posted.

Minimum Requirements:

- a. Provide the ability to image and track the resolution of Monetary Unprocessables.
- b. Provide State and county staff the ability to view Monetary Unprocessables.
- c. Provide search capabilities for Monetary Unprocessables using the following criteria:
 - o Process date
 - o Employer name
 - o Payor first name
 - o Payor last name
 - o Check amount
 - o Routing transit number
 - o Account number
 - o Check number

6.1.6 Rejected Payments

Rejected payments are payments that are returned to the remitter. Examples of rejected payments include misdirected payments, unresolved Monetary Unprocessables, mismatched legal line, etc.

Minimum Requirements:

- a. Image all rejected payments (does not include unopened misdirected mail).
- b. Provide search capabilities for Rejected Payments using the following criteria:

- Process date
- Routing transit number
- Account number
- Reject reason
- Check amount
- Check number
- Payor First Name
- Payor Last Name
- Employer Name
- Case Number
- Order Number
- Payor SSN.

6.1.7 Employer/Obligor EFT/EDI

Remitters such as employers, payors, financial institutions, states, and government agencies, may transmit their payments electronically to CSPC.

Minimum Requirements:

- a. Import SETS Monthly Master File Extract and the SETS Master Daily Order & Recoupment Update File. This data will be used during electronic payment posting operations to match the posting information from the electronic file against valid SETS cases.
- b. Provide the ability to read various records in the file in order to apply special processing rules as defined by the State (e.g., assign payment source code).
- c. Receive and process electronic payments.
- d. Validate that all mandatory fields in the electronic record are appropriately populated.
- e. Post payments only when at least two of the following five identifiers are present with no conflicting information:
 - SETS case number
 - Court order number
 - Payor's social security number
 - Payor's name
 - Payee's name.
- f. Flag payments that do not match two of the five criteria or have conflicting information for additional research.
- g. Assign each payment transaction a unique payment identification number.
- h. Electronic payment transactions must be searchable using the following criteria:
 - Process date
 - Batch number
 - Case number
 - Order number
 - County
 - State
 - Employer name
 - File name
 - Payor first name
 - Payor last name
 - Payor social security number
 - Payor participant number
 - Remitter type
 - Collection type
 - Payment source type
 - Payment method type
 - Payment ID number
 - SETS receipt ID
 - File amount

- Payment amount
 - EFT addenda data
- i. Ensure that all payments processed on weekends and holidays receive a date of collection of the following business day.
 - j. Include all posted electronic payments in the daily Vendor Payment Posting Data File that must be sent to the State no later than 5:00 p.m. EST.
 - k. Allow the State and county workers to view the EFT Seven/Addenda Record.

6.1.8 County Walk-In Payments

To ensure that all payments are processed through CSPC the Contractor must provide counties with an application for posting payments at the local agencies.

Minimum Requirements:

- a. Provide a secure web based payment system to allow counties to post walk-in payments.
- b. Provide two user levels: cashier and supervisor.
- c. Provide security to prohibit cashier users from approving batches.
- d. Import SETS validation table.
- e. Import derog database.
- f. Initiate an alert if check or case data matches data in derog database.
- g. Allow a payment to be posted to suspense rather than a case. Users must be able to enter comments during the transaction.
- h. Allow a receipt to be printed.
- i. Only allow payments to be posted to cases within the county jurisdiction.
- j. Include all payment batches, closed and approved, in the daily Vendor Payment Posting Data File to SETS by a time to be determined by the State.
- k. Generate deposit reports and various other reports.
- l. Debit payments electronically from all County CSEA Depository Accounts to the County Collection Account daily.
- m. Identify out-of-balance conditions promptly for County CSEA resolution.
- n. Initiate an alert when an unapproved batch with a prior business day's date exists when generating the Daily Deposit Report.

6.1.9 IRS/ODT Payments

The Contractor's system must accept and process the IRS/ODT Collections Extract files from SETS. The Contractor must validate all payment, case and order information except for those items that have been previously identified as suspense.

Minimum Requirements:

- a. Receive IRS/ODT tax intercept funds from ODJFS Fiscal and transfer them to the CSPC Tax Offset Account.
- b. Receive and process the IRS/ODT Collections Extract files from SETS.
- c. Extract the following data from the file for all suspense records and populate the notes field associated with each payment:
 - Case Number
 - Order Number
 - Payor SSN
 - Payor Name
- d. Include posted IRS/ODT payments in the daily Vendor Payment Posting Data File to SETS.
- e. Flag payments that do not automatically post for suspense.

6.1.10 Web-based Payments

The Contractor must provide employers and payors the ability to view, print and pay support obligations via the Internet using credit cards, debit cards and direct debit. Direct debit services must be offered to the remitter free of charge.

Minimum Requirements:

- a. Provide a web-based payment solution for remitters to use to remit payments via credit card, debit card and direct debit to CSPC.
- b. The system, including but not limited to databases, servers, and communications protocols, must maintain the most up-to-date security features to provide the highest degree of protection against invasion and interruptions.
- c. Store employer and payor information and allow the remitter to update their information as needed.
- d. Provide architecture, servers, information and transaction repository/database; development platform and ongoing maintenance platform.
- e. Provide web server architecture and communications protocols.
- f. Provide internet web site to be able to process both "push" and "pull" functions:
 - o Push: Accept Employer Category II Billing Extract and display in easy-to-read format.
 - Develop search capabilities using criteria such as employer/payor name, third party number, FEIN, social security number, SETS case number, etc.
 - Allow users to create employer profiles (Group Model)
 - Host multiple group profiles (Group Models) for any one employer, sorted by third party number
 - Host multiple case/order obligations for one participant, sorted by participant
 - Upload SETS Monthly Master File Extract and SETS Master Daily Order & Recoupment Update File to be used to validate information provided by the remitter during log-in and payment posting functions
 - Provide log-in validation security.
 - o Pull: Accept updates to hosted information
 - Employer profile (Group Model).
 - Capture requests to consolidate multiple third party numbers for employers (merge lists) and have the ability to transmit to ODJFS.
 - Capture employee indicators (i.e. sick, no pay, terminated)
 - Capture modifications to amount withheld, participant information.
 - Capture changes/additions to individual demographics (address, bank account, etc.)
 - Provide the ability to transmit employer/participant information to SETS.
 - Provide the ability to process payments via bank account debit or credit card.
- g. Provide options for recurring payments.
- h. The Contractor must assume responsibility for all refunds, charge backs, pull backs, fraudulent activity and reversals; system must process refunds and charge backs for credit card payments.
- i. Ensure the traceability of the online payment from acceptance through authorization, settlement, posting, and any refund or chargeback.
- j. Provide monthly management reports to document the number of Internet payments, the dollar amount, and the number of charge backs requested and granted. The report must also indicate whether the payment was made by credit/debit card or electronic check.
- k. Generate an error message if the case and order numbers are not found in the SETS Monthly Master File Extract or SETS Master Daily Order & Recoupment Update Files.

- l. The aging process must comply with federal payment processing requirements.
- m. Include all payments in the daily Vendor Payment Posting Data File.

6.1.11 Error Prevention Functionality

The Contractor's system must include error prevention functionality to reduce or eliminate misposting of payments. Examples of error prevention logic include payments that fall outside of the minimum and maximum range of historical payment history, multiple payments posted to the same case and order, etc. All payments that meet the error prevention logic must be reviewed before inclusion in the daily Vendor Payment Posting Data File.

Minimum Requirements:

- a. Provide error prevention functionality.
- b. Define logic and parameters for error prevention.

6.1.12 Suspense

The Contractor's system must include suspense functionality for all payments that cannot be immediately posted.

Minimum Requirements:

- a. Flag payments that are not immediately postable as a suspense item.
- b. Allow for same day review and posting of suspense items identified during day one operations.
- c. Transfer the responsibility for researching and resolving suspense items to the State after 15 business days.
- d. Provide the ability to transfer specific suspense items to the State prior to established time frames.
- e. Provide the ability to transfer specific suspense items to the State after the established time frames.
- f. Provide the ability to search suspense items using the following criteria:
 - o Process date
 - o Batch number
 - o Remitter type
 - o Collection type
 - o Employer name
 - o Payment source type
 - o Payment method type
 - o Remitter last name
 - o Remitter first name
 - o Social security number
 - o SETS participant number
 - o Payment amount
 - o Check amount
 - o Routing transit number
 - o Account number
 - o Check number
 - o Employer FEIN
 - o Payment ID
 - o Suspense Closeout Reason.
- g. Provide the ability to build specific users in the system so that suspense items can be assigned or re-assigned to specific workers on a daily basis.
- h. Provide a daily work list of new suspense items for both Contractor and the State.
- i. Provide the ability to track various performance measures such as number of items assigned to a worker, number of items resolved, number of items outstanding, dollar amount, etc.
- j. Provide the ability for the State and Contractor to document all research conducted. Field size must be large enough to capture full research documentation.

- k. Allow the State and county workers to view comments entered by CSPC workers.
- l. Provide ongoing research notes that may be updated/added to by Contractor or the State (tracking date, time and who entered) at any time during refund process and view only after final status.
- m. Allow for images of documentation received during payment research to be appended to original transaction image.
- n. Provide permanent access to all research and call notes to State and County workers.
- o. Provide reports and track all status of refund: specific time periods (daily, weekly, from and to), pending, approved, issued, cashed (final status), voided, stale dated, reissued.
- p. Create and transmit daily to the State the Vendors Unpostable Data File of unresolved suspense items in which ownership is transferring to the State.
- q. Provide functionality to resolve the following suspense items:
 - o Post
 - o Refund
 - o Funds unavailable
 - o Permanently closed
- r. Provide the ability to reverse a payment before transmitting to SETS on the same day it's posted.
- s. Provide access to all resolved items.
- t. Provide the ability to initiate refunds.
- u. Print, mail, and research stale dates and reissue refunds within a timeframe to be determined by the State.

6.1.13 Payment Adjustments

The State may perform adjustments to collections in order to correct misapplied payments, posting to case/order, recoupment accounts, encoding errors, etc. The Contractor's system must have the ability to accept these adjustments in the Financial Corrections Extract from SETS and show these corrections on the original collection receipt in their system. Contractors system must accept adjustments to recoupment balances through automation or have a manual process in place with adequate staff to work adjustments within a timeframe to be determined by the State. Recoupment account information is sent to Contractor's system after it is created in SETS. Contractor's system must keep track of the outstanding balance of recoupment accounts by deducting payments received toward the account. Any changes to the outstanding balance made by SETS must be included in the Financial Corrections Extract.

Minimum Requirements:

- a. Import the Daily Financial Corrections Extract.
- b. Match adjustment to corresponding receipt in Contractor's system.
- c. Make adjustment detail viewable to county and State workers.
- d. Allow for miscellaneous adjustments.
- e. Allow users to input notes regarding the miscellaneous adjustment.
- f. Accept and update in Contractor's system financial adjustments to recoupment accounts.
- g. Indicate all Make Whole funds transfer activity that results from financial adjustments and miscellaneous adjustments while maintaining the systems integrity.
- h. Resolve adjustments that require manual effort in a timeframe to be determined by the State.
- i. Allow for modifications to the payment history side or a payment posted to a recoupment, that results in a zero balance, to automatically update the account balance to "closed".
- j. Allow State staff the ability to view the rejected items from the RDI or Recollection screens when rejection is due to the derogatory flag and listed on the RDIs history.

6.1.14 On-line Pull Functionality

The Contractor must provide a secure on-line application to allow county and State users to submit a request to "pull" a check, direct deposit or Ohio e-QuickPay® disbursement from daily processing. The deadline for submitting pull requests will be established by the State.

Minimum Requirements:

- a. Provide a secure on-line application for county and State users to submit pull requests.
- b. Complete pull requests within parameters to be defined by the State.
- c. Confirm pull request was received.
- d. Register users.
- e. Capture information on pull requests to be defined by the State.
- f. Provide the ability to view pull requests.

6.1.15 Derog Database and Recollection Accounts

The Contractor's system must support the tracking and reporting of returned deposit items.

Minimum Requirements:

- a. Create a recollection account upon receipt of returned deposit items.
- b. Add applicable fee to RDI balance.
- c. Maintain current status including balance of all recollection activity.
- d. Notify the State and county of RDIs directly, via a report or email.
- e. Generate and mail collection letters.
- f. Provide access to RDI status and tracking to State and counties.
- g. Add remitter information (i.e., case number, routing number, account number) to the derog database upon receiving notice of an RDI.
- h. Create and maintain a 'derog' database for tracking remitters who have financial instruments returned unpaid by their bank.

6.1.16 e-Disbursements

The Contractor must support the electronic disbursement of payments through direct deposit and the Ohio e-QuickPay® debit card.

6.1.16.1 Direct Deposit

The Contractor must support the electronic disbursement of payments through direct deposit.

Minimum Requirements:

- a. Accept the daily SETS Disbursements Data File.
- b. Convert SETS Disbursement Data Files into NACHA approved formatted files.
- c. Originate ACH file for direct deposit.
- d. Provide the ability to "pull" a direct deposit disbursement at the request of the State or county.
- e. Perform all reconciliation functions.
- f. Provide an automated solution to ensure timely processing and the integrity of all data file exchanges. Solution must include a detailed explanation of the alert and escalation process for all file transfer issues.
- g. Accept, process and report all notice of change activity.
- h. Process all returned direct deposits.
- i. Validate amounts and totals of direct deposits against the amounts and totals in the Disbursement Issued Data File.
- j. Generate and transmit daily the Disbursements Issued Data File to SETS.

6.1.16.2 Ohio e-QuickPay®

The Contractor must support the electronic disbursement of payments through the Ohio e-QuickPay® debit card.

Minimum Requirements:

- a. Load Ohio e-QuickPay® cards by midnight of current business day.
- b. Accept the daily SETS Disbursements Data File.

- c. Provide the ability to “pull” an e-QuickPay® disbursement at the request of the State or county.
- d. Perform all reconciliation functions.
- e. Provide an automated solution to ensure timely processing and the integrity of all data file exchanges. Solution must include a detailed explanation of the alert and escalation process for all file transfer issues.
- f. Validate amounts and totals of funds disbursed to Ohio e-QuickPay® cards against the amounts and totals in the Disbursement Issued Data File.
- g. Generate and transmit daily the Disbursements Issued Data File to SETS.

6.1.17 Ohio e-QuickPay® Disbursement and Card Management

The Contractor must provide card management functionality to process and monitor the Ohio e-QuickPay® disbursements and transactions. The card management system must not be accessible by State or county staff.

Minimum Requirements:

- a. Issue cards and manage all transactions.
- b. Track and report dormant account status.
- c. Track and report unpinned cards that have a balance.
- d. Re-issue lost, damaged and stolen cards.
- e. Provide the cardholder the ability to dispute card transactions.
- f. Provide the cardholder the ability to receive fraud alerts based on specified transaction activity (i.e. excessive daily transactions).
- g. Accept a daily Payee Address Update Data File from SETS.
- h. Accept a daily Payee name change file from SETS.
- i. Include all address changes from returned documents (i.e. cards, enrollment material, website, IVR, etc.) in the daily Address Change Data File to SETS.
- j. Provide an automated solution to ensure timely processing and integrity of all Data File exchanges. Solution must provide alerts and an escalation process for all file transfer issues.
- k. Provide high level summary data of card usage.
- l. Provide automated re-issuance of expired cards.
- m. Manage and complete the escheatment process.

6.1.18 Check Printing

The Contractor must establish disbursement operations to accept and process the SETS Disbursement Data File, create and mail checks to designated Payee’s on a per county basis and provide status of disbursement including any identified issues to the State.

Minimum Requirements:

- a. Accept the daily SETS Disbursements Data File.
- b. Provide and maintain a file transmission protocol that ensures the security of the data transfer process, including communication lines capable of handling estimated transaction volumes and performance timeframes.
- c. Validate amounts and totals of checks against the amounts and totals in the SETS Disbursements Data File.
- d. Notify the State that a file has been received with a transmission error to facilitate retransmission.
- e. Process files received on a Saturday, Sunday or federal holiday on the next business day.
- f. Generate physical checks for all identified records on the SETS Disbursements Data File for mailing the same business day file is received.
- g. Print all checks from the SETS Disbursements Data File each business day.
- h. Resort the SETS Disbursements Data File by zip code to ensure the best possible postal rate.

- f. Standardize and process all addresses on the SETS disbursement file through United States Postal Service approved address verification software to identify address updates prior to check printing.
 - o If a forwarding address is provided, the check will be printed with and mailed to that address and the appropriate address code and forwarding address will be returned to SETS.
 - o If there is a forwarding order and no forwarding address, the check must be voided and the appropriate address verification code and void status will be returned to SETS.
- i. Obtain the best possible postal rates for all items without affecting delivery.

6.1.18.1 Returned Disbursements

Minimum Requirements:

- a. Void all returned disbursements.
- b. Pass forwarding addresses to SETS.
- c. Pass invalid address codes to SETS.
- d. Image returned disbursements (checks and envelopes).

6.1.18.2 Disposition Status

Minimum Requirements:

- a. Generate and transmit daily the Disbursements Issued Data File to SETS.
- b. Generate a Checks Paid Data File containing an update of all checks the bank paid.
- c. Transmit the Disbursements Issued, Checks Paid and Void/Stop/Pull>Returns Data Files to SETS by 5:00 PM on the day the disbursements were processed or the update was received from the bank.
- d. Maintain a backup of all update files in the event of transmission or other types of errors.
- e. Verify the timely and successful transmission of the Disbursements Issued, Checks Paid and Void/Stop/Pull>Returns Data Files.
- f. Stale date disbursement checks that mature to a predefined calculated date and pass the status to SETS.

6.1.19 e-Disbursement Enrollment

The enrollment functionality primarily serves to support the input, validation and storage of direct deposit and Ohio e-QuickPay® enrollment data. Enrollment information from both individual payees and the extract of new order for mandatory enrollment data file and the Ad Hoc conversion e-Disbursement Enrollment Data File will be input and stored in the Contractor's system. The data must be validated and processed based on e-Disbursement business rules to be defined by the State.

Minimum Requirements:

- a. Import the Extract of New Order for Mandatory e-Disbursements Data File and initiate mandatory enrollment process for payees received in the file.
- b. Import the Ad Hoc Conversion e-Disbursement Enrollment Data File and initiate mandatory enrollment process for payees received in the file.
- c. Validate enrollment information against data from the SETS Monthly Master File Extract.
- d. Provide the ability to automatically enroll a client in Ohio e-QuickPay® 45 days after CSPC receives a direct deposit enrollment form with missing information, provided the client did not provide the missing information or did not voluntarily begin enrollment in Ohio e-QuickPay®.
- e. Initiate an alert when entering an enrollment when multiple participant numbers are tied to a social security number.
 - o Age the enrollment for up to 45 days until confirmation is received from the county that the participant numbers are tied to one individual.

- f. Provide the ability to age Ohio e-QuickPay® and direct deposit enrollments for a time period to be determined by the State.
- g. Complete the pre-note process for Direct Deposit. The State may require account holder name verification.
- h. Produce printed enrollment material to notify enrollees of their enrollment status and/or to request additional required information.
- i. Provide the ability to automatically enroll a client in Ohio e-QuickPay® 45 days after their direct deposit has been cancelled for any reason, provided they have not already begun re-enrollment in direct deposit or Ohio e-QuickPay® voluntarily.
- j. Initiate the card fulfillment process after enrollment is completed.
- k. Provide the ability to “opt-out” a client from mandatory e-Disbursement.
- l. Provide county and State on-line access to enrollment status.
- m. Provide county and State on-line access to enrollment form images.
- n. Provide search capabilities for enrollment status and images using the following criteria:
 - o Client first name
 - o Client last name
 - o Case number
 - o Order number
 - o Social security number
 - o Participant number.
- o. Export a daily ACH Enrollments Data File containing all successful enrollment and enrollment cancellation information to SETS.
- p. Include address updates from enrollment forms in the daily Address Change Data File to SETS.
- q. Provide an automated solution to ensure timely processing and the integrity of all Data File exchanges. Solution must include a detailed explanation of the alert and escalation process for all file transfer issues.
- r. Identify and reject Ohio e-QuickPay® enrollments for clients who are under the age of 18.

6.1.20 Reconciliation

The Contractor’s system must integrate with SETS, as applicable, to perform daily, weekly or monthly reconciliation on all CSPC bank accounts as agreed upon by the State.

Minimum Requirements:

- a. Reconcile 88 County Disbursement Accounts.
- b. Reconcile Recoupment Account and associated Make Whole Account.
- c. Reconcile Suspense Account.
- d. Reconcile Tax Offset (IRS/ODT) Account.
- e. Reconcile Returned Deposit Item (RDI) Account.
- f. Reconcile Lockbox Account.
- g. Reconcile Outbound Electronic Disbursement Account.
- h. Reconcile Inbound Electronic Collection Account.
- i. Reconcile Master Concentration Account.
- j. Reconcile CSPC Refund Account.
- k. Reconcile County Depository Account.

6.1.21 Obligor & Employer Billing

The Contractor must support both paper and electronic billing methods. Every month, the Contractor must print and mail bills, from the Obligor Category I Billing Extract, to payors who are not on wage withholding (To view a sample bill refer to Supplement 11).

Minimum Requirements:

- a. Obligor Paper Coupons
 - o Receive and print SETS monthly Obligor Category I Billing Extract.

- Identify forwarding and invalid address information using address verification and validation software prior to printing bills.
 - Mail bills to forwarding address provided by address verification software and return forwarding address to SETS.
 - If address verification provides a forwarding order with no forwarding address, return an invalid address code to SETS and do not print coupon.
 - Capture address updates from returned bills and return address updates and invalid address codes to SETS in the daily Participant Address Update Data File.
 - Obtain the best possible postal rates for all items without affecting delivery.
 - Additional data elements required on the coupons will be specified after Contract award.
- b. Employer Electronic Bill Presentment
- Provide a free web-based solution for remitters to use to view, print and provide changes to monthly billing information and pass updates to SETS.
 - The system, which includes all databases, servers, and communications protocols, must maintain the most up-to-date security features to provide the highest degree of protection against invasion and interruptions.
 - The system must include the ability to store employer and payor information and allow the remitter to update their information as needed and pass demographic and case changes to SETS.
 - Identify specifications for web architecture and communications protocols.
 - Provide architecture, servers, information and transaction repository/database, development platform, communications protocols and ongoing maintenance platform.
 - Define log-in validation security protocols.
 - Provide internet web site to be able to process both “push” and “pull” functions:
 - Push: Accept Employer Category II Billing Extract and display in easy-to-read format.
 - ◇ Develop search capabilities using criteria such as employer/payor name, third party number, FEIN, social security number, SETS case number, etc.
 - ◇ Allow users to create employer profiles (Group Model).
 - ◇ Host multiple group profiles (Group Models) for any one employer, sorted by third party number.
 - ◇ Host multiple case/order obligations for one participant, sorted by participant.
 - ◇ Upload SETS Monthly Master File Extract to be used by the remitter during log-in and payment posting functions.
 - ◇ Define log-in validation security protocols.
 - Pull: Accept updates to hosted information.
 - ◇ Employer profile (Group Model).
 - ◇ Capture requests to consolidate multiple third party numbers for employers (merge lists) and have the ability to transmit to the State.
 - ◇ Capture text information for employees (i.e. sick, no pay).
 - ◇ Capture modifications to amount withheld, participant information.
 - ◇ Capture changes/additions to individual demographics (address, bank account, etc.)

- ◇ Have the ability to transmit employer/participant information to SETS.
- ◇ Provide initial intake and ongoing maintenance of employers and payors in the program.
- c. Provide file transfer protocols and interface requirements between the Contractor and SETS.

6.1.22 Customer Support

The Contractor must employ state-of-the-art equipment to ensure that customer service functions are performed efficiently and effectively while adhering to established milestones, deliverables and performance standards. All Customer Support must be performed within the Continental United States.

6.1.22.1 CSPC Customer Support

Minimum Requirements:

- a. Incoming
 - Provide call tracking software.
 - Provide on-site State staff access to call tracking software.
 - Provide the ability to monitor calls for CSR staff calls.
 - Provide the ability to capture inbound call statistics.
- b. Outgoing
 - Provide the ability to interface with existing State Predictive Dialer to notify clients of disbursement activity, e-Disbursement and enrollment status.
 - Provide the ability to identify and combine multiple disbursements made to one recipient.
 - Additional file requirements will be identified after Contract award.

6.1.22.2 Ohio e-QuickPay® Customer Support

The Contractor must have hardware and software for providing appropriate information about Ohio e-QuickPay® disbursements to SETS participants. The Contractor must employ state-of-the-art equipment and software to ensure that functions are performed efficiently and effectively while adhering to the milestones, deliverables and performance standards and to produce reports based on OCS needs.

6.1.22.2.1 Ohio e-QuickPay® IVR

Minimum Requirements:

- a. Provide automated response in English and Spanish as needed to a large volume of inquiries.
- b. Provide limited financial and general information through the use of touch-tone service 24 hours a day, 7 days a week.
- c. Provide the ability to expand the IVR and support Customer Service during peak business hours.
- d. Obtain approval from the State on all automated responses and CSR call scripts.
- e. Receive data files containing disbursement information and participant logistics.
- f. Provide the ability to update IVR databases daily and weekly.
- g. Provide accurate and controlled information based upon the State security requirements.
- h. Implement new messages or complete updates to existing messages as required by the State.
- i. Provide all programming, software and equipment necessary to maintain the IVR as required by the State.
- j. Notify the State Contract manager within one hour of experiencing or determining a problem exists with the telephone access for the IVR.

- k. Maintain and complete a monthly IVR Downtime Log to monitor occurrences for lapse of access to IVR and notify the State within one hour of occurrence during business hours and by 7:00 a.m. EST if after business hours.
- l. Maintain a secured facility and limit access, ensuring the IVR and all confidential information remains confidential.
- m. Provide reports as required by the State.
- n. Provide immediate option for customer to opt out of IVR and speak to a customer service representative 24 hours a day 7 days a week.
- o. Provide TTY/TDD capability for hearing impaired customers to access their case information.

6.1.22.2 Ohio e-QuickPay® Website

Minimum Requirements:

- a. Provide secure web access to Ohio e-QuickPay® customer service.
- b. Ensure secure login access and password features.
- c. Provide access to enrollment application and instructions.
- d. Provide last 10 customer transactions including deposits.
- e. Provide link to financial institutions that waive surcharge for transactions.
- f. Provide information, such as:
 - ◇ Where the card can be used
 - ◇ Frequently asked questions
 - ◇ Disclosure Statement
 - ◇ How to update personal information
 - ◇ Transaction fees for ATM usage
 - ◇ Instructions for lost or stolen card
 - ◇ How to change PIN
 - ◇ How to request history of transactions
- g. Provide real time transaction reporting.
- h. Maintain and complete a monthly IVR Downtime Log to monitor occurrences for lapse of access to IVR and notify the State within one hour of occurrence during business hours and by 7:00 a.m. EST if after business hours.
- i. Display fraud alerts on homepage, as appropriate.

6.1.23 Case Management

The Contractor's system will contain all collection and disbursement transactions, e-Disbursement enrollment activity, recollection and recoupment account information and case/participant data. The system must provide user friendly search functionality and information must be printable in a user friendly format.

Minimum Requirements:

- a. Allow users to search for collection and disbursement activity using criteria to be established by the State.
- b. Allow users to search for e-Disbursement enrollment activity using criteria to be established by the State.
- c. Allow users to search for participant information using criteria to be established by the State.

6.1.24 Issue Tracking

The Contractor must provide an application for reporting and tracking system and operational issues.

Minimum Requirements:

- a. The application must capture, at a minimum, the following data elements:

- Date and time entered
 - Date issue occurred
 - Time issue occurred
 - Functional area effected
 - Issue Description
 - Severity Level
 - Severity 1 defects are defined as defects that affect core functionality and threaten the completion of critical processes (i.e. complete system failure).
 - Severity 2 defects are defined as defects that affect core functionality, but does not threaten the completion of critical processes and no workaround exists for non-critical processes (i.e. imaged correspondence failure).
 - Severity 3 defects are defined as defects that affect core functionality and workaround exists for non-critical processes (i.e. On-Line Pull Application failure.)
 - Priority Level
 - Reported by
 - Assigned to
 - Status
 - Resolution
 - Date Issue Resolved
 - Time Issue Resolved if same day
- b. Provide access to specific State staff to be determined by the State.
- c. Provide the ability to access all closed issues.

7.0 Data Management Function

The Contractor must establish policies and procedures, to process and manage all data files generated, transmitted and received by the Contractor. The Contractor must ensure the policies and procedures implemented will not change file names, layouts and schedules of the current databases.

Minimum Requirements:

- a. Develop Interface Control Documents (ICD) for all Contractor generated data files.
- b. Provide recoverability of all data files, if they are accidentally deleted, corrupted, and/or a file is incorrectly transmitted or received, by performing backups. (Time frames for recoverability to be determined by the State.)
- c. Preserve the integrity of all data files during a transfer, by using the Connect Direct version the State uses, to prevent an overlay of data.
- d. Ensure security of all data files, by keeping the files safe from corruption, providing controlled access to data files and using encryption whenever appropriate.
- e. Ensure timely processing, by providing updates to SETS with new and changed information within required timeframes to be determined by the State.
- f. Use the next business days date when processing data files on weekends and holidays.
- g. Ensure timely processing, by implementing automated quality assurance standards, to validate data and discover inconsistencies and other anomalies of the data files.
- h. Ensure timely processing, by sending empty files regardless if the file contains zero records.
- i. Provide technical support, by providing access to an IT manager, 24 hours a day, 7 days a week to answer calls and make immediate decisions regarding production batch.
- j. Retain all data files according to the standards and schedules.
- k. Manage and process the following data files (a detailed description of each data file listed below is included in Supplement 12):
 - a. BAI2 Data File
 - b. SETS Monthly Master File Extract
 - c. SETS Master Daily SSN Update File
 - d. SETS Master Daily Order & Recoupment Update File

- e. Instrument/Receipt Cross-Reference
- f. SETS Disbursement File
- g. Disbursement Balancing File
- h. Obligor Category I Billing Extract
- i. Obligor Category I Billing Totals
- j. Employer Category II Billing Extract
- k. Employer Category II Billing Totals
- l. Financial Corrections Extract
- m. Tax Offset ODT Collections Extract
- n. Tax Offset IRS Collections Extract
- o. Active Recoupments Extract
- p. Payee Address Update File
- q. Extract of New Order for Mandatory e-Disbursement Enrollments
- r. Ad Hoc Conversion e-Disbursement Enrollment file
- s. Disbursements (Checks) Issued File
- t. Checks Paid File
- u. Void/Stop/Pull/Returns File
- v. Address Change File
- w. Vendor Payment Posting File
- x. Undistributed Collections File
- y. Receipt Acknowledgment (for Disbursements File G1)
- z. Held Disbursements Due to Bad Address File
- aa. Participant Address Update File
- bb. Employer Address Update File
- cc. Vendor Unpostables File
- dd. Vendor Check Status File

8.0 Reporting

The Contractor must provide a variety of web-based reports related to collection, disbursement, reconciliation and e-disbursement enrollment activities. A list of reports currently used can be found in Supplement 14. Additional reports, as well as changes in content and format to the existing reports, may be identified after Contract award and ad hoc reports may be requested during the term of the Contract.

The Contractor must also provide the county CSEAs with the ability to generate various reports related to the posting of payments in the Contractor's system at their local agency (e.g., Cashier Batch Report, Daily Deposit Report, and Outstanding Batch Report).

The Contractor must provide various reports to assist the State with validating the monthly invoice.

Additionally, the Contractor must provide the State with the ability to query the data stored in the Contractor's system in order to generate ad hoc reports or gather statistics. The Contractor must provide access to the data through a separate secondary database including the data dictionary, meta data, etc. The separate secondary database must be updated each business day.

A full list of required reports will be identified after Contract award.

Minimum Requirements:

- a. For all required reports the Contractor must develop a Report Control Document (RCD) that defines the reports audience, format, delivery method, description, etc.
- b. The RCDs must be updated within 15 days of changes to the report requirements.

9.0 Mail Processing

The Contractor must provide full scale mailing services. The Contractor must also possess the ability to produce and issue mailings accurately, effectively and efficiently within appropriate

turnaround times. Actual postage expense will be charged to ODJFS as a “pass-through” of the actual expense. The postage rate must always be the best possible rate available without affecting delivery.

The Mail Processing Function must focus on the following areas of responsibilities:

- a. Postal Service Coordination
- b. Open/Sort Mail Procedures

9.1 Postal Service Coordination

The Contractor is responsible for all aspects of the mail receipt and collection in coordination with the United States Postal Service (USPS).

Minimum Requirements:

- a. Provide multiple daily pick-ups.
- b. Collect all mail from the Postal Service by 8:30 a.m. EST.
- c. Use a bonded courier, or other secured method of transfer, for all pickups and transfer of mail pieces between the USPS and the Contractor’s facility.
- d. Securely transport mail within the structure of a fully enclosed and locked vehicle.
- e. Coordinate with the USPS for the return of all mail pieces erroneously delivered to the Contractor.
- f. Identify how late receipted and/or received mail will be identified, tracked and processed.
- g. Coordinate with the USPS to report and resolve misdirected and late-receipted items.
- h. Coordinate with the USPS to resolve late delivery of support disbursements.
- i. Monitor USPS service levels.

9.2 Open/Sort Mail Procedures

Controls and procedures for opening and sorting mail must be established by the Contractor to ensure that all items are accounted for from the earliest point received through all processing functions. The Contractor must be responsible for ensuring the security of all mail that comes into its employees’ possession.

Minimum Requirements:

- a. Process and monitor all incoming mail.
- b. Record items received by overnight courier, special delivery or certified in a log to include:
 - o Date the package/envelope was received
 - o Time the package/envelope was received
 - o Printed and signed name of the staff receiving the package/envelope and mailroom staff processing the envelope
 - o Number of items in the package/envelope
 - o Dollar amount of items received in the package/envelope
- c. Open all mail in a secure mail center.
- d. Process mail received in approved SDU P.O. Boxes in the secure mail area. Corporate mail cannot be opened in the mail area.
- e. Return all opened or unopened misdirected mail to the USPS or forward it to the appropriate recipient, if known, within one business day of receipt.
- f. Image all supporting documentation with the payment instrument.
- g. Retain all supporting documentation for seven years, unless prior authorization is given by the State.
- h. Image envelopes on all payments from individual payor and any employer payments received without additional supporting documentation.
- i. Provide quality control procedures to ensure payments are not accidentally discarded with the outgoing trash.

10.0 Training

The Contractor must conduct ongoing training, as needed or in conjunction with SDU related operational changes or system releases. The Contractor is responsible for all costs associated with training and will not be reimbursed for travel costs associated with providing on-site support to county CSEAs.

Minimum Requirements:

- a. Conduct training 30 days prior to a change in the Contractor's system.
- b. Provide all necessary training materials.
- c. Draft training plan, if required by the State, for complex or significant changes or releases.
- d. Provide training region in Contractor's system as requested by the State.
- e. Provide on-site support assistance to local CSEAs as needed.
- f. Participate in conferences, workgroups and meetings.
- g. Troubleshoot and assist with County and State training as a subject matter expert.

11.0 Security Management

The Contractor must provide system and data security, as well as, physical security at the SDU operations site.

The Security Management function must include, at a minimum:

- a. Confidentiality of Data and Information
- b. IRS Safeguarding
- c. Health Insurance Safeguarding
- d. Site Security
- e. System Security
- f. Security Plan

The Contractor must assume total financial liability if a breach occurs by a person or persons employed by the Contractor or its subcontractor(s) in any of the areas of responsibilities referenced in this section. The Contractor will save and hold the State harmless.

If a security breach occurs, the Contractor must notify the State within 24 hours of the nature and content of the breach. The Contractor must comply with all State and Federal regulations, to immediately rectify the breach. If the breach involves disclosure of personally identifiable information, the Contractor must provide, at no cost to the State, a free credit report and protection to all persons involved.

11.1 Confidentiality of Data and Information

All financial, statistical, personal, technical data and information related to the SDU, which are deemed confidential by the State and made available to the Contractor in order to carry out this Contract, must be protected from unauthorized use and disclosure by the Contractor.

Information and data should be treated as confidential if it includes any proprietary documentation, materials, flow charts, codes, software, computer instructions, techniques, models, information, diagrams, know-how, trade secrets, data, business records, or marketing information. The Contractor also must treat as confidential materials police and investigative records, files containing personal information about individuals or employees of the State, personnel records, tax records, court and administrative records related to pending actions, materials to which an attorney-client, physician-patient, or similar privileges may apply, and any documents or records expressly excluded by Ohio law from public records disclosure requirements.

The Contractor's obligation to maintain the confidentiality of the information will not apply where such: (1) information was already in the Contractor's possession before disclosure by the State,

and such was received by the Contractor without obligation of confidence; (2) is independently developed by the Contractor not by the State; (3) is or becomes publicly available without breach of this Contract; (4) is rightfully received by the Contractor from a third party without an obligation of confidence; (5) is disclosed by the Contractor with the written consent of the State; or (6) is released in accordance with a valid order of a court or governmental agency, provided that the Contractor (a) notifies the State of such order immediately upon receipt of the order and (b) makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production.

Minimum Requirements:

- a. The Contractor agrees not to disclose any Confidential Information.
- b. The Contractor will restrict circulation of Confidential Information within its organization to allow individuals that have a need to know the Confidential Information.
- c. The Contractor will be liable for the disclosure of information whether the disclosure is intentional, negligent, or accidental, unless otherwise specified by the State.
- d. The Contractor will not incorporate any portion of any Confidential Information into any work or product, other than a Deliverable, and will have no proprietary interest in any of the Confidential Information.
- e. The Contractor will have all of its employees, who have access to any Confidential Information, sign all confidentiality agreements required by the State.
- f. The Contractor will return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Contract.
- g. The Contractor may disclose Confidential Information to its subcontractors on a need-to-know basis, but they will be obligated to the requirements of this section.

11.2 IRS Safeguarding

The Contractor is required to safeguard confidential information from participants in the support enforcement program received from the Internal Revenue Service (IRS), Ohio Department of Taxation (ODT), the State Parent Locator Service (FPLS), Office of Unemployment Compensation (UC) and the Ohio Department of Job and Family Services(ODJFS).

Minimum Requirements:

- a. The Contractor will be responsible for compliance with the Tax Information Security Guidelines pursuant to IRS Publication 1075, exhibit 5 (Supplement 16) as well as OAC 5101:12-1-20.2 (Supplement 17).

11.3 Health Insurance Safeguarding

ODJFS is a covered entity under the Health Insurance Portability and Accountability Act (HIPAA) and therefore the Contractor is not permitted to use or disclose health information in ways that ODJFS could not. This protection continues as long as the data is in the hands of the Contractor/Grantee. For purposes of this section, the terms "Protected Health Information" and "PHI" mean individually identifiable information in any medium pertaining to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual, that Contractor/Grantee receives from ODJFS or that Contractor/Grantee creates or receives on behalf of ODJFS. The terms "Protected Health Information" and "PHI" apply to the original data and to any data derived or extracted from the original data. Electronic protected health information (EPHI) is a subset of PHI and means individually identifiable health information that is transmitted by or maintained in electronic media.

Minimum Requirements:

- a. The Contractor will be responsible for compliance with Confidentiality under the Health Insurance Portability and Accountability Act, 1996 (See attachment 3 section 3).

11.4 Site Security

The Contractor must provide physical site security at the SDU. A walk-through at the SDU site may be conducted by State staff, to ensure that the Contractor has met this requirement.

The Contractor must make every effort to protect the SDU from damage by accident, theft, malicious intent, fire, loss of utilities, environmental hazards such as flood and tornados, vandalism, and unauthorized access.

Minimum Requirements:

- a. The Contractor must provide a secure facility located no further than 20 miles from the Office of Child Support's central office in downtown Columbus, Ohio.
- b. The Contractor must provide a secure facility and access to work areas must be limited to persons with proper security levels via key card or other approved security access methods.
- c. Upon termination of employees, inactivate key card or other security access devices.
- d. The Contractor must provide:
 - o Offices with locking doors for three on-site State staff
 - o PCs that are networked to the Contractor's system for three on-site State staff
 - o Desk and chair for three on-site State staff
 - o Telephone for three State staff
 - o Parking space for three State staff
 - o Basic office supplies for three State staff
 - o Access to a printer, photocopier and fax machine for three State staff
 - o Access to a meeting room with conference call capability
 - o Connectivity to State network at no cost to the State for three State staff
 - o Additional workspace for visitors
- e. The Contractor must segregate SDU functions into self contained areas to meet internal controls and separation of duties.
- f. Access to work areas must be controlled via security access. All areas must be monitored by recorded video surveillance, 24 hours per day, 7 days per week, and recordings should be maintained for 30 days.
- g. The Contractor must furnish the SDU facility with floor to ceiling walls between segregated functions.
- h. The Contractor must use desks without drawers within the mailing and scanning environment.
- i. The Contractor must maintain an access log of persons entering and exiting the SDU facility, the SDU backup facility, the SDU printing facility and any additional facility associated with the SDU.
- j. All visitors to the facility must be required to register at a designated area.
- k. The Contractor must make the log available for inspection by the State.

11.5 System Security

The Contractor must describe in detail its internal system and data security procedures designed to ensure confidentiality of data and to protect against computer viruses and other security threats, such as, hackers.

Minimum Requirements:

- a. Transmitted data must be protected by State approved encryption or other appropriate measures.
- b. The system must contain a security level for restricting individuals' access only to information and processes important to their payment processing functions.
- c. Limit logins for information to three failed attempts.
- d. Inactivate user profiles of terminated staff immediately.
- e. Change passwords every 30 days.

- f. Passwords for information systems must be a minimum of eight alpha-numeric characters, including special characters.
- g. The Contractor must conduct annual forensic reviews (or as otherwise deemed necessary by the State) of its security procedures, to ensure that the most recent and up-to-date technology is being utilized for the SDU operations.
- h. The Contractor must provide a copy of the annual reviews to the State, along with any findings and recommendations.
- i. Based on the findings and recommendations and with approval from the State, the Contractor must take the appropriate steps to improve security processes and procedures including but not limited to, technological upgrades.

11.6 Security Plan

The Contractor must provide a written plan to the State, which describes the protocols and all technologies the Contractor is using for this system and to ensure the security of the SDU operations.

Minimum Requirements:

- a. The Plan must be submitted to the State annually
- b. All updates and revisions to the Plan must be approved by the State
- c. All approved updates and revisions must be reflected in the written Security Plan within 10 calendar days of State approval.

12.0 Business Continuity

The system must have back-up and recovery mechanisms in the event of system failure, file corruption, or any unexpected event that makes it necessary to reprocess data. The Contractor must develop and maintain a Business Continuity Plan.

The Business Continuity Function must focus on the following areas of responsibility:

- a. Develop Business Continuity Plan
- b. Test Business Continuity Plan

12.1 Develop Business Continuity Plan

The Contractor must finalize the Business Continuity Plan submitted with its proposal to create a consistent, coherent management plan of action to guide the Business Continuity activities of the project. The Business Continuity Plan is subject to final approval by the State. The plan should include detail sufficient to give the State an understanding of how the offeror's knowledge and approach will:

- a. Manage Business Continuity using Risk and Threat Level.
- b. Guide Business Continuity decisions.
- c. Document planning assumptions and decision tree for Plan implementation and execution.
- d. Facilitate communication among stakeholders.
- e. Define key management review as to Business Continuity, control and resolution.
- f. Define critical business functions and supporting tasks/staff.
- g. Define the process for reporting business disruption/failure.
- h. Define transitions from failure to continuity.
- i. Define alternative processing sites.
- j. Provide a baseline for progress measurement and control.
- k. Define how the Disaster Recovery Plan will be used to recover the production system.
- l. Identify the recovery site in which Production will continue.

Minimum Requirements:

The Business Continuity Plan must describe at a minimum the following:

- a. Personnel staffing
- b. Recovery of information (hard copy and electronic)
- c. Contractor provided telecommunications services and equipment
- d. Information systems hardware and software
- e. Utilities
- f. Facilities
- g. Furnishings
- h. Equipment required to provide services
- i. Identification and prioritizing all business functions
- j. Documented policies and procedures for all business functions
- k. Contact list with the assignment of responsibilities for items in recovery plan
- l. Schedule and timeframes for restoring operations
- m. Processes to ensure liquidity and cash flow necessary to provide day to day operations
- n. Clause in all agreements and contracts with third parties to require a business continuity plan
- o. Emergency procurement of services and equipment

The activities that will trigger activation of the Business Continuity Plan include, but are not limited to, the following:

- p. Problem that threatens continuity of services for operations
- q. The need to protect assets
- r. The need to restore critical business processes
- s. The need to reduce the length of interruption of business
- t. The need to maintain customer service

The Contractor must update the Business Continuity Plan, as appropriate, with all development tasks including Risk and Threat Assessments.

All updates to the Business Continuity Plan must be completed and submitted to the State for approval within 30 days of identifying a change to the Risk and Threat Assessments.

12.2 Test Business Continuity Plan

The Contractor must conduct annual testing of the Business Continuity Plan and its procedures unless additional testing is required. The annual test exercise must follow the logical business flow and include all processes normally conducted during daily operations. The first annual test must be performed within 6 months of the go live date. The results for Business Continuity Plan test must be presented to ODJFS for approval. If the Contractor fails a test, the Contractor may be required to retest all or part of the procedures within a reasonable period of time.

Minimum Requirements:

- a. Notify the State to participate and monitor the testing.
- b. Take action to correct all incidents discovered during the test.
- c. Conduct a retest to ensure all incidents have been corrected.
- d. Submit a written report to the State within 30 days after the annual test is complete that describes the following:
 - o Procedures used to conduct the test
 - o Results of test
 - o Incidents identified
 - o Corrective actions taken to resolve deficiencies
- e. Incorporate results (lessons learned) from the annual test exercises as updates to the Business Continuity Plan.

13.0 Disaster Recovery

The system must have back-up and recovery mechanisms in the event of system failure, file corruption, or any unexpected event that makes it necessary to reprocess data. It must also have and support a Disaster Recovery Plan.

The Disaster Recovery Function must focus on the following areas of responsibility:

- a. Develop Disaster Recover Plan
- b. Test Disaster Recovery Plan

13.1 Develop Disaster Recovery Plan

The Contractor must finalize the Disaster Recovery Plan submitted with its proposal to create a consistent, coherent management plan of action to guide the Disaster Recovery activities of the project. The Disaster Recovery Plan is subject to final approval by the State.

- a. Manage Disaster Recovery.
- b. Guide Disaster Recovery decisions.
- c. Document planning assumptions and decision tree for the Disaster Recovery Plan implementation and execution.
- d. Facilitate communication among stakeholders.
- e. Define key management review as to Disaster Recovery, control and resolution.
- f. Define the process for reporting system disruption/failure.
- g. Define transitions from failure to system re-start.
- h. Define alternative processing sites.
- i. Provide a baseline for progress measurement and control.
- j. Define how the production system (to include application code, non-OS related production software and data) will be recovered.
- k. Supply a backup plan identifying how the application code and data is to be backed up and, if needed, recovered for normal business operations.

Minimum Requirements:

- a. Names and instructions for reaching Contract personnel responsible for Disaster Recovery.
- b. Establish a backup facility at least 60 miles away, but close enough to the SDU's Post Office Box to allow efficient operations. Exceptions to this requirement must be approved by the State.
- c. Programs and files for disaster recovery backup.
- d. Timeframes for creation of those files.
- e. Length of time files will be maintained.
- f. Offsite storage and recovery arrangements.
- g. Identify necessary support equipment to recover information systems and business processes.
- h. The Contractor must backup daily and archive data on a frequent basis without override of the previous day's data.
- i. The Contractor must provide data resolution processes that ensure full system functionality within the shortest possible timeframes, in the event of system failure.
- j. In the event of system failure, the Contractor must continue with normal operations and timeframes previously stated in the Disaster Recovery Plan section.
- k. The Contractor must guarantee file retrieval through archived files.
- l. The Contractor must provide a timetable for regular performance of fire/tornado or other type disaster drills.

The activities that will trigger activation of the Plan include, but are not limited to, the following:

- a. The need to save lives and reduce chances of further injuries/deaths
- b. The need to evacuate, provide shelter, or relocate

- c. The need to provide safety
- d. The need to protect assets
- e. The need to restore critical business processes and systems
- f. The need to reduce interruption of business
- g. The need to maintain customer relations.

The Contractor must update the Disaster Recovery Plan, as needed, to reflect changes to development tasks, hardware, software, networking, business processes, etc.

All updates to the Disaster Recovery Plan must be completed and submitted to the State for approval within 30 days of implementing a change to the core processes of the SDU.

13.2 Test Disaster Recovery Plan

The Contractor must conduct annual testing of the Plan and its procedures unless additional testing is required. The annual test exercise must follow the logical business flow and include all processes normally conducted during daily operations. The first annual test must be performed at a mutually agreeable time.

The Contractor must conduct, at a minimum, with ODJFS-approved frequency and participation, a test of the Disaster Recovery procedures. For Disaster Recovery, the Contractor must test the procedures for each level of severity. The results for Disaster Recovery test must be presented to ODJFS for approval. If the Contractor fails a test, the Contractor may be required to retest all or part of the procedures within a reasonable period of time.

Minimum Requirements:

- a. Notify the State to participate and monitor the testing.
- b. Take action to correct all incidents discovered during the test within the testing period.
- c. Conduct a re-test to ensure all incidents have been corrected within the testing period.
- d. Submit a written report to the State within 30 days after the annual test is complete that describes the following:
 - o Procedures used to conduct the test
 - o Results of test
 - o Incidents identified
 - o Corrective actions taken to resolve deficiencies
- e. Incorporate results (lessons learned) from the annual test exercises as updates to the Disaster Recovery Plan
- f. Participate in SETS Disaster Recovery Testing activities at the request of the State

14.0 Marketing

The Contractor must provide marketing services during transition and throughout the life of the Contract. Marketing activities must include innovative strategies and techniques to improve services to support recipients, payors, employers, and other stakeholders by increasing their knowledge of the services available to them while communicating their responsibilities under the Ohio Child Support Program. Also, the Contractor must provide County CSEA's and the State with marketing support for promoting current services as well as future initiatives. Discretionary Marketing Services will cover future State requested initiatives. The Contractor must develop and execute the following two plans:

- a. Transition Marketing Plan
- b. Ongoing Marketing Plan

See Supplements 6, 7, 8 and 18 for samples of the existing marketing materials.

Both plans must include the following:

- a. Marketing CSPC services to employers, government agencies and other remitters

- b. Marketing CSPC services to payors
- c. Marketing CSPC services to support recipients
- d. Marketing CSPC services to stakeholders of the Ohio Child Support Program.

14.1 Marketing CSPC Services to Employers, Government Agencies and Other Remitters

The Contractor's Transition Marketing Plan must focus on informing remitters of changes in the CSPC operation that impact them. The Contractor's Ongoing Marketing Plan must include outreach activities in the employer community to promote and facilitate CSPC services.

Minimum Requirements:

- a. Design, produce and distribute initial mailing to all employers remitting to Ohio CSPC communicating new processes associated with central receipting (approximately 133,000 employers).
- b. Provide innovative ideas on how to inform employers of their responsibilities to the Child Support Program while developing a relationship between the employer community and CSPC.
- c. Develop training, procedures, forms and materials to encourage and facilitate employer EFT/EDI participation.
- d. Distribute material to market the electronic payment options.
- e. Develop and distribute marketing materials for future initiatives.
- f. Contact 25-50 employers each month to convey information on payment remittance to the employer community:
 - o Communicate statutory requirements of the responsibilities of employers under the Child Support Program
 - o Educate and promote the submission of future payments with the required information to allow for expedited payment processing.
- g. Conduct on site assistance, as needed, to large employers converting to electronic payments.

14.2 Marketing CSPC Services to Payors

The Contractor's Transition Marketing Plan must focus on informing payors of changes to the direct debit and credit card payment options. The Contractor's On-going Marketing Plan should include strategies for increasing the number of individual payors who remit payments electronically.

Minimum Requirements:

- a. Design, produce and distribute initial mailing to all individual payors who are not on income withholding (approximately 194,000 individuals) to communicating new processes associated with direct debit and credit card payments.
- b. Develop and distribute individual direct mail program promoting the use of direct debit and credit card payments.
- c. Develop and distribute marketing materials for future initiatives.

14.3 Marketing CSPC Services to Support Recipients

The Contractor's Transition Marketing Plan must focus on informing support recipients of transition-related changes or impacts to the Ohio e-QuickPay® and direct deposit programs and enrollment process. The Contractor's Ongoing Marketing Plan should include strategies for increasing customer understanding of the e-Disbursement programs and notifying customers about significant events related to the Ohio e-QuickPay® program (i.e. expiring cards, fraud alerts, etc.)

Minimum Requirements:

- a. Develop and distribute marketing material to notify support recipients of transition-related changes to the direct deposit and Ohio e-QuickPay® programs.

- b. Modify and distribute new Ohio e-QuickPay® debit cards to support Contractor's operation
- c. Produce and distribute existing marketing, enrollment and fulfillment materials such as packages, brochures, etc.

14.4 Marketing CSPC Services to Stakeholders of the Ohio Child Support Program

The Contractor's Transition Marketing Plan must focus on notifying various stakeholders of the Ohio child support program such as banks, retailers, county CSEAs, etc. The Contractor's Ongoing Marketing Plan should include strategies for increasing stakeholder awareness and understanding of the Ohio child support program.

Minimum Requirements:

- a. Develop an integrated long-term marketing plan to communicate changes or operational issues to stakeholders of the Ohio child support program.
 - o Identify target audiences
 - o Identify existing or develop marketing materials
 - o Identify marketing objectives
 - o Develop user instruction or on-line help materials
 - o Define clear and consistent marketing activities and provide effectiveness metrics
- b. Collaborate with State on marketing goals and approach
- c. Provide support to State in marketing and outreach plan in identifying employer/payor collections, demographics and patterns
- d. Develop and participate in presentations, as requested by the State.
- e. Provide training and marketing materials to County CSEA's to include:
 - o Samples of marketing materials
 - o Instructions on fulfilling program information requests
 - o Print advertising material, developed by the Contractor, in a format that is suitable for County CSEA use with local media

15.0 Documentation Management

The Contractor must maintain all documentation, including workflows and business process flows that support the SDU operations.

Documentation Management must include, at a minimum:

- a. CSPC Procedures Manual
- b. Documentation Repository

15.1 CSPC Procedures Manual

The Contractor must develop and maintain a CSPC Procedure Manual that contains detailed and up-to-date descriptions of CSPC-related workflows and business processes.

Workflows provide step-by-step instructions for completing tasks at a detailed level. Business Process Flows provide a high level overview of how a particular business process works. Access to these flows are important because they aide in the understanding of how the SDU works and they support training.

Minimum Requirements:

- a. Develop and maintain CSPC Procedures Manual
- b. Use version control numbering with detailed history to reflect amendments and additions
- c. Maintain dating history (i.e. date of issue, date of approval and/or date of implementation).
- d. Update documentation within 30 days of processes, procedures and system functionality changes

- e. Secure access to workflow documentation to prevent unauthorized changes.
- f. Communicate proposed policy/procedure changes to State prior to implementation for State approval

15.2 Documentation Repository

The Contractor must maintain a documentation library on a shared drive, which is accessible to on-site State staff.

The documentation library must include, at a minimum, the following:

- a. Contract related materials (e.g., RFP, Proposal, Contract, Amendments, Whitepapers)
- b. Design documentation (e.g., GSD, SRS, RCDs, ICDs, TDDs)
- c. Change Requests
- d. CSPC Procedures Manual
- e. Training Materials (e.g., User Guide Training Manual)
- f. Incident Reports
- g. Controlled Correspondence issued by the State
- h. Marketing Materials
- i. Business Continuity Plan
- j. Disaster Recovery Plan
- k. Security Plan
- l. Ongoing Marketing Plan

Minimum Requirements:

- a. Use version control numbering with detailed history to reflect amendments and additions
- b. Maintain dating history (i.e. date of issue, date of approval and/or date of implementation).
- c. Update documentation within 30 days of processes, procedures and system functionality changes
- d. Secure access to workflow documentation to prevent unauthorized changes.

16.0 Quality Assurance

The Contractor must provide quality assurance to ensure the requirements of the project are met:

Minimum Requirements:

- a. Develop and document quality assurance processes and procedures.
- b. Confirm compliance with agreed-upon quality assurance procedures.
- c. Conduct quality and progress reviews.
- d. Identify and recommend best practices for incorporation into future work based upon experience and industry trends.
- e. Review Project performance and outcomes relative to documented business and financial goals/expectations as requested by the State based on mutually agreed business case, Project rationale, goals and objectives and other relevant measures of success.

17.0 Discretionary Technical Services

Based on the State's experience with the management and ongoing operations of CSPC, the State is requiring the Contractor to provide the capability to address minor alterations or enhancements (usually less than 100 hours per occurrence) to functionality within the scope of the Contract. Due to the sporadic nature of these requirements (e.g., minor display field changes, edits, reports, etc.), the Contractor must provide these services as needed.

- a. The State and the Contractor will agree to a resource plan to support discretionary services in order to maximize personnel continuity.

- b. The Contractor must include, in the Cost Summary, an initial pool of 2,000 hours to be used in conjunction with the Contractor's Rate Card. The hours will be pro-rated for the first Contract fiscal year commencing July 1st. The Contractor and State will meet at the conclusion of the first fiscal year of Contract execution to review this discretionary hour pool and make adjustments as required. As part of this review, the Contractor will provide a schedule of discretionary hours consumed (by activity, resource and project) and a forecast of remaining hours and activities. Customary project/service resource models must be used to serve as the basis for the estimating usage of the 2,000 hour pool.

18.0 Desirables

Desirables are optional services the Contractor may be asked to provide under the terms of this Contract. The offeror should provide innovative solutions for the following:

- a. Send and Receive International Payments Electronically
- b. Automated Outbound Notification System
- c. SAS-70 Audit

18.1 Send and Receive International Payments Electronically

International support payments are increasing every year. The Contractor may be asked to implement a solution for sending and receiving electronic support payments internationally.

Minimum Requirements:

- a. Send electronic payment file.
- b. Convert foreign currency to and from US dollars.
- c. Receive, validate and process electronic payment file.

18.2 Automated Outbound Notification System

The Contractor may be asked to implement an automated outbound notification system to notify clients of enrollment status, e-disbursement status and other pertinent information.

Minimum Requirements:

- a. Ability to provide a consolidated notification to a client when multiple disbursements are made to the client's account or Ohio e-QuickPay® card.
- b. Ability to add new call campaigns as requested by the State.
- c. Ability to easily change messages and call flow.
- d. Ability to transfer calls to the IVRs and call centers when a client answers the phone.
- e. Ability to send emails and text messages.
- f. Ability to provide reports.

18.3 SAS-70 Reporting

Once every calendar year, the Contractor will initiate in the fourth quarter an annual Statement of Auditing Standards 70 (SAS-70) audit covering at least the preceding six month period, for the Contractor service locations or service types for which the Contractor, in its normal course of business, has conducted SAS-70 Type II audits and to the extent such reports are pertinent to the services, to be completed by a nationally recognized firm qualified to perform such audits. The audit will be a multi-customer SAS-70 Type II covering the common processes controlled and performed by the Contractor at the primary SDU site. In the year transition occurs, a SAS-70 audit will be provided only if transition is completed in sufficient time to allow six months of Contractor performance prior to September 30. A copy of each of the resulting audit reports will be delivered to the State during the last quarter of each calendar year.

It is the sole obligation of the Contractor to remedy any issues, material weaknesses, or other items arising from these audits as they pertain to services or capabilities provided by the Contractor to the State at the time of the Audit. The Contractor is to remedy these issues at no cost to the State. For items that arise as a result of State policies, procedures and activities, after

mutual agreement on the underlying cause and remedial activity requirements and plan, State agrees to work, and under agreed terms, to effect the required changes to the Services delivery model to remediate issues discovered under a SAS-70 audit.

PART TWO: SPECIAL PROVISIONS

Submittal of Deliverables. The Contractor must perform its tasks in a timely and professional manner that produces Deliverables that fully meet the Contract's requirements. And the Contractor must provide the Deliverables no later than the due dates the Contract requires. At the time of delivery of a written Deliverable, the Contractor must submit an original and one copy of each Deliverable, plus an electronic copy. The Contractor must provide the electronic copy in a file format acceptable to the State.

By submitting a Deliverable, the Contractor represents that, to the best of its knowledge, it has performed the associated tasks in a manner that meets the Contract's requirements.

Specific Remedies. In addition to the other remedies the State may have under the Contract, the State will be entitled to the following remedies in the case of the events listed below.

The Contractor must:

- a. Reimburse the State for any loss of federal funds that is attributable to the Contractor's failure to meet the requirements of this Contract.
- b. Provide immediate funding to replace the amount of any financial instrument that was lost or stolen while in the possession of the Contractor, its subcontractors, agent or employees.
- c. Reimburse the amount of any funds misdirected as a result of a payment that is not posted in accordance with the original remittance document or remitter's instructions.
- d. Reimburse the amount of any funds misdirected through an EFT or direct deposit transaction within two business days of the identification of the misdirection.

Liquidated Damages – The Contractor must reimburse the State for damages associated with any of the events of default listed below. As the State anticipates that it may be difficult to determine the amount of the State's damages, the liquidated damages below are provided for each specific event. If the damages are uncertain or difficult to determine at the time of loss, the State may recover the amount listed for the specific event of default or the liquidated damages.

In addition to imposing any of the remedies defined below, the Contractor may be required to submit a Corrective Action Plan. The general terms and conditions for providing a Corrective Action Plan are described under the section, Corrective Actions.

Account Management – The Contractor must pay the State:

- a. \$10,000 per day for any day when at least 95% of funds deposited the previous day are not available.

Collections – The Contractor must pay the State:

- a. \$1,000 per day, for any business day, in which the SETS application has not received a valid collections datafile by 5:00 p.m. EST. A valid file is defined as a file that was able to be imported successfully by SETS.

Additionally, a remedy may be imposed if the collections file does not contain all postable payments received on or before that business day. This remedy could be up to the actual dollar amount of the payments not included in the collections data file.

- b. \$10,000 per day or up to the actual dollar amount of payments not received by SETS for any business day in which a valid and complete collections datafile is not transmitted in time to be included in the SETS daily batch processing.
- c. \$1,000 per day, for any business day, in which the State has not received an unpostable collections datafile by 5:00 p.m. EST.
- d. \$1,000 per day in which all unpostable collections documentation is not available to the State by 7:00 a.m. EST.
- e. \$10,000 per day per file, when the Contractor's system fails to successfully import an electronic file from the Bank or Web Based System, including files of payments posted by the county CSEAs.

An additional remedy may be imposed up to an amount equal to the actual dollar amount of the payments included in the electronic payment file.

- f. \$10,000 per day per file, in which the Contractor's bank fails to send the Contractor a file that contains collections intended for the SDU.

An additional remedy may be imposed up to an amount equal to the actual dollar amount of the payments included in the electronic payment file.

- g. \$5,000 in which the monthly average suspense items from day one to day two are above 1.4% of payments received.
- h. \$10,000 in which the monthly average suspense items from day one to day two are above 1.7% of payments received.
- i. \$15,000 in which the monthly average suspense items from day one to day two are above 2% of payments received. The Contractor must submit a Corrective Action Plan for all suspense items that reach a threshold above 2%.
- j. 10% of the funds transferred monthly for Contractor misapplied payments from the Contractor's make-whole account to the recoupment account.

Disbursements – The Contractor must pay the State:

- a. \$10,000 per day or up to the total dollar amount of unprocessed disbursements, in which the Contractor fails to initiate direct deposits by 4 PM, fails to deliver disbursements to USPS by 8 PM or fails to fund the Ohio e-QuickPay® cards by midnight.
- b. \$1,000 per day, for any business day, in which the SETS application has not received a disbursement status update by 5:00 PM EST.

Data Files – The Contractor must pay the State:

- a. \$500 per file for each business day that the Contractor fails to transmit a file or transmits a file that cannot be processed by the State.

Systems -- The Contractor must pay the State:

- a. \$5,000 per day for failure to rectify severity level 1 defects within 1 business day. Severity 1 defects are defined as defects that affect core functionality and threaten the completion of critical processes (i.e. complete system failure).

- b. \$1,000 per day for failure to rectify severity level 2 defects within 2 business days unless an extension is approved by the State. Severity 2 defects are defined as defects that affect core functionality, but do not threaten the completion of critical processes and no workaround exists for non-critical processes (i.e., imaged correspondence failure).
- c. \$500 per day for failure to rectify severity level 3 defects within 30 business days unless an extension is approved by the State. Severity 3 defects are defined as defects that affect core functionality and workarounds exists for non-critical processes (i.e., On-Line Pull Application failure.)
- d. \$1000 per week, for any week in which the e-QuickPay IVR was not available at least 95% of the time.

Customer Service – The Contractor must pay the State:

- a. \$1000 per week for any week in which the average hold time for a call exceeds 2 minutes.
- b. \$1000 per day for each day the Contractor fails to provide resolution on payment and case related inquiries within 3 business days.

Mail Processing -- The Contractor must pay the State:

- a. \$1000 per day or up to the total dollar amount of collections contained within any unprocessed unopened mail, that was delivered to the SDU by 8:30 a.m.
- b. \$1000 per day, when the Contractor fails to pickup 100% of the mail from the Post Office by 8:30 a.m.

Production Reports – The Contractor must pay the State:

- a. \$1,000 per day, per report, for failure to produce accurate web-based report(s) on the business day they are scheduled to be available.

Incident Reporting – The Contractor must pay the State:

- a. \$5,000 for the first occurrence in which the Contractor fails to report a high risk issue within 30 minutes of actual occurrence or discovery. High risk is defined as issues that affect the completion of 100% of the daily collections and disbursements, file transfers, potential media situations and issues that have statewide or countywide impact.
- b. \$10,000 for each subsequent occurrence in which the Contractor fails to report a high risk issue within 30 minutes of actual occurrence or discovery.

Corrective Action. In the event of a performance deficiency, the Contractor must correct the deficiency within a prescribed period of time.

The State will monitor and evaluate the Contractor's progress and notify the Contractor when it is satisfied that the problem has been corrected. The State, at its discretion, may also impose a remedy to recover the amount of a specific event of default as described in the Remedies section. If the State imposes a remedy, the amount of the remedy will be subtracted from the next monthly invoice.

Corrective Action Plan. If the Contractor fails to correct the deficiency within the prescribed time frame, the Contractor must submit a detailed Corrective Action Plan. The submittal deadline will be established by the State at the time of the request. The State will notify the Contractor of the acceptability of the plan and may allow 5 days for clarifications or revisions if the plan is deemed unacceptable.

The Contractor must compensate the State:

- a. 10% of the next monthly invoice for failure to submit a required Corrective Action Plan and for each subsequent month the Contractor fails to submit a plan.
- b. 10% of the monthly invoice for each month the Contractor fails to correct noted deficiencies within the timeframe defined in the Corrective Action Plan.

The State retains the authority for interpreting which performance deficiencies require a Corrective Action Plan or remedy under this Contract.

Additional Terms and Conditions. The following provisions are applicable to this Contract, but do not replace the provisions contained in Attachment Four. The provisions in Attachment Four continue in full force and effect.

Audit.

- (a) Onsite Operational and Financial Examinations. To assist the State in its activities related to oversight of the Contractor in the performance of the Contract, subsequent to the effective date of this Contract, the State, or its agent, may conduct onsite operational and financial examinations of Contractor.
 - (i) The onsite examinations may include, without limitation, verification that business is conducted as represented by Contractor at all sites where it performs CSPC services or disaster recovery for the State; Contractor's facilities are adequate to support claims of staffing, services performed and inventory housed; and the facilities provide adequate security for staff, functions performed and services rendered. This examination may include verification that Contractor has adequate information security compliance policies and procedures.
 - (ii) The financial examination may include, without limitation, a review of Contractor's current balance sheet; its most recent annual report; up to three (3) years of third party audits; tax returns for the previous three (3) years; and all documentation supporting employee bonds and insurance policies of Contractor.
- (b) Consent to Examinations.
 - (i) By execution of this Contract, Contractor consents to the examinations described in these provisions and consents to such examinations being conducted by the State or its agent.
 - (ii) The State may conduct such examinations from time to time during the term of this Contract and the consent to the examinations provided by Contractor shall be a continuing consent to conduct the examinations periodically in the State's discretion during the Term of this Contract.
- (c) Right to Terminate.
 - (i) In the event the State determines, in its sole discretion, that the results of any examination of Contractor is unsatisfactory per the requirements of the Contract and not remedied within a 30 day period following notice from the State, the State may terminate this Contract, in part or in full.
 - (ii) If the Contractor fails to satisfy the requirements of the State with regard to security of information, or if an examination reveals information that would result in a continuing contractual relationship that causes the State to be in violation of any law, the State may terminate this Contract immediately without notice.
 - (iii) If Contractor fails to satisfy the requirements of the State with regard to matters not related to those discussed in paragraph (c) (i) or (ii), the State will provide Contractor with notice and an opportunity to cure the failure within thirty (30) days. If the failure is not cured by Contractor within such thirty (30) day period, the State may terminate this Contract without further notice.

Criminal Background Check of Personnel. Contractor agrees that (1) it will conduct third-party criminal background checks on Contractor personnel who will perform sensitive services (as defined below), and (2) no ineligible personnel will perform sensitive services under this Contract. "Ineligible Personnel" means any person who (a) has been convicted at any time of any criminal offense involving dishonesty, a breach of trust, or money laundering, or who has entered into a pre-trial diversion or similar program in

connection with a prosecution for such offense, (b) is named by the Office of Foreign Asset Control (OFAC) as a Specially Designated National, or (b) has been convicted of a felony. "Sensitive Services" means those services that (i) require access to Customer/Consumer Information, (ii) relate to the State's computer networks, information systems, databases or secure facilities under circumstances that would permit modifications to such systems, or (iii) involve unsupervised access to secure facilities ("Sensitive Services"). Upon request, Contractor will provide written evidence that all of Contractor's personnel providing Sensitive Services have undergone a criminal background check and are eligible to provide Sensitive Services. In the event that Contractor does not comply with the terms of this section, the State may, in its sole and absolute discretion, terminate this Contract immediately without further liability.

Confidentiality.

A. Protection of State data. To protect State data as described in the Contract, in addition to its other duties regarding State data, Contractor must:

1. Maintain in confidence any personally identifiable information ("PI") it may obtain, maintain, process, or otherwise receive from or through the State in the course of the Contract;
2. Use and permit its employees, officers, agents, and independent contractors to use any PI received from the State solely for those purposes expressly contemplated by the Contract;
3. Not sell, rent, lease or disclose, or permit its employees, officers, agents, and independent contractors to sell, rent, lease, or disclose, any such PI to any third party, except as permitted under this Contract or required by applicable law, regulation, or court order;
4. Take all commercially reasonable steps to (a) protect the confidentiality of PI received from the State and (b) establish and maintain physical, technical and administrative safeguards to prevent unauthorized access by third parties to PI received by Contractor from the State;
5. Give access to PI of the State only to those individual employees, officers, agents, and independent contractors who reasonably require access to such information in connection with the performance of Contractor's obligations under this Contract;
6. Upon request by the State, promptly destroy or return to the State in a format designated by the State all PI received from the State;
7. Cooperate with any attempt by the State to monitor Contractor's compliance with the foregoing obligations as reasonably requested by the State from time to time. The State shall be responsible for all costs incurred by Contractor for compliance with this provision;
8. Establish and maintain data security policies and procedures designed to ensure the following:
 - a) Security and confidentiality of PI;
 - b) Protection against anticipated threats or hazards to the security or integrity of PI; and
 - c) Protection against the unauthorized access or use of PI.

B. Disclosure to Third Parties. This Contract shall not be deemed to prohibit disclosures:

1. Required by applicable law, regulation, court order or subpoena; provided that, if the Contractor or any of its representatives are ordered or requested to disclose any information provided by the State, whether PI or otherwise, pursuant to court or administrative order, subpoena, summons, or other legal process, Contractor will promptly notify the State (unless prohibited from doing so by law, rule, regulation or court order) in order that the State may have the opportunity to seek a protective order or take other appropriate action. Contractor will also cooperate in the State's efforts to obtain a protective order or other reasonable assurance that confidential treatment will be accorded the information provided by the State. If, in the absence of a protective order, Contractor is compelled as a matter of law to disclose the information provided by the State, Contractor may disclose to the party compelling disclosure only the part of such information as is required by law to be disclosed (in which case, prior to such disclosure, Contractor will advise and consult with the State and its counsel as to such disclosure and the nature of wording of such disclosure) and Contractor will use commercially reasonable efforts to obtain confidential treatment therefore;
2. To auditors or regulators;
3. To service providers and agents of either party as permitted by law, provided that such service providers and agents are subject to binding confidentiality obligations; or
4. To the professional advisors of either party, provided that such advisors are obligated to maintain the confidentiality of the information they receive.

C. Limited Use; Survival of Obligations. Contractor may use PI only as necessary for Contractor's performance under or pursuant to rights granted in this Contract and for no other purpose. Contractor's limited right to use PI expires upon expiration or termination of this Contract for any reason. Contractor's obligations of confidentiality and non-disclosure survive termination or expiration for any reason of this Contract.

D. Disposal of PI. Upon expiration of Contractor's limited right to use PI, Contractor must return all physical embodiments to the State or, with the State's permission; Contractor may destroy PI. Upon the State's request, Contractor shall provide written certification to the State that Contractor has returned, or destroyed, all such PI in Contractor's possession.

E. Remedies. If Contractor or any of its representatives or agents breaches the covenants set forth in these provisions, irreparable injury may result to the State or third parties entrusting PI to the State. Therefore, the State's remedies at law may be inadequate and the State shall be entitled to seek an injunction to restrain any continuing breach. Notwithstanding any limitation on Contractor's liability, the State shall further be entitled to any other rights or remedies that it may have in law or in equity.

F. Disclosure Notification. If Contractor determines that there is any actual or suspected theft of, accidental disclosure of, loss of, or inability to account for any PI by Contractor or any of its subcontractors (collectively "Disclosure") and/or any unauthorized intrusions into Contractor's or any of its subcontractor's facilities or secure systems (collectively "Intrusion"), Contractor must immediately:

1. Notify the State within 24 hours of the Contractor becoming aware of the unauthorized disclosure;
2. Fully cooperate with the State in estimating the effect of the Disclosure or Intrusion's effect on the State and fully cooperate to mitigate the consequences of the Disclosure or Intrusion;
3. Specify corrective action to be taken;
4. Investigate and determine if an Intrusion and/or Disclosure has occurred; and
5. Take corrective action to prevent further Disclosure and/or Intrusion.

Contractor must, as soon as is reasonably practicable, make a report to the State including details of the Disclosure and/or Intrusion and the corrective action Contractor has taken to prevent further Disclosure and/or Intrusion. Contractor must, in the case of a Disclosure cooperate fully with the State to notify the effected persons as to the fact of and the circumstances of the Disclosure of the PI. Additionally, Contractor must cooperate fully with all government regulatory agencies and/or law enforcement agencies having jurisdiction to investigate a Disclosure and/or any known or suspected criminal activity.

Suspension and Termination. Notwithstanding anything in the Contract to the contrary, any time the State has the right to terminate the Contract, the State may elect to terminate the Contract only in part by notifying the Contractor of such decision. By electing to terminate only part of the Contract, the State does not give up its rights to later terminate other portions or the entire Contract. In the event the State terminates all or part of the CSPC services provided by the Contractor, the Contractor shall continue to be obligated to perform the services, both those that are to remain and those that are being terminated, in accordance with the requirements of the Contract, including without limitation, the service level requirements as long as the services continue to be provided. In addition, regardless of whether the termination is for all CSPC services or only part of the CSPC services, Contractor shall provide the transition services as set forth in this RFP as necessary to enable the State to convert the CSPC services being terminated to another provider, including the State.

Handling the State's Data. The Contractor must use due diligence to ensure computer and telecommunications systems and services involved in storing, using, or transmitting State data are secure and to protect that data from unauthorized disclosure, modification, or destruction. State data includes all data and information created by, created for, or related to the activities of the State and any information from, to, or related to all persons that conduct business or personal activities with the State. To accomplish this, the Contractor must adhere to the following principles:

1. Apply appropriate risk management techniques to balance the need for security measures against the sensitivity of the State data.

2. Ensure that its internal security policies, plans, and procedures address the basic security elements of confidentiality, integrity, and availability.
3. Maintain plans and policies that include methods to protect against security and integrity threats and vulnerabilities, as well as and detect and respond to those threats and vulnerabilities.
4. Maintain appropriate identification and authentication process for information systems and services associated with State data.
5. Maintain appropriate access control and authorization policies, plans, and procedures to protect system assets and other information resources associated with State data.
6. Implement and manage security audit logging on information systems, including computers and network devices.

The Contractor must maintain a robust boundary security capacity that incorporates generally recognized system hardening techniques. This includes determining which ports and services are required to support access to systems that hold State data, limiting access to only these points, and disable all others. To do this, the Contractor must use assets and techniques such as properly configured firewalls, a demilitarized zone for handling public traffic, host-to-host management, Internet protocol specification for source and destination, strong authentication, encryption, packet filtering, activity logging, and implementation of system security fixes and patches as they become available. The Contractor must use two-factor authentication to limit access to systems that contain particularly sensitive State data, such as personally identifiable data.

Unless the State instructs the Contractor otherwise in writing, the Contractor must assume all State data and information is both confidential and critical for State operations, and the Contractor's security policies, plans, and procedure for the handling, storage, backup, access, and, if appropriate, destruction of that data must be commensurate to this level of sensitivity. As part of the Contractor's protection and control of access to and use of State data, the Contractor must employ appropriate intrusion and attack prevention and detection capabilities. Those capabilities must track unauthorized access and attempts to access the State's data, as well as attacks on the Contractor's infrastructure associated with the State's data. Further, the Contractor must monitor and appropriately address information from its system tools used to prevent and detect unauthorized access to and attacks on the infrastructure associated with the State's data.

The Contractor must use appropriate measures to ensure that State data is secure before transferring control of any systems or media on which State data is stored. The method of securing the State data must be appropriate to the situation and may include erasure, destruction, or encryption of the State data before transfer of control. The transfer of any such system or media must be reasonably necessary for the performance of the Contractor's obligations under this Contract.

The Contractor must have a business continuity plan in place that the Contractor tests and updates at least annually. The plan must address procedures for response to emergencies and other business interruptions. Part of the plan must address backing up and storing data at a location sufficiently remote from the facilities at which the Contractor maintains the State's Data in case of loss of that data at the primary site. The plan also must address the rapid restoration, relocation, or replacement of resources associated with the State's data in the case of a disaster or other business interruption. The Contractor's business continuity plan must address short and long-term restoration, relocation, or replacement of resources that will ensure the smooth continuation of operations related to the State's data. Such resources may include, among others, communications, supplies, transportation, space, power and environmental controls, documentation, people, data, software, and hardware. The Contractor also must provide for reviewing, testing, and adjusting the plan on an annual basis.

The Contractor may not allow the State's data to be loaded onto portable computing devices or portable storage components or media unless necessary to perform its obligations under this Contract properly. Even then, the Contractor may permit such only if adequate security measures are in place to ensure the integrity and security of the State data. Those measures must include a policy on physical security for such devices to minimize the risks of theft and unauthorized access that includes a prohibition against viewing sensitive or confidential data in public or common areas. At a minimum, portable computing devices must have anti-virus software, personal firewalls, and system password protection. In addition,

the State's data must be encrypted when stored on any portable computing or storage device or media or when transmitted from them across any data network. The Contractor also must maintain an accurate inventory of all such devices and the individuals to whom they are assigned.

Any encryption requirement identified in this provision means encryption that complies with National Institute of Standards Federal Information Processing Standard 140-2 as demonstrated by a valid FIPS certificate number. Any sensitive State data transmitted over a network, or taken off site via removable media must be encrypted pursuant to the State's data encryption standard ITS-SEC-01 Data Encryption and Cryptography.

The Contractor must have reporting requirements for lost or stolen portable computing devices authorized for use with State data and must report any loss or theft of such to the State in writing as quickly as reasonably possible. The Contractor also must maintain an incident response capability for all security breaches involving State data whether involving mobile devices or media or not. The Contractor must detail this capability in a written policy that defines procedures for how the Contractor will detect, evaluate, and respond to adverse events that may indicate a breach or attempt to attack or access State data or the infrastructure associated with State data.

In case of an actual security breach that may have compromised State data, the Contractor must notify the State in writing of the breach within two hours of the Contractor becoming aware of the breach and fully cooperate with the State to mitigate the consequences of such a breach. This includes any use or disclosure of the State data that is inconsistent with the terms of this Contract and of which the Contractor becomes aware, including but not limited to, any discovery of a use or disclosure that is not consistent with this Contract by an employee, agent, or subcontractor of the Contractor.

The Contractor must give the State full access to the details of the breach and assist the State in making any notifications to potentially affected people and organizations that the State deems are necessary or appropriate. The Contractor must document all such incidents, including its response to them, and make that documentation available to the State on request. In addition to any other liability under this Contract related to the Contractor's improper disclosure of State data, and regardless of any limitation on liability of any kind in this Contract, the Contractor will be responsible for acquiring one year's identity theft protection service on behalf of any individual or entity whose personally identifiable information is compromised while it is in the Contractor's possession. Such identity theft protection must provide coverage for all three major credit reporting agencies and provide immediate notice through phone or email of attempts to access the individuals' credit history through those services."

The Contractor's Fee Structure. Due to budget issues and the federal reimbursement structure for this Contract, it is likely the State may not have the resources to pay the "Transition Services" as described in the schedule below. Therefore, the State reserves the right to negotiate the payment method for Transition Services during the negotiations phase of the evaluation process. Although the State may exercise its right to negotiate, offerors must not submit a Proposal assuming that the payment method for Transition Services will be negotiated.

The State recognizes that Transition Services costs may vary for each offeror. To ensure that the State has a full understanding of the Transition Costs associated with each offeror's proposal, the State is requiring that the proposed cost for the Transition Services be identified separately from the transaction cost in the Cost Proposal. Given the potential for a long term agreement to provide the services required within the RFP on a transactional basis, the State wishes to partner with the selected Contractor to share the burden of the one-time Transition Services costs.

The Contract award will be payable in accordance with the schedule below unless the payment schedule is modified through negotiations.

Transactions/Deliverables	Payment
Transaction Summary	Monthly
Earnings Credits*	Applied Monthly

Any Applicable Make-whole Recovery Offset	Calculated and Applied Monthly
Transition Services	Payment Upon Acceptance of Defined Deliverables
Task 2 - System Requirements Specification (SRS) Document	5% of the Transition Services (Task 1-9)
Task 2 - Gap Analysis Document	5% of the Transition Services (Task 1-9)
Task 2 - System Design Document	5% of the Transition Services (Task 1-9)
Task 2 - CSPC Application Customization, Configuration and Unit Testing Documentation	25% of the Transition Services (Task 1-9)
Task 3 - Data Conversion Results	10% of the Transition Services (Task 1-9)
Task 7 – Signed Implementation Certification Letter.	50% of the Transition Services (Task 1-9)
Task 10 – End of Contract Transition Services	100% of Transition Services Task 10
Discretionary Technical Services	Payment
Utilizing the Rate Card	Upon Acceptance of Defined Deliverables or Time and Material Services
Discretionary Marketing Services	Payment
Per requested 'new' marketing-based proposals	Upon Acceptance of Defined Deliverables or Time and Material Services

* The entire earnings credit amount must be credited to the State's monthly invoice. The Contractor is responsible for bank service charges (fees).

Upon completion of the defined events or acceptance of deliverables, the Contractor may submit an invoice according to the payment table identified above.

The Contractor must meet with the State, after award of the Contract, to formalize the invoice requirements, including, but not limited to format, content, back up information, review processes, approval and timing considerations.

Once awarded, the term of the Contract will be from the award date until the Work is completed to the satisfaction of the State and the Contractor is paid or June 30, 2011, whichever is sooner. The State may renew this Contract for up to four additional two-year biennium term(s) plus one additional year to allow for the continuation of banking services for closure of outstanding account activity, subject to and contingent on the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium.

The Cost Summary Form attached provided as Attachment 10 contains pricing for the initial term of the Contract and the first biennium renewal period. The initial term is from the award date through June 30, 2011. The first biennium renewal period covers the timeframe from July 1, 2011 through June 30, 2013. In summary, the Contractor's Fees from Contract award through June 30, 2013 will be based upon the rates contained on Attachment 10.

Contract Term	Timeframe	Planned Rate Negotiation Timeframe
Initial Term	Award through June 30, 2011	No Planned Rate Negotiations.
Biennium Renewal #1	July 1, 2011 through June 30, 2013	No Planned Rate Negotiations.
Biennium Renewal #2	July 1, 2013 through June 30, 2015	After July 2012 & Before January 2013
Biennium Renewal #3	July 1, 2015 through June 30, 2017	After July 2014 & Before January 2015
Biennium Renewal #4	July 1, 2017 through June 30, 2019	After July 2016 & Before January 2017
Continued Banking Services	July 1, 2019 through June 30, 2020	TBD

The rates and fees associated with Biennium Renewal #2, Biennium Renewal #3 and Biennium Renewal #4 will be negotiated and mutually agreed upon as described below.

Due to the duration and nature of this Contract, the State recognizes that significant increases in efficiencies, technological advances and other factors may affect the cost of delivering the services required by the Contract. As a result, the State and the Contractor will enter into negotiations approximately 6 to 12 months in advance of Biennium Renewal #2, Biennium Renewal #3 and Biennium Renewal #4 to mutually agree upon price adjustments. The Rate Negotiation Timeframes for each renewal period are contained in the table provided above. During the negotiation period, the State will validate that it is obtaining pricing and levels of service that are competitive with market rates, prices and service levels, given the nature, volume and types of services provided by the Contractor.

The State may request the services of an independent Third Party to compare the quality and price of the services against the quality and price of well-managed operations performing services of a similar nature. Any Third Party engaged by the State will not be a Direct Contract Competitor and will agree in writing to be bound by the confidentiality and security provisions contained in the Contract. The Contractor will cooperate fully with the State and any Third Party contracted by the State to provide access to information necessary to complete these comparative activities. The State may engage the same independent Third Party or another Third Party to assist the State with rate and price negotiations.

If the State elects to renew the Contract as a result of successfully completing cost negotiations, the Contractor may decrease or raise its prices in the Cost Summary as mutually agreed upon. Pricing may be decreased in any amount at any time by written notice to the Procurement Representative. The pricing may be raised once per biennium renewal term prior to the start of the applicable biennium. At no time will the price adjustment exceed a 3.0% bi-annual increase. A Contract Amendment will be executed to reflect any agreed upon price adjustments.

The rates and fees associated with continuation of banking services for closure of outstanding account activity will be negotiated and mutually agreed upon in a Contract Amendment within 6 months of the end of the Contract.

Reimbursable Expenses. None.

Location of Data. Within the continental United States.

ATTACHMENT THREE: REQUIREMENTS FOR PROPOSALS

Proposal Format. Each Proposal must include sufficient data to allow the State to verify the total cost for the Work and all of the offeror's claims of meeting the RFP's requirements. Each Proposal must respond to every request for information in this attachment, whether the request requires a simple "yes" or "no" or requires a detailed explanation. Simply repeating the RFP's requirement and agreeing to comply may be an unacceptable response and may cause the Proposal to be rejected.

These instructions describe the required format for a responsive Proposal. The offeror may include any additional information it believes is relevant. An identifiable tab sheet must precede each section of a Proposal, and each Proposal must follow the format outlined below. All pages, except pre-printed technical inserts, must be sequentially numbered. Any material deviation from the format outlined below may result in a rejection of the non-conforming Proposal.

Each Proposal must contain the following:

- Vendor Information Form (OBM-3456)
- Subcontractor Letters
- Offeror Certification Form
- Offeror Description
- Profile Summary Forms
 - Offeror Profile Summary Form
 - Personnel Profile Summaries
- Time Commitment
- Assumptions
- Operations Staffing Plan
- Transition Services
- Proposed Solution for SDU Operations
- Performance Bond
- Support Requirements
- Proof of Insurance
- Payment Address
- Legal Notice Address
- W-9 Form
- Declaration Regarding Terrorist Organizations
- Cost Summary (must be separately sealed)

Vendor Information Form. The offeror must submit a signed and completed Vendor Information Form (OBM-3456) for itself and for each subcontractor the offeror plans to use under the Contract. The form is available at <http://obm.ohio.gov/forms/OAKS.asp>.

Subcontractor Letters. For each proposed subcontractor, the offeror must attach a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following included in the letter:

1. The subcontractor's legal status, federal tax identification number, D-U-N-S number, and principal place of business address;
2. The name, phone number, fax number, email address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations;
3. A description of the work the subcontractor will do;
4. A commitment to do the work if the offeror is selected; and
5. A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP.

Offeror Certifications. The offeror must complete Attachment 6, Offeror Certification Form.

Offeror Description. Each Proposal must include a description of the offeror's capability, capacity, and experience in the industry. The description should include the date the offeror was established, its leadership, number of employees, number of employees the offeror will engage in tasks directly related to the Project, and any other background information that will help the State gauge the ability of the offeror to fulfill the obligations of the Contract.

Profile Summary Forms. Each Proposal must contain the following Offeror Profile Summary Form and Personnel Profile Summaries.

Offeror Profile Summary Form. This RFP includes an Offeror Profile Summary Form as an attachment. The offeror must use this form and fill it out completely to provide the required information.

The Offeror Profile Summary Form contained in this document has been customized for the applicable offeror requirements. (Refer to Attachment Seven.) Each page of the form may contain minor variations. If an offeror elects to duplicate the form electronically, the offeror must carefully review each page of the form to ensure that it has been copied accurately. Failure to duplicate the form exactly may lead to the rejection of the offeror's Proposal.

Each offeror must meet all the mandatory requirements in the RFP. If an offeror does not meet all the mandatory requirements, the State may reject the offeror's Proposal as non-responsive.

The various sections of the Offeror Profile Summary Forms are described below:

Mandatory Experience and Qualifications. The offeror must complete this section to demonstrate that it has the experience needed to meet the RFP's mandatory requirements. (Refer to Attachment Seven.) For each reference, the offeror must provide the following information:

- **Contact Information.** The offeror must provide a client contact name, title, phone number, email address, company name, and mailing address. The offeror also must include the same information for an alternate client contact, in case the State cannot reach the primary contact. Failure to provide this information or providing information that is inaccurate or out of date may result in the State not including the reference in the evaluation process or rejecting the offeror's Proposal. The contact information given must be for a person within the client's organization and not a co-worker or a contact within the offeror's organization, subsidiaries, partnerships, etc.
- **Work Name.** The offeror must provide the name or title for the work, such as a project name, from which it obtained the mandatory experience.
- **Dates of Experience.** The offeror must complete this area with a beginning month and year and an ending month and year to show the length of time the offeror performed the work, not just the length of time the offeror was engaged by the reference.
- **Description of the Related Service Provided.** The State will not assume that, since the experience requirement is provided at the top of the page, all descriptions on that page relate to that requirement. The offeror must reiterate the experience being described, including the capacity in which the work was performed and the role of the offeror on the Work. It is the offeror's responsibility to customize the description to clearly substantiate the qualification.
- **Description of how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables and do the Work.**

The offeror must list each work experience separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

Required Experience and Qualifications. The offeror must complete this section to demonstrate that it meets the requirements for experience. For each reference, the offeror must

provide the information in the same manner as described under Mandatory Experience and Qualifications above.

THE OFFEROR MAY NOT USE THE EXPERIENCE OR QUALIFICATIONS OF A SUBCONTRACTOR TO MEET ANY OF THE ABOVE MANDATORY QUALIFICATIONS OR EXPERIENCE. THESE MUST BE FULFILLED EXCLUSIVELY THROUGH THE QUALIFICATIONS AND EXPERIENCE OF THE OFFEROR. If the offeror seeks to meet any of the other qualifications and experience through a subcontractor, the offeror must identify the subcontractor by name in the appropriate part of the Offeror Profile Summary Form, in Attachment Seven to this RFP, for each reference.

Personnel Profile Summaries. Each Proposal must include a profile for each Key Team Member of the proposed work team. This RFP includes Personnel Profile Summary Forms as Attachment Eight, and the offeror must use these forms and fill them out completely for each reference.

The Personnel Profile Summary Forms contained in this RFP have been customized for the applicable candidate requirements. Each page of the forms may contain minor variations. If an offeror elects to duplicate the forms electronically, the offeror must carefully review each form to ensure that it has been copied accurately. Failure to duplicate the forms exactly may lead to the rejection of the offeror's Proposal.

The offeror must propose a Work team that collectively meets all the requirements in this RFP, as demonstrated through the Personnel Profile Summary Forms. Additionally, each team member may have mandatory requirements listed in this RFP that the team member must individually meet. The offeror must name all candidates proposed, and each must meet the technical experience for the candidate's position.

The State will not consider a candidate's overlapping months of experience toward meeting the experience requirements in this RFP. Therefore, for each requirement for a Key Team Member, the Personnel Profile Summary Forms for the candidate must demonstrate that the candidate meets the requirement through a work experience that does not overlap in time with any other work experience used to meet the same requirement for the position.

The offeror must demonstrate that all candidate requirements have been met by using the Personnel Profile Summary Forms. The various sections of the forms are described below:

- a) Candidate References. If the offeror provides less than three work experiences, the offeror must explain why. The State may reject the Proposal if less than three work experiences are given for a candidate.
- b) Education and Training. The offeror must use this section to list the education and training of the proposed candidate and demonstrate, in detail, the proposed candidate's ability to properly perform under the Contract. The offeror must show how the candidate's education and training relates to the requirements of the RFP.
- c) Mandatory Experience and Qualifications.
The offeror must complete this section to show how a candidate meets the mandatory experience requirements, if any are applicable to that candidate. If any candidate does not meet the mandatory requirements for the position the candidate is proposed to fill, the offeror's Proposal may be rejected as non-responsive.
- d) Required Experience and Qualifications. The offeror must complete this section to show how its candidate meets the experience requirements. (Refer to Attachment Eight.)

For each reference, the offeror must provide the following information:

- Candidate's Name.

- **Contact Information.** The offeror must provide a client contact name, title, phone number, email address, company name, and mailing address. The offeror also must include the same information for an alternate client contact, in case the State cannot reach the primary contact. Failure to provide this information or providing information that is inaccurate or out of date may result in the State not including the reference in the evaluation process or rejecting the offeror's Proposal. The contact information given must be for a person within the client's organization and not a co-worker or a contact within the offeror's organization, subsidiaries, partnerships, etc.
- **Dates of Experience.** The offeror must complete this section with a beginning month and year and an ending month and year to show the length of time the candidate performed the technical experience being described, not just the length of time the candidate worked for the company.
- **Description of the Related Service Provided.** The State does not assume that, since the technical requirement is provided at the top of the page, all descriptions on that page relate to that requirement. Offerors must reiterate the technical experience being described, including the capacity in which the experience was performed and the role of the candidate in the work as it relates to the Work covered by this RFP. It is the Offeror's responsibility to customize the description to clearly substantiate the candidate's qualification.

The candidate's work experience must be listed separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

Time Commitment. The offeror must submit a statement and a chart that clearly indicate the time commitment of the proposed Project Manager, Key Team Members and the offeror's proposed team members for the Work after transition. The offeror also must include a statement indicating to what extent, if any, the Project Manager and Key Team Members may work on other tasks or assignments unrelated to the Work during the term of the Contract. The State may reject any Proposal that commits the proposed Project Manager and Key Team Members or any proposed personnel to other assignments during the term of the Work, if the State believes that any such commitment may be detrimental to the offeror's performance.

Assumptions. The offeror must list all the assumptions the offeror made in preparing the Proposal. If any assumption is unacceptable to the State, the State may reject the Proposal. No assumptions may be included regarding negotiation, terms and conditions, or requirements.

Operations Staffing Plan. The offeror must provide a staffing plan that identifies all personnel by position required to operate the SDU **after** transition. The Staffing Plan must show each individual's responsibilities on the Project. The State also requires a Staffing Plan that matches the proposed Project Key Team Members and qualifications to the SDU operation activities.

The offeror must submit an organization chart that clearly defines reporting relationships within the project team operating the SDU. The offeror must provide descriptive narrative indicating the role and responsibility of each resource or entity identified on the organization chart.

Additionally, the plan must have the following information:

- A contingency plan that shows the ability to add more staff if needed to meet the Project's due date(s).
- A description of the offeror's ability to provide qualified replacement personnel.

Transition Services. Offerors are required to submit three documents as part of this section of their proposal: a narrative project work plan, a schedule in Microsoft® Project and a transition services staffing plan. The narrative project work plan, project schedule and transition services staffing plan are to be consistent and complementary. References from one document must be easily located and match information provided in the others.

Transition Services Project Work Plan. The State encourages responses that demonstrate a thorough understanding of the nature of the Project and what the offeror must do to get the Project done well. The Work Plan must describe the tasks and activities proposed to complete all transition services for the Project.

The State seeks insightful responses that describe proven, state-of-the-art methodologies. Recommended solutions must demonstrate that the offeror will be prepared to quickly undertake and successfully complete the required tasks.

The offeror must submit for this section of the proposal a narrative Project Work Plan describing the work steps (tasks), which are consistent with their proposed methodology, to effectively plan, organize, control and manage the transition services.

The Project Work Plan must include detail sufficient to give the State an understanding of how the offeror's knowledge and approach will:

- Manage all phases of the Project;
- Guide Project execution;
- Document planning assumptions and decisions;
- Facilitate communication among stakeholders;
- Define key management review as to content, scope, and schedule; and
- Provide a baseline for progress measurement and Project control.

The offeror must make the Project Work Plan as complete and detailed as possible by including the following, at a minimum:

- Description of the Project management approach and proposed methodology;
- Scope statement that includes the Project objectives and the Project Deliverables and milestones;
- A description of the development deliverables for the Project. The offeror must provide an explanation of how they will complete the development deliverables described in this RFP. An annotated outline for each development deliverable must itemize all topics to be covered and included in the deliverable or plan. A brief paragraph description must be provided for each item in an outline in order to create an annotated outline as required by the State for the associated deliverable.
- Work breakdown structure as a baseline scope document that includes transition services elements for the Project. The work breakdown structures for the project must show the elements at a level of detail that demonstrates the offeror's understanding of the effort required to do the work. The work breakdown structures also must have increasingly descending levels of detailed definition added as the Project transition services continue. The Project transition services elements must include, at a minimum all necessary elements to successfully complete transition of all SDU services and functions;
- Assumptions used in developing solutions.
- Who is assigned responsibility for each Deliverable within the work breakdown structure to the level at which control will be exercised;
- Description of the offeror's proposed organization(s) and management structure responsible for fulfilling the Contract's requirements;
- Definition of the review processes for each milestone and Deliverable (e.g. mandatory design review) and a description of how the parties will conduct communication and status review;
- Description of the Project issue resolution process;
- If the offeror chooses to use subcontractors, this part of the offeror's Proposal must describe its approach to managing its subcontractors effectively; and
- Identification of State support required for all tasks.

Additionally, the Transition Services Project Work Plan must specifically address every item in Tasks 1-10.

Transition Services Project Schedule. The offeror is responsible for proposing a project schedule to successfully transition the current SDU operation to the Contractor within 6 months from receipt of a purchase order to acceptance of the Transition Services. If the offeror proposes a different schedule, explanation must be provided to describe the rationale and clarify why more or less time is anticipated. The actual start date will be determined upon Contract Award and receipt of a Purchase Order; offerors must use the estimated start date of January 1, 2010 as the starting date for the proposed schedule. The schedule must clearly indicate milestones and the duration for each project task and subtask, define work steps identified in the narrative and provide dates when all the deliverables will be completed. The project schedule will require revisions and updates as part of the project planning task after contract award and throughout the transition lifecycle.

The offeror must provide a Detailed Project schedule for all Project Deliverables and milestones as a Microsoft® Project Gantt chart, showing all major Project tasks on a week-by-week schedule to serve as the basis for managing the Project. The schedule must clearly demonstrate how the Project will become fully operational by the delivery date. The offeror must give dates for when all Deliverables and milestones will be completed and start and finish dates for tasks. The offeror also must identify and describe all risk factors associated with the forecasted milestone schedule.

When preparing the proposed project schedule, offerors must allow a minimum of ten (10) business days for review by the State staff for all deliverables.

The offeror's proposal must also contain the Project schedule in Microsoft® Project format provided in both hardcopy and electronic forms.

Transition Services Staffing Plan. The offeror must provide a Transition Services Staffing Plan that identifies all the personnel by position that the offeror is proposing to complete the Transition Services. The Transition Services Staffing Plan must show each individual's responsibilities on the Project. The Transition Services Staffing Plan must match the proposed Project Key Team Members and qualifications to the activities and tasks that will be completed in this portion of the Project.

The offeror must submit a team organization chart that clearly defines reporting relationships within the project team delivering Transition Services. The offeror must provide descriptive narrative indicating the role and responsibility of each resource or entity identified on the organization chart.

In addition, the offeror must provide a narrative that identifies and discusses staff redundancy, staff replacement, backup personnel and ability to perform their assigned task. A contingency plan that demonstrates the offeror's ability to add more staff if needed to ensure meeting the Project's due date(s) should be provided.

The Transition Services Staffing Plan must also indicate the number of hours for each proposed Key Team Member and the number of resources not specifically named within the proposal and their number of hours to be worked on the Project. Key Team Members should be identified by name and title/classification. Resources not specifically named within the proposal should be identified by title/classification.

The offeror must submit a statement and a chart that clearly indicates the time commitment of the offeror's proposed Key Team Members for this Project during the Transition Services. The offeror also must include a statement indicating to what extent, if any, the Key Team Members may work on other projects during the Transition Services. The State may reject any Proposal that commits

the proposed Key Team Members to other projects during the Transition Services, if the State believes that any such commitment may be detrimental to the offeror's performance.

The offeror must indicate the maximum number of staff onsite at a State location during the Transition Services to allow the State to plan for the appropriate workspace.

Proposed Solution for SDU Operations. The offeror must describe in detail how its proposed solution meets the Requirements described in Attachment Two of this RFP. The offeror may not simply state that the proposed solution will meet or exceed the specified requirements. Instead, the offeror must provide a written narrative that demonstrates that the offeror understands the Requirements of this RFP and how the offeror's proposed solution meets each requirement.

All the specifications included in this RFP are minimum requirements. The offeror may propose features, and other innovative or alternative solutions in excess of the minimum requirements described in the RFP, but must clearly identify them as such, provide the rationale behind the recommendations, and explain how they will benefit the State. Any proposed alternative solution must minimally meet the RFP requirements. The recommendations may or may not result in additional evaluation credit being given.

This area of the offeror's proposal must include each of the following items that correspond to the SDU Operation requirements in Attachment Two. All sections and sub-sections must be addressed. For example, the Account Management section addresses Attachment Two, Section 1.0.

- Account Management

This section must include a detailed description to address each Account Management requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Account Management requirements.

The State recognizes that there may be alternatives to establishing the Account Structure.

The offeror is encouraged to propose innovative and/or alternative ways of providing the required Account Structure that increases efficiency, reduces cost and provides a change that is transparent to the stakeholders.

- Collections

This section must include a detailed description to address each Collections requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Collections requirements.

- Disbursement Operations

This section must include a detailed description to address each Disbursement Operations requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Disbursement Operations requirements.

The offeror must provide a draft Ohio e-QuickPay® Card Conversion Plan that will be used to create a consistent, coherent management plan of action that will be used to guide the Ohio e-QuickPay® Card conversion activities of the project. The Ohio e-QuickPay® Card Conversion Plan is subject to final approval by the State. The plan should include detail sufficient to give the State an understanding of the offeror's knowledge and approach.

- The offeror must provide the State with a detailed description of all services it will provide to cardholders. The description must fully explain all fees, limitations placed on the cardholder, the number of surcharge-free ATM access available to the cardholders as well as any transactions that are not allowed under the program.

- Customer Support Services

This section must include a detailed description to address each Customer Support Services requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Customer Support Services requirements.

- Reconciliation Activities

This section must include a detailed description to address each Reconciliation Activities requirement in Attachment Two. The offeror must specifically address the processes,

methods or proposed approach to meet the Reconciliation Activities requirements. The offeror is also encouraged to provide innovative ideas to improve procedures for full receipts to disbursement reconciliation and book to bank reconciliation.

- **System Requirements and Functionality**

This section must include a detailed description to address each System Requirements and Functionality requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the System Requirements and Functionality requirements.

The proposal must identify whether each function will reside in the primary payment processing system or in a peripheral system. For functions that reside outside of the primary payment processing system, the offeror must provide detailed explanation of the peripheral system(s) including all necessary data exchange protocols.

The proposal must identify the web architecture and communications protocols for the web based payment system. Offeror's proposal must include a detailed description of security measures in place to protect exchange of payment information between the remitter and the system. The offeror's proposal must provide detailed explanation of payment aging process for both employer and payor payments for all payment methods.

Offeror must define in their proposal their security protocols and how annual forensics testing will be conducted.

The offeror is encouraged to propose in their responses innovative and/or alternative ways of providing the required functionality if they believe that efficiency will be enhanced or the cost to the State will be reduced. If an alternative is proposed, the offeror must clearly identify the alternative to the extent it satisfies the purpose of this requirement.

- **Data Management Function**

This section must include a detailed description to address each Data Management requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Data Management requirements.

The Proposal must include a detailed description of all file protocols needed to meet this requirement.

- **Reporting**

This section must include a detailed description to address each Reporting requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Reporting requirements.

- **Mail Processing**

This section must include a detailed description to address each Mail Processing requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Mail Processing requirements.

- **Training**

This section must include a detailed description to address each Training requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Training requirements.

- **Security Management**

This section must include a detailed description to address each Security Management requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Security Management requirements.

- **Business Continuity**

This section must include a detailed description to address each Business Continuity requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Business Continuity requirements.

The offeror must provide a draft Business Continuity Plan that will be used to create a consistent, coherent management plan of action that will be used to guide the Business Continuity activities of the project. The Business Continuity Plan is subject to final approval by the State. The plan should include detail sufficient to give the State an understanding of the offeror's knowledge and approach.

- **Disaster Recovery**

This section must include a detailed description to address each Disaster Recovery requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Disaster Recovery requirements.

The offeror must provide a draft Disaster Recovery Plan outlining its management plan of action to guide the Disaster Recovery activities of the project.

- **Marketing**

This section must include a detailed description to address each Marketing requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Marketing requirements.

- **Document Management**

This section must include a detailed description to address each Document Management requirement in Attachment Two. The offeror must specifically address the processes, methods or proposed approach to meet the Document Management requirements.

- **Quality Assurance Plan.**

The section must include a quality assurance plan that describes the procedures and measures that will be utilized as part of its daily, weekly and monthly quality control activities. At a minimum, the plan must provide a description of: how the review(s) will be conducted including frequency and methodology, how corrective action plans will be developed and monitored, and how the results will be provided to the State.

The offeror must provide a draft Quality Assurance Plan. The Quality Assurance Plan is subject to final approval by the State. The plan should include detail sufficient to give the State an understanding of the offeror's knowledge and approach.

- **Desirables**

This section must include a detailed description to address each Desirable requirement in Attachment Two.

Performance Bond. The Contractor must provide the Procurement Representative with a performance bond in the amount required by the RFP Documents within 30 business days after receipt of a purchase order for this Contract. The bond must be issued by a company authorized by Ohio's Department of Insurance to do business in Ohio and must indemnify the State against all direct damages it suffers from any failure of the Contractor to perform properly.

Failure of the Contractor to provide the performance bond on or before the date it is required will result in a breach of this Contract without a cure period and termination or suspension (or ultimately both) of this Contract for cause. The performance bond must remain in place through the term of the contract but may be renewed or continued annually with the approval of the State. Further, the terms of the bond must reflect the terms of this section, or the State will reject it and treat the failure of conformance as a failure by the Contractor to deliver the bond in a timely fashion.

Concurrent with the delivery of the performance bond, the Contractor must provide the State with a certified copy of the invoice for the bond from the bonding company. The State will reimburse the Contractor for the lesser of the amount of the performance bond reflected on the bonding company's certified invoice or the cost shown on the Cost Summary of the Contractor's proposal.

Support Requirements. The offeror must describe the support it wants from the State other than what the State has offered in this RFP. Specifically, the offeror must address the following:

- Nature and extent of State support required in terms of staff roles, percentage of time available, and so on;

- Assistance from State staff and the experience and qualification levels required; and
- Other support requirements.

The State may not be able or willing to provide the additional support the offeror lists in this part of its Proposal. The offeror therefore must indicate whether its request for additional support is a requirement for its performance. If any part of the list is a requirement, the State may reject the offeror's Proposal, if the State is unable or unwilling to meet the requirements.

Proof of Insurance. The offeror must provide the certificate of insurance required by Attachment Four. The policy may be written on an occurrence or claims made basis.

Payment Address. The offeror must give the address to which the State should send payments under the Contract.

Legal Notice Address. The offeror must give the name, title, and address to which the State should send legal notices under the Contract.

W-9 Form. The offeror must complete the attached W-9 form in its entirety. The offeror must submit at least one originally signed W-9. All other copies of a Proposal may contain copies of the W-9. The offeror must indicate on the outside of the binder which Proposal contains the originally signed W-9.

Declaration Regarding Terrorist Organizations. The offeror must complete a Declaration Regarding Material Assistance/Non-assistance to Terrorist Organizations in its entirety. The offeror must submit at least one originally signed copy of this form, which should be included with the offeror's originally signed Proposal. All other copies of the offeror's Proposal may contain copies of this form. The form is available at: <http://www.homelandsecurity.ohio.gov>.

Cost Summary. This RFP includes a Cost Summary Form provided as an attachment. Offerors may not reformat this form. Each offeror must complete the Cost Summary Form in the exact format provided, since the State may reject any Proposal with a reformatted Cost Summary Form or that is not separately sealed. (See: Part Three: General Instructions, Proposal Submittal.)

The Cost Summary Form must not include exceptions, additional terms and conditions, or assumptions.

The State will not be liable for or pay any Work costs that the offeror does not identify in its Proposal.

ATTACHMENT FOUR: GENERAL TERMS AND CONDITIONS

PART ONE: PERFORMANCE AND PAYMENT

Statement of Work. The selected offeror's proposal (the "Proposal") and the State's Request for Proposals (the "RFP"), which are collectively referred to as the "RFP Documents", are a part of this contract (the "Contract") and describe the work (the "Work") the selected offeror (the "Contractor") must do and any materials the Contractor must deliver (the "Deliverables") under this Contract. The Contractor must do the Work in a professional, timely, and efficient manner and must provide the Deliverables in a proper fashion. The Contractor also must furnish its own support staff necessary for the satisfactory performance of the Work.

The Contractor must consult with the appropriate State representatives and others necessary to ensure a thorough understanding of the Work and satisfactory performance. The State may give instructions to or make requests of the Contractor relating to the Work, and the Contractor must comply with those instructions and fulfill those requests in a timely and professional manner. Those instructions and requests will be for the sole purpose of ensuring satisfactory completion of the Work and will not amend or alter the scope of the Work.

Term. Unless this Contract is terminated or expires without renewal, it will remain in effect until the Work is completed to the satisfaction of the State and the Contractor is paid. But the current General Assembly cannot commit a future General Assembly to an expenditure. Therefore, this Contract will automatically expire at the end of each biennium, the first of which is June 30, 2011. The State may renew this Contract in the next biennium by issuing written notice to the Contractor of the decision to do so. This expiration and renewal procedure also will apply to the end of any subsequent biennium during which the Work continues, subject to the State's approval. Termination or expiration of this Contract will not limit the Contractor's continuing obligations with respect to Deliverables that the State pays for before or after termination or limit the State's rights in such.

The State's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails to continue funding for the payments and other obligations due as part of this Contract, the State's obligations under this Contract will terminate as of the date that the funding expires without further obligation of the State.

The Work has a completion date that is identified in the RFP Documents. The RFP Documents also may have several dates for the delivery of Deliverables or reaching certain milestones in the Work. The Contractor must make those deliveries, meet those milestones, and complete the Work within the times the RFP Documents require. If the Contractor does not meet those dates, the Contractor will be in default, and the State may terminate this Contract under the Suspension and Termination Section contained in Part II of this Attachment Four.

But the State also may have certain obligations to meet. Those obligations, if any, also are listed in the RFP Documents. If the State agrees that the Contractor's failure to meet the delivery, milestone, or completion dates in the RFP Documents is due to the State's failure to meet its own obligations in a timely fashion, then the Contractor will not be in default, and the delivery, milestone, and completion dates affected by the State's failure to perform will be extended by the same amount of time as the State's delay. The Contractor may not rely on this provision unless the Contractor has in good faith exerted reasonable management skill to avoid an extension and has given the State meaningful written notice of the State's failure to meet its obligations within five business days of the Contractor's realization that the State's delay may impact the Work. The Contractor must deliver any such notice to both the Work Representative and Procurement Representative and title the notice as a "Notice of State Delay." The notice must identify any delay in detail, as well as the impact the delay has or will have on the Work. Unless the State decides, in its sole and exclusive judgment, that an equitable adjustment in the Contractor's Fee is warranted in the case of an extended delay, an extension of the Contractor's time to perform will be the Contractor's exclusive remedy for the State's delay. Should the State determine that an equitable adjustment in the Contractor's Fee is warranted, the equitable adjustment will be handled as

a Change Order under the Changes Section of this Contract, and the extension of time and equitable adjustment will be the exclusive remedies of the Contractor for the State's delay.

The State seeks a complete solution to what the Work is intended to accomplish, and the Contractor must provide any incidental items omitted in the RFP Documents as part of the Contractor's price. All required components and processes for the Work to be complete and useful to the State are included in the Work and the price, unless the RFP expressly provides otherwise.

Compensation. In consideration of the Contractor's promises and satisfactory performance, the State will pay the Contractor the amount(s) identified in the RFP Documents (the "Fee"), plus any other expenses identified as reimbursable in the RFP Documents. In no event, however, will payments under this Contract exceed the specified amounts in the RFP Documents without the prior, written approval of the State and, when required, the Ohio Controlling Board and any other source of funding. The Contractor's right to the Fee is contingent on the complete and satisfactory performance of the Work or, in the case of milestone payments or periodic payments of an hourly, daily, weekly, monthly, or annual rate, all relevant parts of the Work tied to the applicable milestone or period. Payment of the Fee also is contingent on the Contractor delivering a proper invoice and any other documents the RFP Documents require. An invoice must comply with the State's then current policies regarding invoices and their submission. The State will notify the Contractor in writing within 15 business days after it receives a defective invoice of any defect and provide the information necessary to correct the defect.

The Contractor must send all invoices under this Contract to the "bill to" address in the RFP Documents or in the applicable purchase order.

The State will pay the Contractor interest on any late payment, as provided in Section 126.30 of the Ohio Revised Code (the "Revised Code"). If the State disputes a payment for anything covered by an invoice, within 15 business days after receipt of that invoice, the State will notify the Contractor, in writing, stating the grounds for the dispute. The State then may deduct the disputed amount from its payment as a nonexclusive remedy. If the Contractor has committed a material breach, in the sole opinion of the State, the State also may withhold payment otherwise due to the Contractor. Both parties will attempt to resolve any claims of material breach or payment disputes through discussions among the Project Manager, the Contractor's executive responsible for the Work, the Work Representative, and the State Contract Management Administrator. The State will consult with the Contractor as early as reasonably possible about the nature of the claim or dispute and the amount of payment affected. When the Contractor has resolved the matter to the State's satisfaction, the State will pay the disputed amount within 30 business days after the matter is resolved. The State has no obligation to make any disputed payments until the matter is resolved, and the Contractor must continue its performance under this Contract pending resolution of the dispute or claim.

If the State has already paid the Contractor on an invoice but later disputes the amount covered by the invoice, and if the Contractor fails to correct the problem within 30 calendar days after written notice, the Contractor must reimburse the State for that amount at the end of the 30 calendar days as a nonexclusive remedy for the State. On written request from the Contractor, the State will provide reasonable assistance in determining the nature of the problem by giving the Contractor reasonable access to the State's facilities and any information the State has regarding the problem.

If the RFP Documents provide for any retainage, the State will withhold from each invoice paid the percentage specified in the RFP Documents as retainage. The State will pay the retainage only after the State has accepted all the Work and then only in accordance with the payment schedule specified in the RFP Documents. The State will withhold all amounts under this section arising from claims or disputes in addition to any retainage specified in the RFP Documents.

Reimbursable Expenses. The State will pay all reimbursable expenses identified in the RFP Documents, if any, in accordance with the terms in the RFP Documents and, where applicable, Section 126.31 of the Revised Code. The Contractor must assume all expenses that it incurs in the performance of this Contract that are not identified as reimbursable in the RFP Documents.

In making any reimbursable expenditure, the Contractor always must comply with the more restrictive of its own, then current internal policies for making such expenditures or the State's then current policies. All reimbursable travel will require the advance written approval of the State's Work Representative. The Contractor must bill all reimbursable expenses monthly, and the State will reimburse the Contractor for them within 30 business days of receiving the Contractor's invoice.

Right of Offset. The State may set off the amount of any Ohio tax liability or other obligation of the Contractor or its subsidiaries to the State, including any amounts the Contractor owes to the State under this or other contracts, against any payments due from the State to the Contractor under this or any other contracts with the State.

Certification of Funds. None of the rights, duties, or obligations in this Contract will be binding on the State, and the Contractor will not begin its performance, until all the following conditions have been met:

- (a) All statutory provisions under the Revised Code, including Section 126.07, have been met;
- (b) All necessary funds are made available by the appropriate State entities;
- (c) If required, the Controlling Board of Ohio approves this Contract; and
- (d) If the State is relying on federal or third-party funds for this Contract, the State gives the Contractor written notice that such funds are available.

Employment Taxes. All people furnished by the Contractor (the "Contractor Personnel") are employees or subcontractors of the Contractor, and none are or will be deemed employees or contractors of the State. No Contractor Personnel will be entitled to participate in, claim benefits under, or become an "eligible employee" for purposes of any employee benefit plan of the State by reason of any work done under this Contract. The Contractor will pay all federal, state, local, and other applicable payroll taxes and make the required contributions, withholdings, and deductions imposed or assessed under any provision of any law and measured by wages, salaries, or other remuneration paid by or which may be due from the Contractor to the Contractor Personnel. The Contractor will indemnify, defend (with the consent and approval of the Ohio Attorney General), and hold the State harmless from and against all claims, losses, liability, demands, fines, and expense (including court costs, defense costs, and redeemable attorney fees) arising out of or relating to such taxes, withholdings, deductions, and contributions with respect to the Contractor Personnel. The Contractor's indemnity and defense obligations also apply to any claim or assertion of tax liability made by or on behalf of any Contractor Personnel or governmental agency on the basis that any Contractor Personnel are employees or contractors of the State, that the State is the "joint employer" or "co-employer" of any Contractor Personnel, or that any Contractor Personnel are entitled to any employee benefit offered only to eligible regular fulltime or regular part-time employees of the State.

Sales, Use, Excise, and Property Taxes. The State is exempt from any sales, use, excise, and property tax. To the extent sales, use, excise, or any similar tax is imposed on the Contractor in connection with the Work, such will be the sole and exclusive responsibility of the Contractor. And the Contractor will pay such taxes, together with any interest and penalties not disputed with the appropriate taxing authority, whether they are imposed at the time the services are rendered or a later time.

PART TWO: WORK AND CONTRACT ADMINISTRATION

Related Contracts. The Contractor warrants that the Contractor has not and will not enter into any contracts without written approval of the State to perform substantially identical services for the State, such that the Work under this Contract duplicates the work done or to be done under the other State contracts.

Other Contractors. The State may hold other contracts for additional or related work, including among others independent verification and validation (IV&V) efforts for the Work. The Contractor must fully cooperate with all other contractors and State employees and coordinate its Work with such other contractors and State employees as may be required for the smooth and efficient operation of all related or additional work. The Contractor may not act in any way that may unreasonably interfere with the work of any other contractors or the State's employees. Further, the Contractor must fully cooperate with any

IV&V Contractor assigned to the Work. Such cooperation includes expeditiously providing the IV&V Contractor with full and complete access to all Work product, records, materials, personnel, meetings, and correspondence as the IV&V Contractor may request. If the State assigns an IV&V Contractor to the Work, the State will obligate the IV&V Contractor to a confidentiality provision similar to the Confidentiality Section contained in this Contract. The Contractor must include the obligations of this provision in all its contracts with its subcontractors for the Work.

Subcontracting. The Contractor may not enter into subcontracts related to the Work after award without written approval from the State. But the Contractor will not need the State's written approval to subcontract for the purchase of commercial goods that are required for satisfactory completion of the Work. All subcontracts will be at the sole expense of the Contractor unless expressly stated otherwise in the RFP Documents.

The State's approval of the use of subcontractors does not mean that the State will pay for them. The Contractor will be solely responsible for payment of its subcontractor and any claims of subcontractors for any failure of the Contractor or any of its other subcontractors to meet the performance schedule or performance specifications for the Work in a timely and professional manner. The Contractor must hold the State harmless for and must indemnify the State against any such claims.

The Contractor assumes responsibility for all Deliverables whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the Contractor will be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Contract. And the Contractor will be fully responsible for any default by a subcontractor, just as if the Contractor itself had defaulted.

If the Contractor uses any subcontractors, each subcontractor must have a written agreement with the Contractor. That written agreement must incorporate this Contract by reference. The agreement also must pass through to the subcontractor all provisions of this Contract that would be fully effective only if they bind both the subcontractor and the Contractor. Among such provisions are the limitations on the Contractor's remedies, the insurance requirements, record keeping obligations, and audit rights. Some sections of this Contract may limit the need to pass through their requirements to subcontracts to avoid placing cumbersome obligations on minor subcontractors. But this exception is applicable only to sections that expressly provide an exclusion for small-dollar subcontracts. Should the Contractor fail to pass through any provisions of this Contract to one of its subcontractors and the failure damages the State in any way, the Contractor must indemnify the State for the damage.

Record Keeping. The Contractor must keep all financial records in accordance with generally accepted accounting principles consistently applied. The Contractor also must file documentation to support each action under this Contract in a manner allowing the documentation to be readily located. And the Contractor must keep all Work-related records and documents at its principal place of business or at its office where the work was performed.

Audits. During the term of this Contract and for three years after the payment of the Contractor's Fee, on reasonable notice and during customary business hours, the State may audit the Contractor's records and other materials that relate to the Work. This audit right also applies to the State's duly authorized representatives and any person or organization providing financial support for the Work.

Insurance. The Contractor must provide the following insurance coverage at its own expense throughout the term of this Contract:

- a. Workers' compensation insurance, as required by Ohio law, and if some of the Work will be done outside Ohio, the laws of the appropriate state(s) where any portion of the Work will be done. The Contractor also must maintain employer's liability insurance with at least a \$1,000,000.00 limit.

- b. Commercial General Liability insurance coverage for bodily injury, personal injury, wrongful death, and property damage. The defense cost must be outside of the policy limits. Such policy must designate the State of Ohio as an additional insured, as its interest may appear. The policy also must be endorsed to include a blanket waiver of subrogation. At a minimum, the limits of the insurance must be:

\$ 2,000,000	General Aggregate
\$ 2,000,000	Products/Completed Operations Aggregate
\$ 1,000,000	Per Occurrence Limit
\$ 1,000,000	Personal and Advertising Injury Limit
\$ 100,000	Fire Legal Liability
\$ 10,000	Medical Payments

The policy must be endorsed to provide the State with 30-days prior written notice of cancellation or material change to the policy. And the Contractor's Commercial General Liability must be primary over any other insurance coverage.

- c. Commercial Automobile Liability insurance with a combined single limit of \$500,000.
- d. Professional Liability insurance covering all staff with a minimum limit of \$1,000,000 per incident and \$3,000,000 aggregate. If the Contractor's policy is written on a "claims made" basis, the Contractor must provide the State with proof of continuous coverage at the time the policy is renewed. If for any reason the policy expires, or coverage is terminated, the Contractor must purchase and maintain "tail" coverage through the applicable statute of limitations.

The certificate(s) must be in a form that is reasonably satisfactory to the State as to the contents of the policies and the quality of the insurance carriers. All carriers must have at least an "A-" rating by A.M. Best.

Replacement Personnel. If the RFP Documents contain the names of specific people who will do the Work, then the quality and professional credentials of those people were material factors in the State's decision to enter into this Contract. Therefore, the Contractor must use all commercially reasonable efforts to ensure the continued availability of those people. Also, the Contractor may not remove those people from the Work without the prior, written consent of the State, except as provided below.

The Contractor may remove a person listed in the RFP Documents from the Work, if doing so is necessary for legal or disciplinary reasons. But the Contractor must make a reasonable effort to give the State 30 calendar days' prior, written notice of the removal.

If the Contractor removes a person listed in the RFP Documents from the Work for any reason other than those specified above, the State may assess liquidated damages in the amount of \$1,500.00 for every day between the date on which the individual was removed and the date that this Contract is terminated or the individual's qualified replacement, selected in accordance with the process identified in this section, starts performing on the Work. The State also may provide the Contractor with written notice of its default under this section, which the Contractor must cure within 30 days. Should the Contractor fail to cure its default within the 30 day cure period, this Contract will terminate immediately for cause, and the State will be entitled to damages in accordance with the Suspension and Termination Section of this Contract due to the termination. Should the State assess liquidated damages or otherwise be entitled to damages under this provision, it may offset these damages from any Fees due under this Contract.

The Contractor must have qualified replacement people available to replace any people listed in the RFP Documents by name or identified as a Key Team Member on the Work. When the removal of a listed person is permitted under this Section, or if a person becomes unavailable, the Contractor must submit

the resumes for two replacement people to the State for each person removed or who otherwise becomes unavailable. The Contractor must submit the two resumes, along with such other information as the State may reasonably request, within five business days after the decision to remove a person is made or the unavailability of a listed person becomes known to the Contractor.

The State will select one of the two proposed replacements or will reject both of them within ten business days after the Contractor has submitted the proposed replacements to the State. The State may reject the proposed replacements for any legal reason. Should the State reject both replacement candidates due to their failure to meet the minimum qualifications identified in the RFP Documents, or should the Contractor fail to provide the notice required under this Section or fail to provide two qualified replacement candidates for each removed or unavailable person, the Contractor will be in default and the cure period for default specified elsewhere in this Contract will not apply. In any such case, the State will have the following options:

- (a) The State may assess liquidated damages in the amount of \$1,500.00 for every day between the date on which the Contractor failed to provide the applicable notice, failed to provide the two replacement candidates, or the date the State rejected all candidates for cause and the date on which the Contractor affects a cure or the Contract expires without renewal or is terminated.
- (b) The State may terminate this Contract immediately for cause and without any cure period.

Should the State exercise its option under item (a) above, it nevertheless will be entitled anytime thereafter to exercise its option under item (b) above. Additionally, should the State terminate this Contract under this provision, it will be entitled to damages in accordance with the Suspension and Termination Section of this Contract due to the termination. Should the State assess liquidated damages or otherwise be entitled to damages under this provision, it may offset these damages from any Fees due under this Contract.

The State may determine that the proposed replacement candidates meet the minimum qualifications of this Contract and still substantially reduce the value the State perceived it would receive through the effort of the original individual(s) the Contractor proposed and on whose credentials the State decided to enter into this Contract. Therefore, the State will have the right to reject any candidate that the State determines may provide it with diminished value.

Should the State reject both proposed candidates for any legal reason other than their failure to meet the minimum qualifications identified in the RFP Documents, the State may terminate this Contract for its convenience.

The State has an interest in providing a healthy and safe environment for its employees and guests at its facilities. The State also has an interest in ensuring that its operations are carried out in an efficient, professional, legal, and secure manner. Therefore, the State will have the right to require the Contractor to remove any individual involved in the Work, if the State determines that any such individual has or may interfere with the State's interests identified above. In such a case, the request for removal will be treated as a case in which an individual providing services under this Contract has become unavailable, and the Contractor must follow the procedures identified above for replacing unavailable people. This provision also applies to people that the Contractor's subcontractors engage, if they are listed by name or as a Key Team Member in the RFP Documents.

Suspension and Termination. The State may terminate this Contract if the Contractor defaults in meeting its obligations under this Contract and fails to cure its default within the time allowed by this Contract, or if a petition in bankruptcy (or similar proceeding) has been filed by or against the Contractor. The State also may terminate this Contract if the Contractor violates any law or regulation in doing the Work, or if it appears to the State that the Contractor's performance is substantially endangered through no fault of the State. In any such case, the termination will be for cause, and the State's rights and remedies will be those identified below for termination for cause.

On written notice, the Contractor will have 30 calendar days to cure any breach of its obligations under this Contract, provided the breach is curable. If the Contractor fails to cure the breach within 30 calendar days after written notice, or if the breach is not one that is curable, the State will have the right to terminate this Contract immediately on notice to the Contractor. The State also may terminate this Contract in the case of breaches that are cured within 30 calendar days but are persistent. "Persistent" in this context means that the State has notified the Contractor in writing of the Contractor's failure to meet any of its obligations three times. After the third notice, the State may terminate this Contract on written notice to the Contractor without a cure period if the Contractor again fails to meet any obligation. The three notices do not have to relate to the same obligation or type of failure. Some provisions of this Contract may provide for a shorter cure period than 30 calendar days or for no cure period at all, and those provisions will prevail over this one. If a particular section does not state what the cure period will be, this provision will govern.

Moreover, the State may terminate this Contract for its convenience and without cause or if the Ohio General Assembly fails to appropriate funds for any part of the Work. If a third party is providing funding for the Work, the State also may terminate this Contract should that third party fail to release any funds for the Work. The RFP Documents normally identify any third party source of funds for the Work, but an absence of such in the RFP Documents will not diminish the State's rights under this section.

The notice of termination, whether for cause or without cause, will be effective as soon as the Contractor receives it. Upon receipt of the notice of termination, the Contractor must immediately cease all activity on the Work and take all steps necessary to minimize any costs the Contractor will incur related to this Contract. The Contractor also must immediately prepare a report and deliver it to the State. The report must be all-inclusive and must detail the Work completed at the date of termination, the percentage of the Work's completion, any costs incurred in doing the Work to that date, and any Deliverables completed or partially completed but not delivered to the State at the time of termination. The Contractor also must deliver all the completed and partially completed Deliverables to the State with its report. But if the State determines that delivery in that manner would not be in its interest, then the State may designate a suitable alternative form of delivery, which the Contractor must honor.

If the State terminates this Contract for cause, the State will be entitled to cover for the Work by using another Contractor on such commercially reasonable terms as the State and the covering Contractor may agree. The Contractor will be liable to the State for all costs related to covering for the Work to the extent that such costs, when combined with payments already made to the Contractor for the Work before termination, exceed the costs that the State would have incurred under this Contract. The Contractor also will be liable for any other direct damages resulting from its breach of this Contract or other action leading to termination for cause.

If the termination is for the convenience of the State, the Contractor will be entitled to compensation for any Work that the Contractor has performed before the termination. Such compensation will be the Contractor's exclusive remedy in the case of termination for convenience and will be available to the Contractor only once the Contractor has submitted a proper invoice for such, with the invoice reflecting the amount that the State determines it owes to the Contractor. The State will make that determination based on the lesser of the percentage of the Work completed or the hours of work performed in relation to the estimated total hours required to perform all the Work.

The State will have the option of suspending rather than terminating the Work, if the State believes that doing so would better serve its interests. In the event of a suspension for the convenience of the State, the Contractor will be entitled to receive payment for the work performed before the suspension. In the case of suspension of the Work rather than termination for cause, the Contractor will not be entitled to any compensation for any work performed. If the State reinstates the Work after suspension for cause, rather than terminating this Contract after the suspension, the Contractor may be entitled to compensation for work performed before the suspension, less any damage to the State resulting from the Contractor's breach of this Contract or other fault. Any amount due for work before or after the suspension for cause will be offset by any damage to the State from the default or other event giving rise to the suspension.

In the case of a suspension for the State's convenience, the State will calculate the amount of compensation due to the Contractor for work performed before the suspension in the same manner as provided in this section for termination for the State's convenience. The Contractor will not be entitled to compensation for any other costs associated with a suspension for the State's convenience, and the State will make no payment under this provision to the Contractor until the Contractor submits a proper invoice. If the State decides to allow the Work to continue rather than terminating this Contract after the suspension, the State will not be required to make any payment to the Contractor other than those payments specified in this Contract and in accordance with the payment schedule specified in this Contract for properly completed Work.

Any notice of suspension, whether with or without cause, will be effective immediately on the Contractor's receipt of the notice. The Contractor will prepare a report concerning the Work just as is required by this Section in the case of termination. After suspension of the Work, the Contractor may not perform any Work without the consent of the State and may resume the Work only on written notice from the State to do so. In any case of suspension, the State retains its right to terminate this Contract rather than to continue the suspension or resume the Work. If the suspension is for the convenience of the State, then termination of the Contract will be a termination for convenience. If the suspension is with cause, the termination will also be for cause.

The State may not suspend the Work for its convenience more than twice during the term of this Contract, and any suspension for the State's convenience may not continue for more than 30 calendar days. If the Contractor does not receive notice to resume or terminate the Work within the 30-day suspension, then this Contract will terminate automatically for the State's convenience at the end of the 30 calendar day period.

Any default by the Contractor or one of its subcontractors will be treated as a default by the Contractor and all of its subcontractors. The Contractor will be solely responsible for satisfying any claims of its subcontractors for any suspension or termination and must indemnify the State for any liability to them. Notwithstanding the foregoing, each subcontractor must hold the State harmless for any damage caused to them from a suspension or termination. They must look solely to the Contractor for any compensation to which they may be entitled.

Representatives. The State's representative under this Contract will be the person identified in the RFP Documents or in a subsequent notice to the Contractor as the "Work Representative." The Work Representative will review all reports the Contractor makes in the performance of the Work, will conduct all liaison with the Contractor, and will accept or reject the Deliverables and the completed Work. The Work Representative may delegate his or her responsibilities for individual aspects of the Work to one or more managers, who may act as the Work Representative for those individual portions of the Work.

The Contractor's Project Manager under this Contract will be the person identified on the RFP Documents as the "Project Manager." The Project Manager will be the Contractor's liaison with the State under this Contract. Additionally, the Project Manager will conduct all Work meetings and prepare and submit to the Work Representative all reports, plans, and other materials that the RFP Documents require from the Contractor.

Either party, upon written notice to the other party, may designate another representative. However, the Contractor may not replace the Project Manager without the approval of the State if that person is identified in the RFP Documents by name or as a Key Team Member on the Work.

Work Responsibilities. The State will be responsible for providing only those things, if any, expressly identified in the RFP Documents. If the State has agreed to provide facilities or equipment, the Contractor, by signing this Contract, warrants that the Contractor has either inspected the facilities and equipment or has voluntarily waived an inspection and will use the equipment and facilities on an "as is" basis.

The Contractor must assume the lead in the areas of management, design, and development of the Work. The Contractor must coordinate the successful execution of the Work and direct all Work activities

on a day-to-day basis, with the advice and consent of the Work Representative. The Contractor will be responsible for all communications regarding the progress of the Work and will discuss with the Work Representative any issues, recommendations, and decisions related to the Work.

If any part of the Work requires installation on the State's property, the State will provide the Contractor with reasonable access to the installation site for the installation and any site preparation that is needed. After the installation is complete, the Contractor must complete an installation letter and secure the signature of the Work Representative certifying that installation is complete and the Work, or applicable portion of it, is operational. The letter must describe the nature, date, and location of the installation, as well as the date the Work Representative certified the installation as complete and operational.

Unless otherwise provided in the RFP Documents, the Contractor is solely responsible for obtaining all official permits, approvals, licenses, certifications, and similar authorizations required by any local, state, or federal agency for the Work and maintaining them throughout the duration of this Contract.

Changes. The State may make reasonable changes within the general scope of the Work. The State will do so by issuing a written order under this Contract describing the nature of the change ("Change Order"). Additionally, if the State provides directions or makes requests of the Contractor without a change order, and the Contractor reasonably believes the directions or requests are outside the specifications for the Work, the Contractor may request a Change Order from the State. The parties will handle such changes as follows: The Contractor will provide pricing to the State. The State will execute a Change Order once it and the Contractor have agreed on the description of and specifications for the change, as well as any equitable adjustments that need to be made in the Contractor's Fee or the performance schedule for the work. Then within five business days after receiving the Change Order, the Contractor must sign it to signify agreement with it.

If a change causes an increase in the cost of, or the time required for, the performance of the Work, the Contractor must notify the State in writing and request an equitable adjustment in its Fee, the delivery schedule, or both before the Contractor signs the Change Order. If the Contractor claims an adjustment under this section in connection with a change to the Work not described in a written Change Order, the Contractor must notify the State in writing of the claim within five business days after the Contractor is notified of the change and before work on the change begins. Otherwise, the Contractor will have waived the claim. In no event will the State be responsible for any increase in the Fee or revision in any delivery schedule unless the State expressly ordered the relevant change in writing and the Contractor has complied with the requirements of this section. Provided the State has complied with the procedure for Change Orders in this section, nothing in this clause will excuse the Contractor from proceeding with performance of the Work, as changed.

Where an equitable adjustment to the Contractor's Fee is appropriate, the State and the Contractor may agree upon such an adjustment. If the State and the Contractor are unable to agree, either party may submit the dispute to the senior management of the Contractor and the senior management of the State's Department of Administrative Services for resolution. If within 30 calendar days following referral to senior management, the claim or dispute has not been resolved, the Contractor must submit its actual costs for materials needed for the change (or estimated amount if the precise amount of materials cannot be determined) and an estimate of the hours of labor required to do the work under the Change Order. The Contractor must break down the hours of labor by employee position, and provide the actual hourly pay rate for each employee involved in the change. The total amount of the equitable adjustment for the Change Order then will be made based on the actual cost of materials (or estimated materials) and actual rate for each person doing the labor (based on the estimated hours of work required to do the change). Labor rates will be increased by 25% to cover benefits and taxes. The equitable adjustment for the Change Order then will be set based on this amount, plus 15% to cover overhead and profit. This amount will be the not-to-exceed amount of the Change Order. If the change involves removing a requirement from the Work or replacing one part of the Work with the change, the State will get a credit for the work no longer required under the original scope of the Work. The credit will be calculated in the same manner as the Contractor's Fee for the change, and the not-to-exceed amount will be reduced by this credit.

The Contractor is responsible for coordinating changes with its subcontractors and adjusting their compensation and performance schedule. The State will not pay any subcontractor for the Change Order. If a subcontractor will perform any work under a Change Order, that work must be included in the Contractor's not-to-exceed amount and calculated in the same manner as the Contractor's equitable adjustment for the portion of the work the Contractor will perform. The Contractor will not receive an overhead percentage for any work a subcontractor will do under a Change Order.

If the RFP Documents provide for the retainage of a portion of the Contractor's Fee, all equitable adjustments for Change Orders also will be subject to the same retainage, which the State will pay only on completion and acceptance of the Work, as provided in the RFP Documents.

Excusable Delay. Neither party will be liable for any delay in its performance that arises from causes beyond its control and without its negligence or fault. The delayed party must notify the other promptly of any material delay in performance and must specify in writing the proposed revised performance date as soon as practicable after notice of delay. In the event of any such excusable delay, the date of performance or of delivery will be extended for a period equal to the time lost by reason of the excusable delay. The delayed party also must describe the cause of the delay and what steps it is taking to remove the cause. The delayed party may not rely on a claim of excusable delay to avoid liability for a delay if the delayed party has not taken commercially reasonable steps to mitigate or avoid the delay. Things that are controllable by the Contractor's subcontractors will be considered controllable by the Contractor, except for third-party manufacturers supplying commercial items and over whom the Contractor has no legal control.

Independent Status of the Contractor. The parties are independent of one another, and the Contractor's Personnel may act only in the capacity of representatives of the Contractor and not as representatives of the State. Further, the Contractor's Personnel will not be deemed for any purpose to be employees, representatives, or agents of the State. The Contractor assumes full responsibility for the actions of the Contractor's Personnel while they are performing under this Contract and will be solely responsible for paying the Contractor's Personnel (including withholding, and paying income taxes and social security, workers' compensation, disability benefits and the like). The Contractor may not commit, and is not authorized to commit, the State in any manner. The Contractor's subcontractors will be considered the agents of the Contractor for purposes of this Contract.

Publicity. The Contractor may not advertise or publicize that it is doing business with the State or use this Contract or the Contractor's relationship with the State as a marketing or sales tool, unless the State agrees otherwise in writing.

PART THREE: OWNERSHIP AND HANDLING OF INTELLECTUAL PROPERTY AND CONFIDENTIAL INFORMATION

Confidentiality. The State may disclose to the Contractor written material or oral or other information that the State treats as confidential ("Confidential Information"). Title to the Confidential Information and all related materials and documentation the State delivers to the Contractor will remain with the State. The Contractor must treat such Confidential Information as secret, if it is so marked, otherwise identified as such, or when, by its very nature, it deals with matters that, if generally known, would be damaging to the best interest of the public, other contractors, potential contractors with the State, or individuals or organizations about whom the State keeps information. By way of example, information must be treated as confidential if it includes any proprietary documentation, materials, flow charts, codes, software, computer instructions, techniques, models, information, diagrams, know-how, trade secrets, data, business records, or marketing information. By way of further example, the Contractor also must treat as confidential materials such as police and investigative records, files containing personal information about individuals or employees of the State, such as personnel records, tax records, and so on, court and administrative records related to pending actions, any material to which an attorney-client, physician-patient, or similar privilege may apply, and any documents or records excluded by Ohio law from public records disclosure requirements.

The Contractor may not disclose any Confidential Information to third parties and must use it solely to do the Work. The Contractor must restrict circulation of Confidential Information within its organization and then only to people in the Contractor's organization that have a need to know the Confidential Information to do the Work. The Contractor will be liable for the disclosure of such information, whether the disclosure is intentional, negligent, or accidental, unless otherwise provided below.

The Contractor will not incorporate any portion of any Confidential Information into any work or product, other than a Deliverable, and will have no proprietary interest in any of the Confidential Information. Furthermore, the Contractor must cause all of its Personnel who have access to any Confidential Information to execute a confidentiality agreement incorporating the obligations in this section.

The Contractor's obligation to maintain the confidentiality of the Confidential Information will not apply where such: (1) was already in the Contractor's possession before disclosure by the State, and such was received by the Contractor without obligation of confidence; (2) is independently developed by the Contractor; (3) except as provided in the next paragraph, is or becomes publicly available without breach of this Contract; (4) is rightfully received by the Contractor from a third party without an obligation of confidence; (5) is disclosed by the Contractor with the written consent of the State; or (6) is released in accordance with a valid order of a court or governmental agency, provided that the Contractor (a) notifies the State of such order immediately upon receipt of the order and (b) makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production. The Contractor must return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Contract.

Information that may be available publicly through other sources about people that is personal in nature, such as medical records, addresses, phone numbers, social security numbers, and similar things are nevertheless sensitive in nature and may not be disclosed or used in any manner except as expressly authorized in this Contract. Therefore, item (3) in the preceding paragraph does not apply, and the Contractor must treat such information as Confidential Information whether it is available elsewhere or not.

The Contractor may disclose Confidential Information to its subcontractors on a need-to-know basis, but the Contractor first must obligate them to the requirements of this section.

Ownership of Deliverables. The State owns all Deliverables that the Contractor produces under this Contract, with all rights, title, and interest in all intellectual property that come into existence through the Contractor's custom work being assigned to the State. Additionally, the Contractor waives any author rights and similar retained interests in custom-developed material. The Contractor must provide the State with all assistance reasonably needed to vest such rights of ownership in the State. The Contractor will retain ownership of all tools, methods, techniques, standards, and other development procedures, as well as generic and preexisting shells, subroutines, and similar material incorporated into any custom Deliverable ("Pre-existing Materials"), if the Contractor provides the non-exclusive license described in the next paragraph.

The Contractor may grant the State a worldwide, non-exclusive, royalty-free, perpetual license to use, modify, and distribute all Pre-existing Materials that are incorporated into any custom-developed Deliverable rather than grant the State ownership of the Pre-existing Materials. The State may distribute such Pre-existing materials to third parties only to the extent required by governmental funding mandates. The Contractor may not include in any custom Deliverable any intellectual property unless such has been created under this Contract or qualifies as Pre-existing Material. If the Contractor wants to incorporate any Pre-existing Materials into a custom Deliverable, the Contractor must first disclose that desire to the State in writing and seek the State's approval for doing so in advance. The State will not be obligated to provide that approval, unless the Contractor disclosed its intention to do so in the RFP Documents. On the Contractor's request, the State will incorporate into any copies of a custom Deliverable any proprietary notice that the Contractor included with the original copy, if that notice is reasonably necessary to protect the Contractor's interest in any Pre-existing Materials contained in the custom Deliverable.

Subject to the limitations and obligations of the State with respect to Pre-existing Materials, the State may make all custom Deliverables available to the general public without any proprietary notices of any kind.

License in Commercial Material. As used in this section, "Commercial Material" means anything that the Contractor or a third party has developed at private expense, is commercially available in the marketplace, subject to intellectual property rights, and readily copied through duplication on magnetic media, paper, or other media. Examples include written reports, books, pictures, videos, movies, computer programs, and computer source code and documentation.

Any Commercial Material that the Contractor intends to deliver as a Deliverable must have the scope of the license granted in such material disclosed in the RFP Documents or as an attachment referenced in the RFP Documents, if that scope of license is different from the scope of license contained in this section for Commercial Materials.

Except for Commercial Material that is software ("Commercial Software"), if the Commercial Material is copyrighted and published material, then the State will have the rights permitted under the federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material is patented, then the State will have the rights permitted under the federal patent laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material consists of trade secrets, then the State will treat the material as confidential. In this regard, the State will assume all obligations with respect to the Commercial Material that the Contractor assumes under the Confidentiality section of this Contract with respect to the State's Confidential Information. Otherwise, the State will have the same rights and duties permitted under the federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor, whether or not the material is copyrighted when delivered to the State.

For Commercial Software, the State will have the rights in items (1) through (6) of this section with respect to the software. The State will not use any Commercial Software except as provided in the six items below or as expressly stated otherwise in this Contract. The Commercial Software may be:

- (1) Used or copied for use in or with the computer or computers for which it was acquired, including use at any State installation to which such computer or computers may be transferred;
- (2) Used or copied for use in or with a backup computer for disaster recovery and disaster recovery testing purposes or if any computer for which it was acquired is inoperative;
- (3) Reproduced for safekeeping (archives) or backup purposes;
- (4) Modified, adapted, or combined with other computer software, but the modified, combined, or adapted portions of the derivative software incorporating any of the Commercial Software will be subject to same restrictions set forth in this Contract;
- (5) Disclosed to and reproduced for use on behalf of the State by support service contractors or their subcontractors, subject to the same restrictions set forth in this Contract; and
- (6) Used or copied for use in or transferred to a replacement computer.

Commercial Software delivered under this Contract is licensed to the State without disclosure restrictions unless it is clearly marked as confidential or secret. The State will treat any Commercial Software that is marked as confidential or secret as Confidential Information to the extent that such is actually the case.

PART FOUR: REPRESENTATIONS, WARRANTIES, AND LIABILITIES

General Warranties. The Contractor warrants that the recommendations, guidance, and performance of the Contractor under this Contract will: (1) be in accordance with sound professional standards and the requirements of this Contract and without any material defects; and (2) unless otherwise provided in the RFP Documents, be the work solely of the Contractor. The Contractor also warrants that: (1) no Deliverable will infringe on the intellectual property rights of any third party; and (2) the Contractor's work

and the Deliverables resulting from that work will be merchantable and fit for the particular purposes described in the RFP Documents.

Additionally, with respect to the Contractor's activities under this Contract, the Contractor warrants that: (1) the Contractor has the right to enter into this Contract; (2) the Contractor has not entered into any other contracts or employment relationships that restrict the Contractor's ability to perform the contemplated services; (3) the Contractor will observe and abide by all applicable laws and regulations, including those of the State regarding conduct on any premises under the State's control; (4) the Contractor has good and marketable title to any goods delivered under this Contract and in which title passes to the State; (5) the Contractor has the right and ability to grant the license granted in any Deliverable in which title does not pass to the State; and (6) the Contractor is not subject to any unresolved findings of the Auditor of State under Revised Code Section 9.24 and will not become subject to an unresolved finding that prevents the extension or renewal of this Contract.

The warranties regarding material defects, merchantability, and fitness are one-year warranties. All other warranties will be continuing warranties. If any portion of the Work fails to comply with these warranties, and the Contractor is so notified in writing, the Contractor must correct such failure with all due speed or must refund the amount of the compensation paid for such portion of the Work. The Contractor also must indemnify the State for any direct damages and claims by third parties based on a breach of these warranties. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim is based on the modification or misuse. The State will give the Contractor notice of any such claim as soon as reasonably practicable. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement claim that is pending may actually succeed, the Contractor must do one of the following things: (1) modify the Deliverable so that it is no longer infringing; (2) replace the Deliverable with an equivalent or better item; (3) acquire the right for the State to use the infringing Deliverable as it was intended for the State to use under this Contract; or (4) remove the Deliverable and refund the amount the State paid for the Deliverable and the amount of any other Deliverable or item that requires the availability of the infringing Deliverable for it to be useful to the State.

GENERAL EXCLUSION OF WARRANTIES. THE CONTRACTOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE EXPRESS WARRANTIES CONTAINED IN THIS CONTRACT.

Indemnity for Property Damage and Bodily Injury. The Contractor must indemnify the State for all liability and expense resulting from bodily injury to any person (including injury resulting in death) and damage to tangible or real property arising out of the performance of this Contract, provided that such bodily injury or property damage is due to the negligence or other tortious conduct of the Contractor, its employees, agents, or subcontractors. The Contractor will not be responsible for any damages or liability to the extent caused by the negligence or willful misconduct of the State, its employees, other contractors, or agents.

Limitation of Liability. Neither party will be liable for any indirect, incidental, or consequential loss or damage of the other party, including but not limited to lost profits, even if the parties have been advised, knew, or should have known of the possibility of such damages. Additionally, neither party will be liable to the other for direct or other damages in excess of two times the value of this Contract. The limitations in this paragraph do not apply to any obligation of the Contractor to indemnify the State against claims made against it or for damages to the State caused by the Contractor's negligence or other tortious conduct.

PART FIVE: ACCEPTANCE AND MAINTENANCE

Standards of Performance and Acceptance. There will be a period for performance testing of the completed Project. During the performance period, the State, with the assistance of the Contractor, will perform acceptance testing. The performance period will last up to 90 calendar days, during which time the Project must meet the standard of performance required by the RFP Documents for 30 consecutive calendar days. The performance criteria in the RFP Documents will be supplemented with the relevant

user manuals, technical materials, and related writings, to the extent that the specifications in those writings supplement and refine rather than contradict the performance criteria in the RFP Documents. Acceptance of the Project depends on a successful completion of the performance period defined in this section and the RFP Documents. This section applies to the Project, and any part of it, as well as replacements or substitutes for the Project after completion of a successful performance period.

If the Project does not meet the standard of performance during the initial performance period, the State will give the Contractor details about the problems in a timely manner and in a useful and relevant form. Until the Contractor demonstrably corrects all outstanding problems, the second performance period will not start, and the State will not accept the Project (or part thereof). The second performance test will continue on a day-by-day basis until the standard of performance is met for a total of 30 consecutive calendar days or until the 90-day performance period has ended without meeting the standard of performance.

If the Project fails to meet the standard of performance after 90 calendar days from the start of the second performance period, the Contractor will be in default and will not have a cure period. In addition to all other remedies the State may have under this Contract, the State may request a correction or replacement of the relevant portion of the Project.

The Project may have components that can be tested for acceptance individually. If that is so, there may be acceptance criteria listed on the RFP Documents for each part of the Project that will be independently tested and accepted. However, unless the RFP Documents expressly provide otherwise, the failure of any independently tested component to meet its acceptance criteria will give the State the right to reject the entire Project. Alternatively, if the State determines that it is in the State's interest to reject only the part of the Project that was independently and unsuccessfully tested, it may do so. If the State chooses this option, the State will be entitled to a refund or credit toward the Contractor's Fee equal to the cost of acquiring a replacement for the rejected component.

The acceptable level of performance for the Project will be 99.5%, unless otherwise specified in the RFP documents. The performance level for the Project is computed by dividing the sum of the uptime by the number of working hours during the test time. "Uptime" means the total hours, rounded to the nearest quarter hour, during which all components of the Project are operational and all functions of the Project are available to its users. The number of "working hours" means the total number of working hours for the period during which the Project was scheduled to be available to its users. Uptime and downtime will be measured in hours and quarter hours.

The Project "downtime" is that period when any part of the Project is inoperable due to failure of the Project or a particular Deliverable to operate according to the specifications in the RFP Documents, the user documentation, or the published technical specifications. During a period of downtime, the State may use operable components of the Project when that will not interfere with repair of inoperable components of the Project. Downtime will start from the time the State notifies the Project Manager of the inoperable condition of the Project until the Project is returned in proper operating condition.

The Project will not be accepted until the performance period is complete.

Should it be necessary, the State may delay the start of the performance period, but the delay will not exceed 30 consecutive calendar days after the scheduled date for implementation of the Project. Such a delay will not be considered a suspension of work under the Suspension and Termination section of this Contract.

Passage of Title. Title to any Deliverable will pass to the State only on acceptance of the Deliverable. All risk of loss, regardless of the cause, will remain with the Contractor until title to the Deliverable passes to the State.

PART SIX: CONSTRUCTION

Entire Document. This Contract is the entire agreement between the parties with respect to its subject matter and supersedes any previous statements or agreements, whether oral or written.

Binding Effect. This Contract will be binding upon and inure to the benefit of the respective successors and assigns of the State and the Contractor.

Amendments – Waiver. No change to any provision of this Contract will be effective unless it is in writing and signed by both parties. The failure of either party at any time to demand strict performance by the other party of any of the terms of this Contract will not be a waiver of those terms. Waivers must be in writing to be effective, and either party may at any later time demand strict performance.

Severability. If any provision of this Contract is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Contract will remain in full force and effect to the extent that such does not create an absurdity.

Construction. This Contract will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.

Headings. The headings used herein are for the sole sake of convenience and may not be used to interpret any section.

Notices. For any notice under this Contract to be effective, it must be made in writing and sent to the address of the appropriate contact provided elsewhere in the Contract, unless such party has notified the other party, in accordance with the provisions of this section, of a new mailing address. This notice requirement will not apply to any notices that this Contract expressly authorized to be made orally.

Continuing Obligations. The terms of this Contract will survive the termination or expiration of the time for completion of Work and the time for meeting any final payment of compensation, except where such creates an absurdity.

Time. Unless otherwise expressly provided, any reference in this document to a number of days for an action or event to occur means calendar days, and any reference to a time of the day, such as 5:00 p.m., is a reference to the local time in Columbus, Ohio.

PART SEVEN: LAW AND COURTS

Compliance with Law. The Contractor must comply with all applicable federal, state, and local laws while performing under this Contract.

Drug-Free Workplace. The Contractor must comply with all applicable state and federal laws regarding keeping a drug-free workplace. The Contractor must make a good faith effort to ensure that all the Contractor's Personnel, while working on state property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way.

Conflicts of Interest. None of the Contractor's Personnel may voluntarily acquire any personal interest that conflicts with their responsibilities under this Contract. Additionally, the Contractor may not knowingly permit any public official or public employee who has any responsibilities related to this Contract or the Work to acquire an interest in anything or any entity under the Contractor's control, if such an interest would conflict with that official's or employee's duties. The Contractor must disclose to the State knowledge of any such person who acquires an incompatible or conflicting personal interest related to this Contract. And the Contractor must take steps to ensure that such a person does not participate in any action affecting the work under this Contract. But this will not apply when the State has determined, in light of the personal interest disclosed, that person's participation in any such action would not be contrary to the public interest.

Ohio Ethics Law and Limits on Political Contributions. The Contractor certifies that it is currently in compliance and will continue to adhere to the requirements of the Ohio ethics laws. In accordance with Executive Order 2007-01S, the Contractor, by signature on the Contract, certifies: (1) it has reviewed and understands Executive Order 2007-01S, (2) has reviewed and understands the Ohio ethics and conflicts of interest laws, and (3) will take no action inconsistent with those laws and this order. The Contractor understands that failure to comply with Executive Order 2007-01S is, in itself, grounds for termination of the Contract and may result in the loss of other contracts or grants with the State. The Contractor also certifies that all applicable parties listed in Division (I)(3) or (J)(3) of Ohio Revised Code Section 3517.13 are in full compliance with Divisions (I)(1) and (J)(1) of Ohio Revised Code Section 3517.13.

Security & Safety Rules. When using or possessing State data or accessing State networks and systems, the Contractor must comply with all applicable State rules, policies, and regulations regarding data security and integrity. And when on any property owned or controlled by the State, the Contractor must comply with all security and safety rules, regulations, and policies applicable to people on those premises.

Declaration of Material Assistance/Non-Assistance to a Terrorist Organization. In accordance with R.C. 2909.33(C), Contractor certifies that it meets one of the following conditions:

- (a) Contractor has **not** received, nor will receive as a result of this contract, an aggregate amount greater than one hundred thousand dollars (\$100,000) in business or funding, excluding personal benefits, from the state, instrumentalities, or political subdivisions during the current fiscal year; or
- (b) (1) Contractor has received, or will receive as a result of this contract, an aggregate amount greater than one hundred thousand dollars (\$100,000) in business or funding, excluding personal benefits, from the state, instrumentalities, or political subdivisions during the current fiscal year; and

(2) Contractor has either precertified with the Office of Budget and Management, or has completed the attached Declaration of Material Assistance form certifying that Contractor has not provided material assistance to any organization on the Terrorist Exclusion List, as that term is defined in R.C. 2909.21.

Unresolved Finding for Recovery. If the Contractor was subject to an unresolved finding of the Auditor of State under Revised Code Section 9.24 on the date the parties sign this Contract, the Contract is void. Further, if the Contractor is subject to an unresolved finding of the Auditor of State under Revised Code Section 9.24 on any date on which the parties renew or extend this Contract, the renewal or extension will be void.

Equal Employment Opportunity. Contractor will comply with all laws of Ohio regarding equal employment opportunity and fair labor and employment practices, including but not limited to Section 125.111 of the Code, and all related Executive Orders of the Governor of Ohio.

Before a contract can be awarded or renewed, an Affirmative Action Program Verification Form must be submitted to the DAS Equal Opportunity Division to comply with the affirmative action requirements. Affirmative Action Verification Forms and approved Affirmative Action Plans can be found by going to the Equal Opportunity Department web site: <http://www.das.ohio.gov/Eod/AAEEO.htm>.

Injunctive Relief. Nothing in this Contract is intended to limit the State's right to injunctive relief, if such is necessary to protect its interests or to keep it whole.

Assignment. The Contractor may not assign this Contract or any of its rights or obligations under this Contract without the prior, written consent of the State. The State is not obligated to provide its consent to any proposed assignment.

Governing Law. This Contract will be governed by the laws of Ohio, and venue for any disputes will lie exclusively with the appropriate court in Franklin County, Ohio.

ATTACHMENT FIVE: SAMPLE CONTRACT

**A CONTRACT BETWEEN
THE DEPARTMENT OF ADMINISTRATIVE SERVICES
ON BEHALF OF THE
OHIO DEPARTMENT OF JOB AND FAMILY SERVICES
AND**

(CONTRACTOR)

THIS CONTRACT, which results from RFP 0A1043, entitled **Child Support Payment Central Services**, is between the State of Ohio, through the Department of Administrative Services, on behalf of the Ohio Department of Job and Family Services and _____ (the "Contractor").

This Contract consists of the referenced RFP, including all its attachments and supplements, written amendments to the RFP, the Contractor's Proposal, and written, authorized amendments to the Contractor's Proposal. It also includes any materials incorporated by reference in the above documents and any purchase orders and Change Orders issued under the Contract. The form of the Contract is this one page document, which incorporates by reference all the documents identified above. The General Terms and Conditions for the Contract are contained in an attachment to the RFP. If there are conflicting provisions among the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This document;
2. The RFP, as amended;
3. The documents and materials incorporated by reference in the RFP;
4. The Contractor's Proposal, as amended, clarified, and accepted by the State; and
5. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, Change Orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

This Contract has an effective date of the later of _____, 20____, or the occurrence of all conditions precedent specified in the General Terms and Conditions.

TO SHOW THEIR AGREEMENT, the parties have executed this Contract as of the dates below.

CONTRACTOR

STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE

SERVICES

SAMPLE – DO NOT FILL OUT

By: _____

By: Hugh Quill

Title: _____

Title: Director,
Department of Administrative Services

Date: _____

Date: _____

ATTACHMENT SIX: OFFEROR CERTIFICATION FORM

1. The offeror is not currently subject to an “unresolved” finding for recovery under Revised Code Section 9.24, and the offeror will notify the Procurement Representative any time it becomes subject to such a finding before the award of a Contract arising out of this RFP.
2. The offeror certifies that it will not and will not allow others to perform work for the State of Ohio outside the geographic limitations contained in Attachment Two or take data that belongs to the State of Ohio outside the geographic limitations contained in Attachment Two without express written authorization from the State.
3. The offeror certifies that its responses to the following statements are true and accurate. The offeror's answers apply to the last seven years. Please indicate yes or no in each column.

Yes/No	Description
	The offeror has had a contract terminated for default or cause.
	The offeror has been assessed any penalties in excess of \$10,000.00, including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity).
	The offeror was the subject of any governmental action limiting the right of the offeror to do business with that entity or any other governmental entity.
	Trading in the stock of the company has ever been suspended with the date(s) and explanation(s).
	The offeror, any officer of the offeror, or any owner of a 20% interest or greater in the offeror has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
	The offeror, any officer of the offeror, or any owner with a 20% interest or greater in the offeror has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any item above is affirmative, the offeror must provide complete details about the matter. While an affirmative answer to any of these items will not automatically disqualify an offeror from consideration, at the sole discretion of the State, such an answer and a review of the background details may result in a rejection of the Proposal. The State will make this decision based on its determination of the seriousness of the matter, the matter's possible impact on the offeror's performance under the Contract, and the best interest of the State.

4. The offeror certifies that neither it nor any of its people that may work on or benefit from the Contract through the offeror has a possible conflict of interest (e.g., employed by the State of Ohio, etc.) other than the conflicts identified immediately below:

Potential Conflicts (by person or entity affected)

(Attach an additional sheet if more space is need.)

The State may reject a Proposal in which an actual or apparent conflict is disclosed. And the State may cancel or terminate the Contract for cause if it discovers any actual or apparent conflict of interest that the offeror did not disclose in its Proposal.

5. The offeror certifies that all its and its subcontractors' personnel provided for the Work will have a valid I-9 form on file with the offeror or subcontractor, as appropriate, and will have presented valid employment authorization documents, if they are not United States citizens.
6. The offeror certifies that its regular, fulltime employees will perform at least 30% of the Work.
7. The following is a complete list of all subcontractors, if any, that the offeror will use on the Work, if the State selects the offeror to do the Work:

The offeror certifies that it has obtained and submitted a subcontractor letter, as required by Attachment Three, for each subcontractor it plans to use to do the Work.

8. The offeror must provide a statement agreeing to pay the State for all actual and direct damages caused by the offeror. If actual, direct damages are uncertain or difficult to determine, the State may recover liquidated damages in Attachment Two, Part Two, Special Provisions.
9. Contractor certifies that neither Contractor, nor any principal of Contractor is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions by the United States Department of Labor, the United States Department of Health and Human Services, or any other federal department or agency.

Please provide the following information for a contact person who has authority to answer questions regarding the offeror's Proposal:

Name:	
Title:	
Mailing Address:	
Office Phone Number:	
Cell Phone Number:	
Fax Number:	
Email Address:	

Signature

Name

Title

Company Name

Company D-U-N-S Number

**ATTACHMENT SEVEN: OFFEROR PROFILE SUMMARY
OFFEROR PROFILE SUMMARY**

OFFEROR MANDATORY REQUIREMENTS

MANDATORY REQUIREMENT: The offeror must demonstrate experience as the prime contractor on at least one project responsible for management and ongoing operations of a single child support State Disbursement Unit that processes a minimum of 800,000 monthly collection payments and a similar number of disbursements. Each project provided in response to this requirement must demonstrate ongoing operations for at least 36 months in duration.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
List Related Service Provided:			
<p>1. Number of monthly collection payments: _____</p> <p>2. Number of monthly disbursements: _____</p> <p>3. Date that ongoing management operations began: _____</p>			
<p>Describe how the related service shows the offeror’s experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR MANDATORY REQUIREMENTS CONTINUED

MANDATORY REQUIREMENT: The entity proposed to serve as the financial institution must be a member of FDIC and an Ohio Depository Bank.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
<p>Offeror must provide evidence that the proposed financial institution is:</p> <ol style="list-style-type: none"> 1. A member of FDIC, and 2. An Ohio Depository Bank. <p><i>Note: A statement of confirmation by the offeror that the entity proposed to serve as the financial institution for each of the items noted above will be acceptable. The State will verify confirmation via tools and resources available to the State.</i></p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR MANDATORY REQUIREMENTS CONTINUED

MANDATORY REQUIREMENT: The offeror or subcontractor proposed to handle the banking functions must be a member in good standing with the American Banking Association.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
<p>Offeror must provide evidence that the proposed offeror or subcontractor is:</p> <p>1. A member in good standing with the American Banking Association.</p> <p><i>Note: A statement of confirmation by the offeror that the entity proposed to handle the banking functions for the item noted above will be acceptable. The State will verify confirmation via tools and resources available to the State.</i></p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR REQUIREMENTS

OFFEROR REQUIREMENT: The offeror must demonstrate experience as the prime contractor on at least one project responsible for management and ongoing operations of a single child support State Disbursement Unit that processes a minimum of 800,000 monthly collection payments and a similar number of disbursements. Each project provided in response to this requirement must demonstrate ongoing operations for at least 36 months in duration.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
List Related Service Provided:			
<p>1. Number of monthly collection payments: _____</p> <p>2. Number of monthly disbursements: _____</p> <p>3. Date that ongoing management operations began: _____</p>			
<p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR REQUIREMENTS CONTINUED

OFFEROR REQUIREMENT: The offeror must demonstrate experience as the prime contractor on at least one project providing lockbox operation services involving a minimum of 800,000 monthly payments. Each project provided in response to this requirement must be at least 36 months in duration.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
List Related Service Provided:			
<p>1. Number of monthly payments: _____</p> <p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR REQUIREMENTS CONTINUED

OFFEROR REQUIREMENT: Minimum of three previous projects where the offeror performed the prime contractor duties on projects that required compliance with federal regulations.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
List Related Service Provided:			
<p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR REQUIREMENTS CONTINUED

OFFEROR REQUIREMENT: Minimum of 36 months experience providing account management and fiscal services to a federal, state or local government agency.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
List Related Service Provided:			
<p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR REQUIREMENTS CONTINUED

OFFEROR REQUIREMENT: Minimum of 36 months experience adhering to NACHA and EFT/EDI standards.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
List Related Service Provided:			
<p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR REQUIREMENTS CONTINUED

OFFEROR REQUIREMENT Minimum of 36 months experience managing and administering a stored value card program.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
List Related Service Provided:			
<p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR OR SUBCONTRACTOR REQUIREMENTS

OFFEROR OR SUBCONTRACTOR REQUIREMENT: The offeror or subcontractor must demonstrate account manager experience managing and monitoring customer accounts totaling at least \$1.5 billion annually on at least one project.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
List Related Service Provided:			
<p>1. Annual total of customer accounts: _____</p> <p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR OR SUBCONTRACTOR REQUIREMENTS CONTINUED

OFFEROR OR SUBCONTRACTOR REQUIREMENT: The offeror or subcontractor must demonstrate experience supporting CTX or CCD+ protocols on at least one project.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
List Related Service Provided:			
<p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT SEVEN
OFFEROR PROFILE SUMMARY**

OFFEROR OR SUBCONTRACTOR REQUIREMENTS CONTINUED

OFFEROR OR SUBCONTRACTOR REQUIREMENT: Minimum of 36 months experience providing IVR call center services and customer support.

Company Name:	Contact Name: (Indicate Primary or Alternate)	Contact Title:	
Company Address:		Contact Phone Number:	
		Contact Email Address:	
Work Name:		Beginning Date of Experience:	Ending Date of Experience:
		Month/Year	Month/Year
List Related Service Provided:			
<p>Describe how the related service shows the offeror's experience, capability, and capacity to develop the Deliverables or to achieve the Work:</p>			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

CANDIDATE REFERENCES CONTINUED

Candidate's Name:		
Client Company:	Client Contact Name:	Client Contact Title:
Client Address:		Client Contact Phone Number: Email:
Work Name:	Beginning Date of Employment: Month/Year	Ending Date of Employment: Month/Year
Description of services provided that are in line with those to be provided as part of the Work:		
Description of how client work size and complexity are similar to the Work:		

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

CANDIDATE EDUCATION AND TRAINING

Candidate's Name:

Education and Training. This section must be completed to list the education and training of each Key Team Member candidate and must demonstrate in detail the candidate's ability to properly execute the Contract based on the relevance of the education and training to the requirements of the RFP.

EDUCATION AND TRAINING	MONTHS/ YEARS	WHERE OBTAINED	DEGREE/MAJOR YEAR EARNED
College			
Technical School			
Other Training			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY**

**CANDIDATE REQUIREMENTS
(Experience and Qualifications)
PROJECT MANAGER**

Candidate's Name:

Requirement: A minimum of 60 months experience in operational project management including direct management and supervisory responsibility for a project team of at least 30 people.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	

Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:

1. Number of people on project team under direct supervision of management: _____

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

**CANDIDATE REQUIREMENTS
PROJECT MANAGER CONTINUED**

Candidate's Name:

Requirement: A minimum of 60 months experience on a large-scale data processing or technical project.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:		Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year

Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY**

**CANDIDATE REQUIREMENTS
(Experience and Qualifications)
PROJECT MANAGER CONTINUED**

Candidate's Name:

Requirement: A minimum of 60 months experience with financial applications and operations.

Company Name:	Contact Name: <small>Primary or Alternate</small>	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:		Beginning Date of Experience: <small>Month/Year</small>	Ending Date of Experience: <small>Month/Year</small>
Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY**

**CANDIDATE REQUIREMENTS
(Experience and Qualifications)
IT MANAGER**

Candidate's Name:

Requirement: A minimum of 36 months experience operating and managing a high volume, complex network environment supporting multiple users in remote locations.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	

Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:

--

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

**CANDIDATE REQUIREMENTS
IT MANAGER CONTINUED**

Candidate's Name:

Requirement: A minimum of 60 months experience on a large-scale data processing or technical project.

Company Name:	Contact Name: <small>Primary or Alternate</small>	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:		Beginning Date of Experience: <small>Month/Year</small>	Ending Date of Experience: <small>Month/Year</small>

Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY**

**CANDIDATE REQUIREMENTS
(Experience and Qualifications)
EFT/EDI MANAGER**

Candidate's Name:

Requirement: A minimum of 48 months experience with projects that required adherence to NACHA standards regarding electronic transaction processing such as EFT/EDI.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

**CANDIDATE REQUIREMENTS
EFT/EDI MANAGER CONTINUED**

Candidate's Name:

Requirement: A minimum of 36 months experience in providing technical assistance to electronic payment remitters.

Company Name:	Contact Name: <small>Primary or Alternate</small>	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: <small>Month/Year</small>	Ending Date of Experience: <small>Month/Year</small>	
Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY**

**CANDIDATE REQUIREMENTS
(Experience and Qualifications)
PAYMENT PROCESSING MANAGER**

Candidate's Name:

Requirement: A minimum of 36 months managerial or supervisory experience in a lockbox operation involving a minimum of 800,000 monthly transactions in a child support or other government lockbox operation.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:			
<p>1. Number of monthly transactions: _____</p>			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

**CANDIDATE REQUIREMENTS
PAYMENT PROCESSING MANAGER CONTINUED**

Candidate's Name:

Requirement: A minimum of 48 months experience with projects that required adherence to NACHA standards regarding electronic transaction processing such as EFT/EDI.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	

Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY**

**CANDIDATE REQUIREMENTS
(Experience and Qualifications)
CUSTOMER SUPPORT MANAGER**

Candidate's Name:

Requirement: A minimum of 36 months managerial or supervisory experience in a call center operation that handled a minimum of 10,000 calls per month.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	

Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:

1. Number of calls per month: _____

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY**

**CANDIDATE REQUIREMENTS
(Experience and Qualifications)**

Project Manager, Payment Processing Manager or Customer Support Manager

(The following requirements must be met by any of these proposed candidates.)

Candidate's Name:

Requirement: At least one candidate must demonstrate a minimum of 60 months experience managing direct cash and accounts for an entity with transactions similar in size and scope to this project.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

CANDIDATE REQUIREMENTS

Project Manager, Payment Processing Manager or Customer Support Manager **CONTINUED**

(The following requirement must be met by any of these proposed candidates.)

Candidate's Name:

Requirement At least one candidate must demonstrate a minimum of 36 months managerial or supervisory experience in commercial banking account services.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

CANDIDATE REQUIREMENTS

Project Manager, Payment Processing Manager or Customer Support Manager **CONTINUED**

(The following requirement must be met by any of these proposed candidates.)

Candidate's Name:

Requirement: At least one candidate must demonstrate a minimum of 12 months experience providing fiscal agent services for child support enforcement collections and disbursement.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:			

**ATTACHMENT EIGHT
PERSONNEL PROFILE SUMMARY
(Experience and Qualifications)**

CANDIDATE DESIRABLE REQUIREMENTS

Project Manager, Payment Processing Manager or Customer Support Manager

(The following requirement must be met by any of these proposed candidates.)

Candidate's Name:

Desirable Requirement: At least one candidate must demonstrate a minimum of 24 months experience working with state of Ohio custodial account relationships or the State Treasurer's Office.

Company Name:	Contact Name: Primary or Alternate	Contact Title:	
Address:		Contact Phone Number:	
		Email Address:	
Work Name:	Beginning Date of Experience: Month/Year	Ending Date of Experience: Month/Year	
Description of technical experience, capacity performed, and role that is related to services to be provided for the Work:			

ATTACHMENT NINE: GLOSSARY

Automated Clearing House (ACH)	Central distribution and settlement point where electronic debits and credits between financial institutions are cleared.
BAI2 File Format	EDI format for performing cash management balance reporting.
SETS Batch Processing	Batch processing takes place when the on-line portion of SETS is inactive (overnight) in order to create reports, notices, run mass changes, etc.
Billing	The automatic billing of all cases with support obligations, excluding wage withholding cases, whether payments are current or in arrears.
Case Number	A unique 10-digit number generated by SETS.
Case Participant	Individuals and agencies associated with a support case.
Case Status	A case within SETS can be Open Active, Closed, or Open Pending Close.
CSEA (Child Support Enforcement Agency)	The CSEA is the local arm of the Ohio Department of Job and Family Services (ODJFS), Office of Child Support (OCS). Each of the State's 88 counties has a CSEA.
CSPC (Child Support Payment Central)	The official name of Ohio's State Disbursement Unit (SDU). ODJFS uses the term Ohio CSPC or CSPC interchangeably with the term SDU.
Collateralization	Secures or guarantees the discharge of an obligation
Collection Date	Date a payment is received by CSPC.
Current Support Obligation	The total of the monthly child support obligation plus any applicable monthly spousal support obligation.
Custodial Parent (CP)	The residential parent in a child support case. The person who has legal custody of the child(ren) and with whom the child(ren) lives. Also called the Obligee.
Depository Account	Accounts established by CSPC and under its direct control for purposes of depositing support collections and disbursing collections.
Derog	Process of capturing and storing account and case level information from remitters whose checks are returned unpaid by their financial institution in order to prevent subsequent processing of personal checks from the same account or for the same case.
Direct Deposit	Allows payees to receive child support disbursements electronically through direct deposit.
Disbursement	The actual delivery of monies to the recipient through a check or electronic means.
e-Disbursements	Disbursement type made to child/spousal support recipients whereby payments are credited directly to an Ohio e-QuickPay® debit card or a direct deposit.
EFT/EDI (Electronic Funds Transfer/ Electronic Data Interchange)	Standard electronic payment protocols.
EIN (Employer Identification Number)	Federal tax number to identify employers. Also referred to as Federal Employer Identification Number (FEIN).
Income Withholding	Federal and state legislation requiring employers to deduct court ordered sums from employees' wages.
Instrument	A legal document that includes a check, money order, cash, cashiers checks, or other legal tender. Also referred to as Payment Instrument.
IV-D	Title IV-D of the Social Security Act that provides the federal mandate and authority for CSEAs to provide child support services.
IVR System	Interactive Voice Response system used to provide automated responses to customer phone inquiries.
Lockbox (Central Lockbox)	The Ohio CSPC lockbox is the central location operated by the Contractor to receive and process all paper collections from employers and individuals.

Obligee	Any person, including a state or political subdivision, to whom a duty of support is owed or a person, including a state or political subdivision, that has commenced proceedings for enforcement of actual or alleged duty of support or registration of foreign support order.
Obligor	Any person owing a duty of support or against whom proceedings for enforcement of a duty of support or a registration of support orders is commenced.
Ohio CSPC (Ohio Child Support Payment Central)	The official name of Ohio's State Disbursement Unit (SDU). ODJFS uses the term Ohio CSPC or CSPC interchangeably with the term SDU.
Ohio e-QuickPay®	The name of the e-disbursements program available for child and spousal support recipients
Ohio e-QuickPay® Debit Card	Ohio's debit MasterCard provided for disbursing support payments.
Participant Number	A unique 12-digit system assigned number to identify each SETS participant.
Payee	An individual to whom child support payments are to be made on behalf of the child.
Payment Analysis & Account Reconciliation (PAAR)	The Payment Analysis and Account Reconciliation (PAAR) unit is an entity of ODJFS Office of Child Support responsible for researching payments, performing financial corrections in SETS, issuing manual checks and reconciling CSPC related accounts.
Payor	An individual who has been ordered to make child support payments.
Receipt Date	Date a payment is posted to a case by CSPC.
Recollection Account	An account established in the contractor's system to track the recovery of collection items returned unpaid by the remitters' financial institution.
Reconciliation	A set of specific accounting functions designed to capture and accurately summarize all financial activity (collections and disbursements) associated with Ohio CSPC. SETS reconciliation is the process used to verify the daily and monthly bank balances in the central bank account against SETS financial reports.
Recoupment Account	An account established in SETS to collect funds owed to CSPC due to a returned check or over disbursement. Each recoupment account has a receipt number which SETS pulls from the original payment posting.
SDU (State Disbursement Unit)	The federal government requires states to establish an SDU to collect Title IV-D and Non-IV-D child support payments. ODJFS uses the term Ohio CSPC interchangeably with the term SDU.
Stale Dated	A payment instrument which has exceeded its expiration or void date, or in the absence of an expiration or void date, a payment instrument that is received more than six months after its issuance date. The payment instrument is no longer negotiable.
Support Enforcement Tracking System (SETS)	SETS is the internal system developed by ODJFS for case establishment, case management and financial management of both IV-D and Non-IV-D cases in the State of Ohio.
Third Party Number (TPN)	A nine (temporary) or 12 (permanent) digit number assigned to entities (e.g., an employer, State agency, etc.) that the CSEA's are associated with support cases.
Unpinned Card	An Ohio e-QuickPay® debit card that has been issued but the card holder has not established their personal identification number (PIN).

ATTACHMENT TEN: COST SUMMARY

Ohio CSPC

Ohio CSPC Transaction Costs			
Transaction	Estimated Annual Volume	Unit Cost	Total Cost
Payment Processing			
Payments Posted - Paper	6,750,000	\$ -	\$ -
40-50% Optimized Volume (5,400,000-6,749,999)		\$ -	
<40% Optimized Volume (<5,399,999)		\$ -	
Payments Posted - EFT	6,750,000	\$ -	\$ -
50-60% Optimized Volume (6,750,001-8,100,000)		\$ -	
>60% Optimized Volume (>8,100,001)		\$ -	
Exception Processing			
Payments Researched - Suspense	189,000	\$ -	\$ -
Financial Corrections - SETS System	18,000	\$ -	\$ -
Financial Corrections - Contractor's System	1,800	\$ -	\$ -
Collections			
EFT	6,750,000	\$ -	\$ -
Paper	3,300,000	\$ -	\$ -
Disbursements			
Electronic Disbursements	11,750,000	\$ -	\$ -
Checks - paper	705,000	\$ -	\$ -
Envelopes	705,000	\$ -	\$ -
Returned Checks / Cards	32,000	\$ -	\$ -
Electronic Disbursement Enrollment Processing			
Electronic Disbursement Enrollment Forms	55,000	\$ -	\$ -
Marketing			
Employer EDI Enrollment Kits	800	\$ -	\$ -
Brochures	25,000	\$ -	\$ -
Inserts (State prepares documents)	300,000	\$ -	\$ -
Inserts (contractor prepares documents)	700,000	\$ -	\$ -
Electronic Disbursement Letters	350,000	\$ -	\$ -
Electronic Disbursement Enrollment Forms	125,000	\$ -	\$ -
Account Management			
NSF Collections	2,000	\$ -	\$ -
Pull Request	7,500	\$ -	\$ -
Void Request	24,000	\$ -	\$ -
Stop Payment Request	2,000	\$ -	\$ -
Return Item Processing	2,500	\$ -	\$ -
Customer Support			
Incoming CSPC Support Communications	205,000	\$ -	\$ -
Billing Costs			
Billing Statement - 1st Page	3,950,000	\$ -	\$ -
Mailing Envelopes	2,400,000	\$ -	\$ -
Return Envelopes	2,400,000	\$ -	\$ -
Billing Statement - Additional pages	14,000	\$ -	\$ -

Returned Bill Processing	360,000	\$	-	\$	-
Employer Billing Uploads	1,600,000	\$	-	\$	-
Total Transaction Costs:				\$	-

Ohio CSPC Total Cost for Evaluation					
1. Total Transaction Costs:				\$	-
2. Discretionary Technical Services				\$	300,000.00
3. Discretionary Marketing Services				\$	200,000.00
4. Estimated Postage (pass-through):				\$	2,500,000.00
5. Transition Services (Transition Tasks 1- 9)				\$	-
6. Transition Services (Transition Tasks 10)				\$	-
Total Cost for Evaluation (sum of items 1 thru 6):				\$	-

Performance Bond Costs	
Performance Bond	\$ -

Desirable Requirements Costs	
Desirable Requirements	
Send and Receive International Payments Electronically	\$ -
Automated Outbound Notification System	\$ -
SAS-70 Audit	\$ -

Rate Card			
Rate Card	1	2	3
	Hourly Rate	>3 Month or Amendment spend >\$500K - <\$1M	>6 Months or Amendment spend >\$1M
Sr. Programmer Analyst	\$ -	\$ -	\$ -
Programmer Analyst	\$ -	\$ -	\$ -
System Analyst	\$ -	\$ -	\$ -
Business Analyst	\$ -	\$ -	\$ -
Developer	\$ -	\$ -	\$ -
Rate Card Sub-Totals:	\$ -	\$ -	\$ -
Rate Card Evaluation Total (total of Columns 1, 2, & 3):			\$ -

* Offerors are responsible for all calculations.