

## REQUEST FOR PROPOSALS

RFP NUMBER: 0A02029  
DATE ISSUED: March 1, 2002

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

### Child Support Payment Central Services Project

INQUIRY PERIOD BEGINS: March 1, 2002  
INQUIRY PERIOD ENDS: May 3, 2002  
OPENING DATE: May 14, 2002  
OPENING TIME: 11:00 A.M.  
OPENING LOCATION: Department of Administrative Services  
Computer Services Division Bid Room  
30 East Broad Street, 40th Floor  
Columbus, Ohio 43215

This RFP consists of five (5) Parts and eight (8) Attachments, totaling 146 consecutively numbered pages. Supplements may be attached to the RFP with a beginning header page and an ending trailer page. Please verify that you have a complete copy.

## PART ONE: EXECUTIVE SUMMARY

**Purpose.** This is a Request for Competitive Sealed Proposals (RFP) under Section 125.071 of the Ohio Revised Code (the Code) and Section 123:5-1-8 of the Ohio Administrative Code (the Administrative Code). The Department of Job and Family Services (ODJFS) has asked the Department of Administrative Services (DAS) to solicit competitive sealed proposals (Proposals) for its Child Support Payment Central (CSPC) project (the Project), and this RFP is in response to that request. If a suitable offer is made in response to this RFP, the state of Ohio (State), through DAS, may enter into a contract (the Contract) to have the selected offeror (the Contractor) perform the Project. This RFP provides details on what is required to submit a Proposal for the Project, how the State will evaluate the Proposals, and what will be required of the Contractor in performing the Project.

This RFP also gives the estimated dates for the various events in the submission process, selection process, and Project performance. 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 through June 30, 2003. The State may renew this Contract for the next three (3) biennium years, subject to and contingent upon the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. The State may renew all or part of this Contract subject to the satisfactory performance of the Contractor and the needs of The Department of Job and Family Services. The maximum duration of this contract will be until June 30, 2009.

**Any failure to meet a deadline in the submission or evaluation phases and any objection to the dates for performance in the Project phase may result in the State refusing to consider the Proposal of the offeror.**

**Background.** The State's Title IV-D Child Support Program is a state-supervised, county-administered program with eighty-eight (88) local county Child Support Enforcement Agencies (County CSEAs), five regional offices, and a central state supervisory office. Ohio's current estimated caseload volume is 945,233 cases with over 2.8 million clients. In federal fiscal year (FFY) 2000, the IV-D program collected nearly \$1.7 billion, with approximately 75% of the daily collections processed through wage or other income withholding. The remaining 25% of collections came from individual obligor payments or group payments such as IRS tax offset submittal returns. The State projects that the total caseload as well as overall collections will increase 5% per year over the term of the Contract.

The Support Enforcement Tracking System (SETS) is the statewide, automated IV-D system developed to meet requirements mandated in the Family Support Act (FSA) of 1988 as amended. SETS serves the full IV-D and non-IV-D case and financial cycle. It operates on an MVS mainframe with IMS and DB2 database management systems and COBOL II application programming. The State completed converting County CSEAs to SETS in September 2000. Each County CSEA operates on a local area network (LAN) connected to the MVS mainframe.

With the addition of CSPC services, as well as the implementation of enforcement provisions in recent legislation, the State anticipates a growth rate of the annual collections approximately 5% annually to an estimated average daily balance approximately \$80 million. This is not a multi-variant analysis and is intended only to provide a rough indication of account fund scope. A more detailed breakout of estimated transactions and volumes is included as a Supplement to this document.

The Federal Personal Responsibility Work Opportunity and Work Reconciliation Act of 1996 (PRWORA), mandates that the State develop the statewide operation to serve as a central point for all child support collections and disbursements. A PRWORA requirement is that the operation provide employers with the opportunity to remit a single payment to one location for multiple obligors across the State.

On the state level, House Bill (HB) 352, 1997, provides state authorization for a centralized collection and disbursement operation. In addition, HB 352 provides counties with the option to accept cash payments from individual obligors at the local County CSEA office. While addressing the requirements at both a state and federal level, ODJFS views centralized collection and disbursement as an opportunity to examine the broad scope of services available and provide a comprehensive solution that will enhance the delivery of child support at all levels.

The State currently uses an account structure based on two core accounts:

- Depository account
- Controlled disbursement account supported by “zero-balance accounting” with at least 180 sub accounts

**Objectives.** The State has the following objectives that it wants this Project to fulfill, and it will be the Contractor’s obligation to ensure that the Project meets these objectives.

The State wishes to enhance the delivery of child support services to children, obligors, employers, and the custodial parents of Ohio and other states. Through highly automated, “next-generation” services the State anticipates:

- Providing consolidated payment collection services to obligors 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;
- Enhancing the efficiency of payment processing to expedite “throughput” and “turnaround time” associated with the federal requirement for the State to process all child support payments;
- Expanding the options and speed of disbursement of funds to custodial parents through Automated Clearing House (ACH) direct deposit functions, similar to standard employment compensation direct deposit functions; and,
- Comprehensive audit and oversight functions, including stringent State of Ohio Board of Deposit governance procedures.

The State must comply with State Disbursement Unit provisions in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), which is welfare reform legislation designed to enhance the delivery of services to citizens and taxpayers.

PRWORA requires that states implement and operate a State Disbursement Unit (SDU) for the purpose of collecting IV-D child support payments. The current statutory interpretation by the federal Office of Child Support Enforcement (OCSE) in Action Transmittals 97-13 and 98-23 indicates that all child support payments received from employers as well as individuals must be directed to a single physical location. The associated disbursements must also be generated from a single location. Additionally, the statute dictates that the SDU integrate with the statewide-automated child support system, ensure a two-day turnaround for collections, and use automation to the maximum extent feasible.

The Contractor must manage funds in excess of \$1.7 billion annually. The State has prepared a detailed estimated breakdown of transactions and corresponding impact on the average daily balance of a central bank account structure. This breakdown is based upon a simple distribution of annual collections figures across 259.8 business days per fiscal year. The calculation indicates that with the CSPC central bank account structure in effect, the average daily balance is approximately \$80 million based upon an annual collections figure of slightly less than \$1.7 billion for state fiscal year 2001.

Proposals must include a detailed solution for billing, collections, disbursements, reconciliation, returned item activities, account management, County CSEA support services, employer relations, as well as a document imaging archival and online retrieval methodology.

**Overview of the Project's Scope of Work.** The scope of work for the Project is provided in an attachment to this RFP. This section only gives a summary of that work. If there is any inconsistency between this summary and the attachment's description of the work, the attachment will govern.

- Training – The Contractor must assist State and County CSEA staff with the transition from current operations to the Contractor's proposed structure. The Contractor must provide training to County CSEA staff and State staff who are impacted by any proposed changes. The training must be structured to assist them with the necessary tasks during any transition and into the future. Additionally, training must be integrated into the existing SETS training and communications structure that consists of five regional training centers throughout the state of Ohio and the SETS InnerWeb site.
- Account Management - The Contractor must establish and maintain its proposed account structure with oversight from the Treasurer of State (TOS) and ODJFS. The account management function must focus on the following areas of responsibility:
  - Establishing and implementing the account structure
  - Transferring funds from Ohio's existing structure to the Contractor's new structure
  - Ongoing maintenance of accounts and structure
  - Coordination with state-mandated oversight departments (e.g. the TOS)
  - Maximizing earnings credit to offset service charges
- Marketing/Outreach Initiatives – The Contractor must educate both the employer community and the individual child support obligor on electronic and paper-based collections.
- Collections - Under the Contractor's system, processing of child support payments from the employer community and individual obligors must be accomplished by:
  - Centralized lockbox
  - Optional Internet/Electronic Bill Presentment and Payment (EBPP) – the State wishes to explore the option of a Contractor-provided and maintained Internet-based payment posting site
- Disbursement - The Contractor must ensure the timely flow of funds from the State's custodial account to the designated payees as determined by SETS. The Contractor is responsible for printing and mailing paper checks written against the central account, and initiating ACH direct deposit to payees that request electronic transfers. All checks and ACH direct deposit transfers will be authorized by a daily SETS disbursement datafile and mailed or ACH direct deposit initiated the same day the information is received by the vendor.
  - Bank Account Reconciliation – The Contractor will be responsible for all account reconciliation responsibilities. Reconciliation at the customer support level must focus on two primary areas, excluding SETS allocation;
    - Disbursement Transaction Verification - reconcile disbursements generated by the Contractor and the SETS datafile; and
    - Exception Handling – manage pulls, stop payments, voids, and undeliverable mail processing.
- Information Reporting - The Contractor is responsible for providing the necessary reports to support the collection and disbursement effort. This includes reporting at daily and monthly intervals to stakeholders from ODJFS and the TOS.

Additional Project Information:

- New SETS development will coincide with jointly defined project delivery schedules.
- The beginning balance for the new deposit accounts should start at zero with the first day of deposits being the beginning balance.
- State Treasurer Office is responsible for proper funding of accounts. Any overdrafts will be funded same day.
- Data center functions not visible to the constituents can occur outside of Ohio but must be within the continental United States.
- Disaster Recovery of all functions can occur outside of Ohio but must be within the continental United States.
- Contractor responsibilities do not include reconciling special purpose sub-accounts in the master account structure (i.e., tax offset collections which are automatically posted to SETS; funds are transferred to specific sub-accounts).
- Contractor reconciliation does not include items not disbursed from SETs. (i.e. collections to SETS which are held).
- The State and the Contractor will provide knowledgeable and adequate resources for all phases of delivery, requirements through acceptance test.

**Calendar of Events.** The schedule for the Project 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 Acquisition Management's web site question and answer area for this RFP. The web site announcement will be followed by an amendment to this RFP, also available through Acquisition Management's web site. After the Proposal due date and before the award of the Contract, the State will make schedule changes through the RFP amendment process. And the State will make changes in the Project schedule after the Contract award through the change order provisions in the general terms and conditions of the Contract. It is each prospective offeror's responsibility to check the web site question and answer area for this RFP for current information regarding this RFP and its Calendar of Events.

**Dates:**

**Firm Dates**

RFP Issued:	March 1, 2002
Inquiry Period Begins:	March 1, 2002
Inquiry Period Ends:	May 3, 2002 at 8:00 a.m. Eastern Time
Proposal Due Date:	May 14, 2002 at 11:00 a.m. Eastern Time

**Estimated Dates**

**Before the State can award a contract, ODJFS must submit the successful proposal for federal approval. This may cause the contract start date to be delayed by up to sixty days from selection and recommendation of award by the state's evaluation committee.**

Proposal Selection:	July 1, 2002
Federal Approval	August 30, 2002
Project Work Begins:	September 3, 2002

**Firm Dates**

Project Transition Period:	December 31, 2002
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There are references in this RFP to the Proposal due date. Prospective offerors must assume, unless it is clearly stated to the contrary, that any such reference means the date and time that the Proposals are due and not just the date.

## **PART TWO: STRUCTURE OF THIS RFP**

**Organization.** This RFP is organized into 5 parts and has 8 attachments. The parts and attachments are listed below. There also may be one or more supplements to this RFP. If so, they too are listed below.

### **Parts**

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

### **Attachments**

Attachment 1	Project Requirements and Special Provisions
Attachment 2	Requirements for Proposals
Attachment 3	General Terms and Conditions
Attachment 4	The Contract
Attachment 5	Cost Summary
Attachment 6	Offeror information Forms
Attachment 7	Personnel Profile Forms
Attachment 8	Glossary
Attachment 9	Transaction Volumes for State Fiscal Years 2001 and 2002

### **Supplements**

Supplement 1	W-9 Form
Supplement 2	Copybook Information
Supplement 3	Current CSPC Contract
Supplement 4	Current Billing Documents
Supplement 5	Current CSPC Outreach Document
Supplement 6	Current CSPC Report Information

### PART THREE: GENERAL INSTRUCTIONS

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

**Contacts.** The following person will represent the State during the Proposal process.

Procurement Representative:

Ellie Kohler, Acquisition Analyst  
30 East Broad Street, 39<sup>th</sup> Floor  
Columbus, OH 43215

During the performance of the Project, a State representative (the "Project Representative") will represent the State and be the primary contact for matters relating to the Project. The Project Representative will be designated in writing after the Contract award.

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

- Access the Acquisition Management web site at <http://www.acq.state.oh.us>;
- Select the "Acquisitions Online" menu option;
- Read the notice and click "I have read the above and agree";
- Select the "Competitive Document" menu option;
- Select the Data Processing/Telecommunications option under the RFP heading;
- Select the "View More Information" option under the corresponding document title and number;
- Select the "Send Question" icon; and
- Complete the electronic mail screen and send.

Responses to inquiries will be made available as described below. Offerors submitting inquiries will not receive a personalized email response.

Inquiries about a specific portion of this RFP must reference 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. The inquiry must contain the name of the prospective offeror's representative who is responsible for the inquiry, the prospective offeror's name, and its representative's business phone number.

Offerors may view inquiries using the following process:

- Access the Acquisition Management web site at <http://www.acq.state.oh.us>;
- Select the "Acquisitions Online" menu option;
- Read the notice and click "I have read the above and agree";
- Select the "Competitive Document" menu option;
- Select the Data Processing/Telecommunications option under the RFP heading;
- Select the "View More Information" option under the corresponding document title and number; and
- Select the "View Q & A" icon to display all inquiries with responses submitted to date.

When an amendment to this RFP is necessary, the State may extend the Proposal due date through an announcement on Acquisition Management's web site question and answer area for this RFP. Amendment announcements may be provided any time before 5:00 p.m. on the day before the proposal is due. It is the responsibility of each prospective offeror to check for announcements and other current information regarding this RFP.

The State will try to respond to all inquiries within 48 hours, 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 is not responsible for the accuracy of any information regarding this RFP that was gathered through a source different from the inquiry process described in the RFP.**

**Proposal Submittal.** Each offeror must submit 10 complete, sealed, and signed copies of its Proposal, and each Proposal must be clearly marked "Child Support Payment Central Services Project RFP" on the outside of its envelope.

Proposals are due no later than the proposal due date, at 11:00 a.m., Eastern Standard Time. Proposals must be submitted to:

Acquisition Management Bid Room  
30 East Broad Street, 40<sup>th</sup> Floor  
Columbus, Ohio 43215

The State may reject any Proposals or unsolicited Proposal amendments that are received after the deadline. An offeror that mails its Proposal must allow for adequate mailing time to ensure its timely receipt.

**The State may reject late Proposals regardless of the cause for the delay.**

**Each offeror must carefully review the requirements of this RFP and the contents of its Proposal. Once opened, Proposals cannot be altered, 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 may reject any Proposal if the offeror takes exception to the terms and conditions of this RFP, fails to comply with the procedure for participating in the RFP process, or the offeror's Proposal fails to meet any requirement of this RFP. The State may also reject any Proposal that it believes is not in its interests to accept and may decide not to do business with any of the offerors responding to this RFP.**

All Proposals and other material submitted will become the property of the State and may be returned only at the State's option. Proprietary information should not be included in a Proposal or supporting materials because the State will have the right to use any materials or ideas submitted in any Proposal without compensation to the offeror. Additionally, all Proposals will be open to the public after the Contract has been awarded.

The State will retain all Proposals, or a copy of them, as part of the Contract file for at least 3 years. After the retention period, the State may return, destroy, or otherwise dispose of the Proposals or the copies.

**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 is in the State's interests and will not cause any material unfairness to other offerors.

**Multiple or Alternate Proposals.** The State welcomes multiple Proposals from a single offeror, but the State requires each such Proposal to be submitted separately from every other Proposal the offeror makes. Additionally, the offeror must treat every Proposal submitted as a separate and distinct submission and include in each Proposal all materials, information, documentation and other items this RFP requires for a Proposal to be complete and acceptable. No alternate Proposal may incorporate materials by reference from another Proposal made by the offeror or refer to another Proposal. The State will judge each alternate Proposal on its own merits.

**Amendments to Proposals.** Amendments or withdrawals of Proposals will be allowed only if the amendment or withdrawal is received before the Proposal due date. No amendment or withdrawals will be permitted after the due date, except as authorized by this RFP.

**Amendments to the RFP.** If the State decides to revise this RFP before the Proposal due date, amendments will be announced over Acquisition Management's web site question and answer area for this RFP and will be made available on the web site to all prospective offerors.

Offerors may view Amendments using the following process:

- Access the Acquisition Management web site at <http://www.acq.state.oh.us>;
- Select the "Acquisitions Online" menu option;
- Read the notice and click "I have read the above and agree";
- Select the "Competitive Document" menu option;
- Select the Data Processing/Telecommunications option under the RFP heading;
- Select the "View More Information" option under the corresponding document title and number; and
- Select the appropriate "Amendment" icon under the "View Amendments" heading to display an Amendment.

After the submission of Proposals, amendments will be distributed only to those offerors whose submissions are under active consideration. When the State makes an amendment to the RFP after Proposals have been submitted, the State will permit offerors to withdraw their Proposals within 10 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 interests. Alternatively, the State may allow offerors that have Proposals under active consideration to modify their Proposals in response to the amendment, as described below.

Whenever the State makes an amendment after the Proposal due date, the State will tell all offerors whose Proposals are under active consideration whether they have the option to modify their Proposals in response to the amendment. Any time the State amends the RFP after the Proposal due date, an offeror will have the option to withdraw its Proposal even if the State permits modifications to the Proposals. If the offerors are allowed to modify their Proposals, the State may limit the nature and scope of the modifications. Unless otherwise stated in the State's notice, modifications and withdrawals must be made in writing and must be submitted within 10 business days after the amendment is issued. If this RFP provides for a negotiation phase, this procedure will not apply to changes negotiated during that phase. Withdrawals and modifications must be made in writing and submitted to the State at the address and in the same manner required for the submission of the original Proposals. Any modification that is broader in scope than the State has authorized may be rejected and treated as a withdrawal of the offeror's Proposal.

**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 attachment(s) to this RFP.

The State wants clear and concise Proposals. But offerors should take care to completely answer questions and meet the RFP's requirements.

The requirements for the Proposal's contents and formatting are contained in an attachment to this RFP.

**The State will not be liable for any costs incurred by an offeror in responding to this RFP, regardless of whether the State awards the Contract through this process, decides not to go forward with the Project, cancels this RFP for any reason, or contracts for the Project through some other process or by issuing another RFP.**

## 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 containing the name and address of each offeror. That registry will be open for public inspection after the Proposals are opened.

**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, or that the State believes is excessive in price or otherwise not in its interests to consider or to accept. In addition, the State may cancel this RFP, reject all the Proposals, and seek to do the Project through a new RFP or other means.

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

1. The Procurement Representative's initial review of all Proposals for defects;
2. The evaluation committee's evaluation of the Proposals;
3. Request for more information (interviews, presentations, and/or demonstrations); and
4. Negotiations.

The evaluation committee may decide whether phases three and four are necessary. The committee will make this decision before the evaluation process begins. But the committee has the right to eliminate or add phases three or four at any time in the evaluation process. The committee also may add or remove sub-phases to phases 2 through 4 at anytime if the committee believes doing so will improve the evaluation process.

**Clarifications & Corrections.** During the evaluation process, the Procurement Representative or the evaluation committee may request clarifications from any offeror under active consideration and may give any offeror the opportunity to correct defects in its Proposal if the Procurement Representative believes doing so does not result in an unfair advantage for the offeror and it is in the State's interests.

**Initial Review.** The Procurement Representative will review all Proposals for their format and completeness. The Procurement Representative normally rejects any incomplete or incorrectly formatted Proposal, though he or she may waive any defects or allow an offeror to submit a correction.

If the Auditor of State does not certify a proposal due to lateness, the Procurement Representative will not open it or evaluate it for format or completeness.

The Procurement Representative will forward all timely, complete, and properly formatted Proposals to an evaluation committee, which the Procurement Representative will chair.

**Committee Review of the Proposals.** The evaluation committee will evaluate and numerically score each Proposal that the Procurement Representative has forwarded to it. The evaluation will be according to the criteria contained in this Part of the RFP. An attachment to this RFP may further refine these criteria, and the committee has a right to break these criteria into components and weight any components of a criterion according to their perceived importance.

The committee may also have the Proposals or portions of them reviewed and evaluated by independent third parties or other State personnel with technical or professional experience that relates to the Work or to a criterion in the evaluation process. The committee may also seek reviews of end users of the Work or the advice or evaluations of other State committees that have subject matter expertise or an interest in the Work. In seeking such reviews, evaluations, and advice, the committee will first decide, in writing, how to incorporate the results in the numerical scoring of the Proposals. The committee may adopt or reject any recommendations it receives from such reviews and evaluations.

The evaluation will result in a point total being calculated for each Proposal. Those offerors submitting the highest-rated Proposals may be scheduled for the next phase. The number of Proposals forwarded to the next phase will be within the committee's discretion, but regardless of the number of Proposals selected for the next phase, they will always be the highest rated Proposals from this phase.

At any time during this phase, the committee may ask an offeror to correct, revise, or clarify any portions of its Proposal.

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

**Proposal Evaluation Criteria.** In the Proposal evaluation phase, the committee will rate the Proposals submitted in response to this RFP based on the following criteria and weight assigned to each criterion:

Criteria					
<b>Cover Letter Requirements</b>					
The offeror provides a statement that the entity proposed to serve as the financial institution is a member of FDIC.		Reject	Accept		
The offeror provides a statement that they comply with Section 135.18 of the Ohio Revised Code.		Reject	Accept		
The offeror or at least one (1) subcontractor is a member in good standing with the American Banking Association.		Reject	Accept		
The offeror provides a statement that non-bank customers will not be charged any processing fee for cashing child support checks issued under this contract		Reject	Accept		
	<b>Weight</b>	<b>Does Not Meet</b>	<b>Meets</b>	<b>Exceeds</b>	<b>Greatly Exceeds</b>
<b>Offeror Requirements</b>					
Minimum of three (3) previous projects where the offeror performed the duties of Prime Contractor on projects that required compliance with federal regulations.	3	0	5	7	9
Minimum of three (3) years experience providing lockbox operation services involving a minimum of 800,000 monthly transactions in a child support or other government lockbox operation.	3	0	5	7	9
Minimum of three (3) years experience managing an organization responsible for disbursing a minimum of 75,000 payments per day.	3	0	5	7	9
Minimum of three (3) years experience providing account management and fiscal services to a federal, state or local government agency.	3	0	5	7	9
Minimum of five (5) years experience adhering to NACHA and EFT/EDI standards	2	0	5	7	9

<b>Offeror or Subcontractor Requirements</b>					
The offeror or at least one (1) subcontractor has experience with at least one (1) previous project that required the offeror or named subcontractor to have performed the duties of an account manager managing and monitoring customer accounts of at least \$1.7 billion annually.	2	0	5	7	9
The offeror or at least one (1) subcontractor has experience with at least one (1) previous project that required the offeror or named subcontractor to be responsible for supporting CTX or CCD+ protocols.	3	0	5	7	9
<b>Statement of Understanding</b>	2	0	5	7	9
<b>Project Manager Requirements</b>					
Ten (10) years experience in operational project management including direct management and supervisory responsibility for a project team of at least thirty (30) people.	2	0	5	7	9
Eight (8) years experience in development of a large-scale data processing or other technical project.	2	0	5	7	9
Five (5) years experience in development of financial applications and operations.	2	0	5	7	9

<b>Lockbox Manager Requirements</b>					
Three (3) years 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.	3	0	5	7	9
<b>Customer Support Manager Requirements</b>					
Three (3) years managerial or supervisory experience in a call center operation that handled a minimum of 10,000 calls per month.	3	0	5	7	9
Three (3) years managerial or supervisory experience in commercial banking account services.	2	0	5	7	9
<b>Lockbox Manager <u>or</u> Customer Support Manager Requirements</b>					
Ten (10) years experience managing direct cash, account, and "float" for an entity with transactions similar in size and scope to this project	2	0	5	7	9
Five (5) years experience in data center management	2	0	5	7	9
Four (4) years experience with projects that required adherence to NACHA standards regarding electronic transaction processing such as EFT/EDI.	2	0	5	7	9
One (1) year providing fiscal agent services for child support enforcement collections and disbursement	3	0	5	7	9
<b>Lockbox Manager <u>or</u> Customer Support Manager Desirable Requirements</b>					
One (1) year experience working with state of Ohio custodial account relationships or the State Treasurer's Office	1	0	5		
<b>Development and Support Capabilities</b>	3	0	5	7	9
<b>Staffing Plan</b>	2	0	5	7	9
<b>Work Plan for Account Management</b>	4	0	5	7	9
<b>Work Plan for Lockbox Operations</b>	4	0	5	7	9
<b>Work Plan for Employer EDI</b>	3	0	5	7	9
<b>Work Plan for Disbursement Operations</b>	4	0	5	7	9
<b>Work Plan for Customer Support Services</b>	3	0	5	7	9
<b>Work Plan for Post Office Activities</b>	3	0	5	7	9
<b>Work Plan for County CSEA Training</b>	2	0	5	7	9
<b>Work Plan for Reconciliation Activities</b>	4	0	5	7	9

<b>Work Plan for Optional Services</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>9</b>
<b>Work Plan for Disaster Recovery</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>9</b>
<b>Project Management Methodology</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>9</b>
<b>Project Schedule</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>9</b>
<b>Quality Assurance Plan</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>9</b>
<b>Time Commitment</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>9</b>

Once the technical merits of a Proposal are considered, as described above, the costs of that Proposal will be considered. But it is within the committee's discretion to wait to factor in a Proposal's cost until after any interviews, presentations and discussions. Also, before evaluating the technical merits of the Proposals, the committee may do an initial review of costs to determine if any Proposals should be rejected because of excessive cost. And the committee may reconsider the excessiveness of any Proposal's cost at any time in the evaluation process.

The committee will then divide the offeror's total not-to-exceed fixed price for the Project by the Proposal's totaled score based on the points received from the evaluation of the Proposal's technical merits. One or more of the Proposals will then be selected for further consideration in the next phase of the evaluation process. The Proposal(s) selected to be considered in the next phase always will be the highest-ranking Proposal(s) based on this analysis. That is, the committee may not move a lower-ranking Proposal to the next phase unless all Proposals that rank above it are also moved to the next phase, excluding any Proposals that the committee disqualifies because of excessive cost or other irregularities. Alternatively, if there is to be no more phases because the committee feels they are unnecessary or inappropriate, the highest-ranking Proposal will be awarded the Contract.

If the committee finds that one or more Proposals should be given further consideration, the committee may select one or more of the highest-ranking Proposals to move to the next phase. The committee may alternatively choose to bypass any or all subsequent phases and make an award based solely on the evaluation phase.

This RFP asks for responses and submissions from offerors, most of which represent components of the above criteria. While each criterion 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 will normally result in a rejection of that offeror's Proposal. The value assigned above to each criterion 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 any requirement to participate in the Proposal process.

If the committee does not receive any Proposal that meets all the mandatory requirements, the committee may cancel this RFP. Alternatively, if the committee believes it is in the State's interest, the committee may continue to consider the highest-ranking Proposals despite their failure to meet all the mandatory requirements. In doing this, the committee may consider one or more of the highest-ranking Proposals. But the committee 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 committee believes is critical to the success of the RFP's objectives. When this is so, the committee may reject that Proposal and consider lower ranking Proposals. But before doing so, the committee must notify the offeror of the situation and give the offeror an opportunity to cure the critical mandatory requirement.

If the offeror cures its failure to meet a critical mandatory requirement, its Proposal will continue to be considered. But if the offeror is unwilling or unable to cure the failure, its Proposal may be rejected. The committee then may continue to consider the other remaining Proposals, including, if the committee so chooses, proposals that ranked lower than the rejected Proposal.

**Financial Ability.** Part of the Proposal evaluation criteria is the qualifications of the offeror, which includes as a component the offeror's financial ability to perform the Contract. This RFP may expressly require the submission of audited financial statements from all offerors in the Proposal contents attachment. But if the Proposal contents attachment does not make this an express requirement, the evaluation committee may still insist that an offeror submit audited financial statements for the past three years if the committee is concerned that an offeror may not have the financial ability to carry out the Contract.

In evaluating an offeror's financial ability, the weight the committee assigns, if any, to that financial ability will depend on whether the offeror's financial position is adequate or inadequate. That is, if the offeror's financial ability is adequate, the value assigned to the offeror's relative financial ability in relation to other offerors may or may not be significant, depending on the nature of the Work. But if the evaluation committee believes the offeror's financial ability is not adequate, that decision will be a fatal one for the offeror's Proposal, and the committee may reject the Proposal despite its other merits.

**Interviews, Demonstrations, and Presentations.** The Proposal evaluation committee may require some offerors to interview with the committee, make a presentation about their Proposal, and/or demonstrate their products or services. Such presentations, demonstrations, and interviews provide an offeror with an opportunity to clarify its Proposals and to ensure a mutual understanding of the Proposal's content. The presentations, demonstrations, and interviews will be scheduled at the convenience and discretion of the evaluation committee.

The evaluation committee may record any presentations, demonstrations, and interviews.

The evaluation committee normally will not numerically rank interviews, demonstrations, and presentations. Rather, the committee may decide to revise his or her existing Proposal evaluations based on the interviews, demonstrations, and/or presentations.

**Determination of Responsibility.** The evaluation committee may review the highest-ranking offerors or its key team members to ensure that they are responsible. The Contract may not be awarded to an offeror that is determined to be not responsible. The evaluation committee's determination of an offeror's responsibility may include the following factors: the offeror's and its key team members' experience, the offeror's and its key team members' past conduct on previous contracts, ability to execute previous contracts properly, and the offeror's and its key team members' management skill. The evaluation committee will make such determination of responsibility based on the offeror's proposal, reference evaluations, and any additional information the committee requests or determines to be relevant.

**Contract Negotiations.** The final phase of the evaluation process may be contract negotiations. Negotiations will be scheduled at the convenience of the committee. The selected offeror(s) must negotiate in good faith.

Negotiations may be conducted with any offeror who submits a competitive Proposal, but the committee may limit discussions to specific aspects of the RFP. Any clarifications, corrections, or negotiated revisions that may occur during the negotiations phase will be reduced to writing and incorporated in the RFP or the offeror's Proposal, as appropriate. Any offeror whose response continues to be competitive will be accorded fair and equal treatment with respect to any clarification, correction, or revision of the RFP and will be given the opportunity to negotiate revisions to its Proposal based on the amended RFP. But should the evaluation process have resulted in a top-ranked Proposal, the committee 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 committee may then 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 committee decides to negotiate with all the remaining offerors, or decides that negotiations with the top-ranked offeror are not satisfactory and negotiates with one or more of the lower-ranking offerors, the committee will then determine if an adjustment in the ranking of the remaining offerors is appropriate based on the negotiations. The Contract award, if any, will then 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 committee may set a date and time for the submission of best and final Proposals by the remaining offeror(s) with which the committee conducted negotiations. If negotiations were limited and all changes were reduced to signed writings during negotiations, the committee need not require the submissions of best and final Proposals.

If best and final Proposals are required, they may be submitted only once, unless the committee makes a written determination that it is in the State's interest to conduct additional negotiations. In such cases, the committee 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 offeror's previous Proposal will be considered the offeror's best and final Proposal.

It is entirely within the discretion of the committee 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. The committee is free to limit negotiations to particular aspects of any Proposal, to limit the offerors with whom the committee wants to negotiate, and to dispense with negotiations entirely.

The evaluation committee generally will not rank negotiations. The negotiations will normally be held to correct deficiencies in the preferred offeror's Proposal. If negotiations fail with the preferred offeror, the committee may negotiate with the next offeror in ranking. Alternatively, the committee may decide that it is in the interests of the State to negotiate with all the remaining offerors to determine if negotiations lead to an adjustment in the ranking of the remaining offerors.

From the opening of the Proposals to the award of the Contract, everyone working on behalf of the State to evaluate the Proposals will seek to limit access to information contained in the Proposals solely to those people with a need to know the information. They will also seek to keep this information away from other offerors, and the evaluation committee will not be allowed to 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 open to inspection to the public. The written changes will be drafted and signed by the Contractor and submitted to the evaluation committee within five business days. If the evaluation committee accepts the change, the Procurement Representative will give the offeror written notice of the committee's acceptance. 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 and collect on the offeror's bid bond, if a bid bond was required in order to respond to this RFP.

## PART FIVE: AWARD OF THE CONTRACT

**Contract Award.** The State plans to award the Contract for the Project on September 3, 2002, if the State decides the Project is in its best interests and has not changed the award date.

Included with this RFP as Attachment four (4), is the contract for the RFP. Each Contractor is required to sign two (2) copies of this contract and submit them with their proposal. In awarding the Contract, the State will issue an award letter to the selected Contractors. The Contract will not be binding on the State until the State's duly authorized representative signs both copies and returns one to the Contractor, the State issues a purchase order, and all other prerequisites identified in the Contract have occurred.

The State expects the Contractor to commence work within 5 working days after the State issues a purchase order under the Contract.

**Contract.** If this RFP results in a Contract award, the Contract will consist of this RFP, written amendments to this RFP, the Contractor's Proposal, and written, authorized amendments to the Contractor's Proposal. It will also 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 attached 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 another attachment 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. This RFP, as amended;
2. The documents and materials incorporated by reference in the RFP;
3. The Contractor's Proposal, as amended; and
4. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, purchase orders, 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.

## ATTACHMENT ONE: PROJECT REQUIREMENTS AND SPECIAL PROVISIONS

### PART ONE: PROJECT REQUIREMENTS

This section describes the Project and what the Contractor must do to get the job done. It also describes what the Contractor must deliver as part of the completed Project (the "Deliverables"). And it gives a detailed description of the Projects schedule.

#### Scope of Work.

##### A. Account Management

###### 1. Establish Account Structure.

The Contractor must deposit all funds into a single Master Concentration Account. In order to maintain data integrity and the required audit trail the Contractor must establish and maintain 178 individual Zero Balance Accounts (ZBA) for deposits and disbursements from the eighty-eight (88) counties in the State. Funds must move automatically between the Master Concentration Account and the sub-accounts to eliminate the need for manual transfers.

At a minimum, the Contractor must provide the following account structure to support the collection and disbursement effort:

- One Master Concentration Account
- Eighty-eight (88) County CSEA Collection ZBAs
- Eighty-eight (88) County CSEA Disbursement ZBAs
- One (1) EFT ZBA
- One (1) Lockbox ZBA

The Contractor is responsible for defining the account structure.

- Core requirements
  - County collection transactions (items and amounts) and disbursement transactions (items and amounts) must be tied to the County CSEA of origin
  - All exception and adjustment transactions (items and amounts) must be tied to the County CSEA of origin
- Number of accounts
- Types of accounts
- Availability Schedule
- Collateralization of funds
- Reporting requirements
  - Bank account reporting
  - Account analysis
- Information reporting

The Contractor must provide the following Account Reconciliation reports as indicated:

- Bank Account reconciliation reporting – On a monthly basis, the Contractor must provide the ODJFS cash position (within 5 business day of the end of the business month)
- Deposit Reporting – The Contractor must provide a daily report of deposits as well as a monthly summary.
- The following reports must be available daily by 7:30 am for the previous day's deposit activity
  - Settlement transactions by account
  - Returned deposit items, by County CSEA
  - Disbursement transactions by County CSEA
  - Checks paid by County CSEA
  - Stop Payments by County CSEA
  - Provide a report of void checks by County CSEA by 7:30 a.m. on the day following the activity.
- Daily reports must be provided on-line or via e-mail.

The Contractor must provide Monthly Bank Account Statements

- All transaction line items previously reported on the daily transaction reports (within 5 business days of the end of the calendar month)

Monthly Account Analysis Statement

- Calculation of average daily balance for reporting period (within 10 business days of the end of the calendar month)
- Group and account level statement of earnings (within 10 business days of the end of the calendar month)
- Group and account level statement of banking service fees (within 10 business days of the end of the calendar month)

## **2. Account Transition.**

The Contractor must establish account transition procedures to ensure a smooth transfer of responsibilities from the current vendor to the Contractor. The Contractor and the State will provide transition workflows, training and ongoing support during the transition.

The Contractor must establish a unique deposit structure for each of Ohio's eighty-eight (88) counties and transition from the current vendor's accounts to these new accounts. The Contractor must provide any necessary retraining to State and County CSEA staff if there are changes to their workflow or to the account structure. The Contractor must provide information regarding any changes to deposit procedures and supplies. The Contractor must establish reporting and reconciliation services for the State. Training must be provided on changes to the daily and month-end reconciliation processes

State Project Responsibilities:

- Centralized reconciliation responsibilities; and

Contractor Responsibilities:

- County CSEA training on the Contractor's procedures and protocol;
- Assistance in determining the amount of monies to be transferred to the Contractor's banking facility;

## **3. Master Concentration Account.**

The Contractor must establish a Master Concentration Account that 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. Funds from all eighty-eight (88) counties must remain in this account and accrue earnings credits. At the end of each business day, settlement transactions must occur in each sub-account for the net amount of the transactions, centralizing all balances into the Master Concentration Account.

The only transactions that may 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.

State Project Responsibilities:

- Approval of the collateral arrangement used to support deposits in the Master Concentration Account;
- Approval of the transaction reporting format for the Master Concentration Account;

Contractor Responsibilities:

- 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;
- Provide oversight of the custodial accounts used for the Master Concentration Account;
- Provide on-going maintenance and management of all aspects of the Master Concentration Account;

- Provide accurate and comprehensive auditing records for each component of the Master Concentration Account;
- Transaction Reporting;
  - Provide a Daily Transaction Report to include Settlement Transactions
  - Provide Monthly Bank Account Statements
  - Provide Monthly Account Analysis Statements to include:
    - Calculation of average daily balance for reporting period
    - Itemized and summary statement of earnings
    - Itemized and summary statement of banking service fees
- Provide BAI2 Detail Activity reports on the Master Concentration Account to the State
- Provide BAI2 Summary reports for the Master Concentration Account to State Treasurer's Office
- Deliver or fax Custodial Deposit Form (CDF) before 12:00 Noon. On the day revenue posts to the Master Concentration Account, information on the CDF will be a summary total of all revenue flowing through Master Concentration Account on each day.
- Collateralization Requirements:
  - All accounts must be located within the boundaries of the State of Ohio
  - 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 Ohio Revised Code or, upon approval of the Treasurer of State
  - Comply with ORC sections 1109.03 and 1109.04
  - Provide account collateral updates to the State
- Provide 95% next day availability of deposited items to include Periodic end point analysis as required
- Transfer and reconcile funds in accordance with Generally Accepted Accounting Principles
- Provide prior day account activity to be available by 7:30am ET.
- Maintain 180 days of audit records on-line.
- Maintain a minimum of seven years of audited records available off-line.

#### Inputs

- Support collections from all eighty-eight (88) counties
- State authorization of disbursement
- Third party-held collateral

#### Outputs

- Daily Settlement transactions to or from ZBAs.
- Summary balances on Master Concentration Account available daily.

#### **4. County CSEA Collection Accounts.**

Eighty-eight (88) Zero Balance Accounts (ZBA) are maintained for posting daily County CSEA deposits. Unique County CSEA accounts enable the State to maintain a distinct audit trail. Each of these accounts maintains a zero balance; funds received into the accounts are automatically transferred to the Master Concentration Account on a daily basis to take full advantage of earnings credits. The anticipated annual deposit item volume is 6.2 million deposit instruments (i.e., checks) based on 12.2 million payments posted in the current operation

#### State Project Responsibilities:

- Provide the Contractor with the daily SETS deposit file.

#### Contractor Responsibilities:

- Banking Services
  - Establish the custodial bank account structure
  - Receive, process, and tracking, all deposits
  - Convert foreign currency to US dollars
- Train State staff
- Establish protocol for County CSEA receipt and processing
- Establish settlement transaction protocol

- Oversee the custodial accounts under Master Concentration Account
- Maintain and manage of all aspects Master Concentration Account on a continual basis
- Maintain accurate and comprehensive auditing records for Master Concentration Account to include:
  - Posting of deposits
  - Settlement Transactions
  - Account adjustment transactions and return deposit items settled to each individual County CSEA account.
- If there are out-of-balance conditions related to County CSEA postings and cash deposits, the Contractor must identify the out-of-balance condition to the appropriate County CSEA and ensure that it is corrected on the same business day.

#### **5. Disbursement Account.**

SETS will generate and transmit a daily disbursement file. Based on the information in the file, the Contractor must print and disburse checks from the eighty-eight (88) separate zero balance accounts. These accounts must have only debit transactions included in the individual County CSEA accounts, making exception items easier to identify. Check issuance from these accounts must trigger daily settlement transactions from the Master Concentration Account. The Contractor will have access to images of disbursements and positive pay items to facilitate an accurate and timely research and resolution process.

#### Contractor Responsibilities

- Accept and honor all issues from the SETS check file;
- Review all checks presented for payment. The Contractor's review does not include identifying alterations to the payee line;
- Use the SETS disbursement number as the check number to be printed on the checks.
- Checks must be in readable condition, and pass MICR quality standards to satisfy the Account Reconciliation Process (ARP) and image quality requirements.
  - Ensure that all redeemed disbursement checks (i.e., both "good MICR" and "mutilated MICR" checks) are processed to SETS using the original SETS disbursement/check number.
- Provide monthly ARP reporting with information sorted by check number within five business days from the end of the calendar month;
- Generate reports per individual County CSEA account and include the individual County CSEA designation
  - Checks paid
  - Stop payments
  - Void checks
- Provide list of outstanding disbursements.
- Provide check printing and disbursement
- Provide images of disbursed items
- Provide ARP Reports

#### **6. ACH/EDI Account.**

All ACH /EDI transactions will post to the ZBA ACH/EDI Account. Each night the Contractor must track daily electronic transactions and initiate a settlement transaction to or from the Master Concentration Account for the net amount of the daily EFT transactions. This settlement transaction must bring the ACH/EDI account back to a zero balance and concentrate all balances into the Master Concentration Account. The Contractor will receive EDI 820 reports from employers who submit support payments and transmit a SETS-formatted file of consolidated employer EDI payments and the corresponding County CSEA including case and order information.

#### Contractor Responsibilities

- Transmit EDI 820 data to SETS daily.
- Receive and process EFT/EDI payments
- SETS datafile

### **7. County CSEA Posts into SETS.**

Each County CSEA may receive and post cash child support payments to the appropriate obligee accounts using the Support Enforcement Tracking System (SETS).

#### State and County CSEA Project Responsibilities

- Support and maintain SETS;
- Transfer funds to the Contractor's lockbox facility.
- County CSEA ensures balance condition between printed SETS deposit listing and County CSEA nightly deposit
  - For out-of-balance conditions, County CSEAs are responsible for timely resolution of out-of-balance conditions identified by Contractor
  - All payments posted to SETS by County CSEA will have corresponding receipt instruments
- County CSEA posts collections to SETS
- County CSEA deposit posted daily to local depository and transferred to the Contractor's ZBA account.
- State transmits SETS Deposit List File to the Contractor

#### Contractor Responsibility

- Promptly identify out-of-balance conditions for County CSEA resolution

### **8. BAI2 Deposit Reporting Datafile.**

The BAI2 Deposit Reporting Datafile is the electronic file generated and transmitted by the Contractor following the posting of the daily deposits. This file communicates all prior day balances and deposit activity from the County CSEA's account to SETS. Returned deposited Items are presented and reported to the State Payment Reconciliation Unit.

#### State Project Responsibilities

- Create Reconciliation Datafile structure
- SETS-based BAI2 transaction reconciliation: update through "automated bank file update (ABFU) style processing" – tie out of the reconciliation subsystem for printed deposit listing
- Verify successful receipt of transmitted datafile.
- Notify the Contractor when transmission is unsuccessful.

#### Contractor Responsibilities

- Provide BAI2 deposit reporting datafile
- Generate reconciliation datafile
  - Mandatory data elements to be identified after contract award
  - Standard SETS ready file format
- File must be transmitted by 5:00 PM ET and include all deposit activity for that business day.
- Transmission Processing Management
  - Initiate the electronic transmission
  - Monitor transmission
  - Retransmit datafile in event of transmission error.
  - In the event of repeated unsuccessful electronic submissions, the Contractor is responsible for transporting the reconciliation datafile to SETS by other means.
- Disaster Recovery
  - The Contractor must make backup copies and retransmit as necessary.
- Establish procedures for notification of failed transmissions.

## **9. Deposit Transaction Reconciliation.**

Account Reconciliation is the process by which the Contractor reconciles deposits posted by the County CSEAs. The Contractor must develop and use a Reconciliation datafile to identify appropriate County CSEA postings. The Contractor will perform a discrepancy analysis and “close-out” for the individual County CSEAs.

### Contractor Responsibilities

- A thorough understanding of BAI2 processing in order to perform reconciliation.
- Provide deposit instrument reconciliation, County CSEA-specific deposit transaction reconciliation including the identification of discrepancy amounts
- Manage exception items identified through BAI2 processing
- Provide reconciliation of the deposit report and the reconciliation datafile.
- Generate the “clean” reconciliation datafile for the prior business day’s activity by 5pm that business day (e.g., Receive BAI2 reconciliation data from Monday’s bank activity and reconcile on Tuesday in order to generate a “clean” datafile to SETS by 5pm Wednesday, for Monday’s BAI2 activity)

### Process Description

- County CSEAs will receive cash payments, post the payments in SETS, balance the daily postings against the SETS log, and deposit to the Master Concentration Account.
- SETS will transmit a file to the Contractor for daily upload.
- The Contractor must create a daily BAI2 file.
- The Contractor will complete an automated compare process of the SETS file and the BAI2 file and return a balance indicator of Yes or No.
- If the balance indicator is ‘Yes,’ the bank account is in balance with SETS. The Contractor must produce a reconciliation report for submission to the State of Ohio Treasurer and make the reports available on the InnerWeb for access by County CSEAs.
- If the balance indicator is ‘No,’ the bank account is not in balance with SETS. The Contractor must take appropriate actions to identify the discrepancy, and the cause. Possible sources of errors may include:
  - Contractor errors or discrepancies that must be resolved prior to generating a reconciliation datafile may include:
    - Encoding error
    - Other proof error (e.g., two checks overlaid)
  - County CSEA errors for which the Contractor must identify the County CSEA of responsibility, notify the County CSEA for resolution, and indicate the resolution status in the reconciliation datafile (e.g., adjusting entry) may include:
    - Item missing from the deposit
    - SETS entry error
    - SETS system error

## **10. Returned Deposit Item Identified.**

This function is an automated process within the banking industry whereby transactions (primarily checks) are returned to the Bank of First Deposit for exception conditions such as insufficient funds (NSF), lack of endorsement, or account closed. This function encompasses both paper checks and failed electronic transactions. The State and Contractor will develop a structure that efficiently handles the processing of returned deposit items as well as an agreement with County CSEAs on the protocol and process of handling those items.

State and County CSEA Project Responsibilities (due to the relationship between the State and the County CSEAs, responsibility for each item depends on the individual situation when it occurs)

- Perform collection back-out or other financial correction activities against the instruments on SETS if necessary
- Complete SETS update upon receipt of the faxed report from Contractor.
- Determine whether a stop payment should be placed on the disbursement issued from the returned deposit item.
- Perform recoupment activity as necessary.

### Contractor Requirements

- Accept receipt of return deposit items.
- Redeposit all instruments according to standard protocol.
- If NSF for the second time:
  - Compile a list of NSF items, sorted by County CSEA and including date, deposit instrument identification number, name of party, remitter bank account number and amount
  - Fax the list daily
  - Forward source documentation to the State Payment Analysis unit via priority overnight mail for that business day's returned deposit item activity.
- Receive the instruments, or other required information that identified returned items could not be deposited.
- Use all physical instruments to serve as notification.
- All received deposit items should be processed for deposit the same business day. Returned items must also be identified the same day as receipt. The Contractor must provide this information to the State Payment Analysis unit of collection no later than the next business day
- Create a report, by County CSEA, of all return deposit items to be available for County CSEA reference on the InnerWeb.
- Send, by overnight mail, any returned deposit items to the State Payment Analysis unit
- Maintain an accurate record of items that have been returned to the State Payment Analysis unit

#### **11. NSF Enforcement.**

The State's Payment Reconciliation unit in Athens, Ohio, will receive returned deposit item listing and source documentation and is responsible for addressing "next step" processing, including the decision to initiate a financial correction in SETS, establish a recoupment account on any payee and utilize any enforcement techniques against the individual/employer who passes a potential NSF deposit item.

#### County CSEA Project Responsibilities

- Authorize placing a stop payment on any disbursements issued off a returned deposit item

#### Contractor Responsibilities

- Send reporting and the physical instruments to the State Payment Analysis Unit.
- Forward a returned item listing with appropriate data elements and source documentation daily
- Provide research support to the State and County CSEAs.
- Provide additional research on returned deposit items to determine whether a stop payment should be placed on the outstanding instrument.

## **B. Lockbox Operations**

### **1. Market Lockbox.**

The first step in continuing the existing CSPC with a new contractor is to notify individuals and employers that there are changes at the central location the way payments are processed. Notification must include information about changes that impact the individual or the employer (i.e., if the PO Box number changes). This activity may parallel or be done in conjunction with the EFT/EDI (collections in) marketing activities when employers are notified of a new EDI bank account number. Target audiences are the employers, individual obligors, CSEAs, and the State.

#### Contractor Responsibilities

- Marketing to employers and individual obligors
  - Provide initial announcement or mailing to all employers in the state (approximately 400,000 employers) advising them of changes
  - Provide initial announcement or mailing to all individual obligors (approximately 215,600 individuals not on income withholding) advising them of changes
  - Communicate new processes associated with central receipting
  - Develop and distribute Employer Information Materials
  - Develop and distribute Employer Direct Mail/newsletter program (quarterly mailings)
  - Communicate benefits of lockbox operation and statutory requirements to stakeholders.
- Marketing to CSEAs

- Develop and distribute County CSEA Information Materials (includes summary of marketing effort and samples of marketing materials plus instructions on fulfilling employer requests for program information)
- Communicate information concerning process or workflow for collections at the local CSEA level (i.e. walk-ins);
- Marketing to the State
  - Develop statewide marketing plan to address different stages of CSPC transition and on-going operations and varying target audiences
  - Identify primary Contractor point of contact for information and issue resolution during implementation and ongoing operations
  - Communicate new processes associated with central receipting
  - Develop and distribute statewide print advertising in metropolitan business publications
  - Communicate benefits of lockbox operation and statutory requirements to stakeholders.
  - Develop announcement and marketing mailings to key stakeholders, media and advocacy groups

Contractor Optional Responsibility (the State may choose not to implement this feature)

- Develop and distribute an Employer Electronic Newsletter (posted quarterly on the Internet Website)

## **2. Lockbox Logistics, Setup, and Maintenance**

The Contractor must establish collection processes and procedures designed to support the central collection of paper-based payments.

County CSEA Responsibility

- Forward items received at the County CSEA to the lockbox for processing

Contractor Responsibilities

- Identify research procedures for “exception items” (e.g., no coupon, insufficient identifying information, etc.) and how they will be handled by the lockbox operation or other Contractor entity (e.g., Customer Support);
- Determine method of information transfer such as how the County CSEAs will obtain the information needed to resolve items (e.g. coupon, check, envelope, any enclosed information);
- Identify timelines for mail pickup, payment postings, and file transfers that is consistent with SETS processing schedule and maximization of funds availability.
- Imaging of deposit instruments and associated remittance documentation for all lockbox items.
- Determine walk-in collection workflow, information transfer, funds transfer and associated timelines and procedures;
- Provide County CSEA Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
  - On-going communications through semi-annual newsletter distributed by mail and electronically
- Receive and process collection items forwarded from County CSEAs as well as items mailed directly to the lockbox location by individual obligors and employer payroll withholding.
- Lockbox will image all checks as part of the daily lockbox processing.

## **3. SETS Billing Datafile.**

SETS generates a monthly billing datafile, including information on all obligations and obligors. Additionally, there will be documentation accompanying lockbox remittance documentation with new and changed information for employer rosters and individuals. The Contractor must capture this information and update SETS employer or individual records for County CSEA staff verification.

State Project Responsibilities

- On the third Friday of the month preceding the billing month, the Contractor will receive the SETS billing datafile including:
  - Individual
  - SETS case number
  - SETS order number/state code/county code

- Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state
  - Participant zip + 4
  - Monthly obligation
  - Employer
    - Employer name
    - Employer TPN
    - Employer FEIN
    - Employer bank name
    - Employer RTN/account number
    - For each employee
      - ▮ SETS case number
      - ▮ SETS order number/state/county code
      - ▮ Participant last name
      - ▮ Participant first name
      - ▮ Participant middle initial
      - ▮ Participant social security number
      - ▮ Participant twelve-digit number
- The SETS billing datafile must be processed monthly (within one business day after the completion of SETS month-end processing for the purpose of generating up-to-date bills to participating employers and obligors in agreed-upon time frames.

Contractor Responsibilities:

- Create file to update participant demographics in SETS, including the following data elements
  - Date requested/initiated
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state
  - Participant Zip + 4
- Create file to update employer roster information in SETS, including the following data elements
  - Date requested/initiated
  - Employer name
  - Employer third party numbers (TPNs)
  - Employer Federal Employer Identification numbers (FEINs)
  - Employee Information (new and changed for multiple employees)
    - Participant twelve digit identification number
    - SETS case number
    - SETS order number/state code/county code
    - Participant last name
    - Participant first name
    - Participant middle initial
    - Participant street address
    - Participant city
    - Participant state
    - Participant Zip + 4

#### **4. Receive and Print Billing Documents.**

This section addresses processes and procedures for receiving SETS formatted billing datafile that will be used to generate and mail billing documents.

##### State Project Responsibilities

- The Contractor will receive a monthly billing datafile and generate the indicated bills.
- Define schedule for receipt of SETS billing datafile and document generation.

##### Contractor Responsibilities

- Identification of return address for billing items that are returned and determination of resolution process for returned billing items, re-generation as necessary;
- Use of machine-readable return coupons that facilitate automated processing;
- Use of window envelopes for billing documents and returning coupons
- Bills stuffed, postage applied, and mailed by the Contractor.
- Update file to SETS indicating that billing notices were sent.
- Invoices must be printed and mailed based on the SETS billing datafile.
- The documentation on the invoice must identify each payment to the SETS case and order number. Additional data elements required on the invoices will be specified after contract award.

#### **5. Lockbox.**

The Contractor must receive and process all paper-based collections generated from employers and individuals in a single central location.

##### Contractor Responsibilities

- Identify protocol for capturing additional information included on billing coupon (e.g. new address on back of coupon), financial instrument, or other enclosed information) and identify the process for updating SETS with valid information;
- Collect lockbox mail and process payments on the same day they are received;
- Execute exception procedures (e.g., check not signed, coupon unreadable, coupon does not match check amount, numeric amount does not match written amount, etc.);
- Execute resolution procedures for items that cannot be posted automatically or require research;
- Validate that collected payments are valid case/order combinations in SETS prior to transmission;
- Process items received in lockbox by 8:30 AM that current business day.
- Identify invoices that indicate an address change is present, and forward all address change requests in a datafile separate from the financial datafile.
- Post deposits to one Master Concentration Account and consolidate the deposit information for each County CSEA. After determining the County CSEA totals, the Master Concentration Account must be debited and the individual County CSEA collection accounts credited.
- Store all hard copy documentation for seven (7) years
- Follow generally accepted accounting principles and techniques when cash deposits are received in the lockbox. This procedure must involve dual cash control and issuance of a negotiable instrument in place of the cash.

#### **6. Lockbox Account.**

The Lockbox Account is a ZBA that serves as the centralized collections location. Funds deposited into this ZBA will be concentrated into the Master Concentration Account on a daily basis to take full advantage of earnings credits. The Contractor must track both the County CSEA of origin and the County CSEA to which the payment is posted for each submitted payment, and deposit the funds into the centralized account structure daily.

##### Contractor Responsibilities

- Create and maintain a Lockbox account
- Convert foreign currency to US dollars
- Collect all Lockbox payments by 8:30 AM EST daily
- Process all Lockbox payments collected by 8:30 AM ET that same business day; collections after 8:30 AM ET will receive the Contractor's best effort to achieve same day processing.

- Prepare a daily update to SETS including all necessary Lockbox collection information in a standard format readable by both SETS and the Contractor's systems
- Generate payment posting file and transmit to SETS daily
- Post Lockbox payments on the same day as pickup with zero carry-over.
- Provide ongoing maintenance and management of all aspects of the Lockbox account
- Provide 95% next day availability of deposited funds
- Make obligors aware of the centralized collections location
- Maintain ninety (90) days of audit records available on-line
- Maintain seven (7) years of hard copy records available off-line
- Receive and process lockbox collections
- Perform daily settlement of Lockbox ZBA to Master Concentration Account
- Produce and maintain archived records of banking activity

## **7. Datafile.**

The Contractor must transmit a daily reconciliation datafile to SETS reflecting all collections received into the Master Concentration Account, for the purpose of reconciling SETS payment posting processing.

### State Project Responsibilities

- Verify receipt of transmitted datafile.
- Notify the Contractor if transmission is unsuccessful.

### Contractor Responsibilities

- Create Reconciliation Datafile Structure
- Generate Reconciliation Datafile
  - Mandatory data elements
    - County number
    - Available payor and payment information
    - Deposit Status
    - SETS receipt number
  - Organization of Datafile
    - Standard SETS file format
- Transmission Processing
  - Initiate electronic transmission
  - Monitor transmission
  - Retransmit datafile in event of transmission error.
  - Transport the Reconciliation Datafile to SETS by other means in the event of repeated unsuccessful electronic submissions.
- Backup Procedures
  - Make backup copies and be available to retransmit as necessary.
- Maintain 90 days worth of Reconciliation data files on site and a minimum of seven years worth of backups available offline.
- Transmit file no later than 5:00 PM ET each business day.
- Identify and report Daily Deposits and undepositable items

## **8. Lockbox Datafile.**

SETS must be updated daily with all payment activity that the Contractor receives through Lockbox. This should be in the form of an update datafile transmitted from the Contractor to SETS.

### State Project Responsibilities

- Table look up for SETS case and order number.
- Workflow definition.

### Contractor Responsibilities

- Provide same day processing of all items received in Lockbox by 8:30 a.m.
- Ensure that SETS receives the daily valid payment update file no later than 5:00 p.m. on Monday, Friday and for end- of-month processing and 6:00 p.m. Tuesday, Wednesday and Thursday
- Provide procedure for returning "bad" postings to the Contractor for research and resolution.

- Payment datafile must be consolidated with payments received via EFT/EDI and ACH Direct Debit so that SETS received one daily payment datafile.
- Datafile must contain the necessary data elements to successfully post into SETS. Details of this information will be provided to the Contractor.
- Datafile must contain 10-digit case number and 14-digit order number for each payment.

## **C. Employer EDI**

### **1. Market Employer EDI.**

The Contractor is responsible for the initiation of EFT/EDI protocol from employers and payroll processors for collection of SETS cases. The Contractor will be responsible for establishing and marketing the protocol as well as receiving the collections transmissions. The protocol will ensure that the employer payroll processor has included information appropriate to the income withholding County CSEA of origin.

The Contractor must identify SETS cases from the EFT/EDI record and post to SETS through a batch file update.

#### State Project Responsibilities

- County CSEAs will provide secondary support to include county-based documentation, forms and information that will direct employers, interested in enrolling in EFT/EDI collections, to the correct point-of-contact within the Contractor's organization.
- Ensure County CSEA understanding of existence and importance of employer EDI/EFT including cooperation with the marketing effort.
- Provide workflows of SETS handling of employer EFT/EDI functions.
- Detailed breakdown of new system and operations including features, processing requirements, data requirements, file formats supported.

#### Contractor Responsibilities

- Develop and coordinate a comprehensive marketing plan and outreach program including
  - Primary interaction with the employer community, including design of materials, enrollment forms and demonstrations
- Provide monthly updates from all parties involved in the marketing outreach effort, including metrics on number of employer EDI/EFT established.
- Assist County CSEA support to identify and document employer collection patterns
- Provide Information and documentation of employer EDI/EFT functions.
- Provide detailed breakdown of new system and operations including features, processing requirements, data requirements, file formats supported and related costs of participation.
- Provide support to State in marketing and outreach plan in identifying employer collections demographics and patterns, to potentially include:
- Create and provide initial announcement and subsequent marketing mailing to all employers in the state (approximately 400,000)
  - Employer Direct Mail program (quarterly mailings)
  - Employer Information Materials
  - Employer Reminder Mailings (targeted to participating employers)
  - Statewide print advertising in metropolitan business publications
  - County CSEA Information Materials which includes summary of marketing effort to employers and samples of marketing materials and instructions on fulfilling employer program information requests

#### Contractor Optional Responsibility (the State may choose not to implement this feature)

- Employer Electronic Newsletter (posted quarterly on the Internet Website)

### **2. EDI Logistics and Setup.**

When employers choose to participate in the Employer EDI/EFT program, the Contractor must provide clear procedures for enrollment. The Contractor must set employer expectations regarding when and how EDI/EFT will be received and transmitted. Datafile exchange procedures must be established between the State and the Contractor. The Contractor must manage initial intake and ongoing maintenance of employers in the program.

#### Contractor Responsibilities

- Develop and provide standard operating procedures
- Develop, provide and maintain Enrollment materials
- Develop and provide a testing plan for the EDI/EFT program
- Develop training, procedures, forms, and materials for updating SETS to enable employer EFT/EFT participation
- Develop enrollment database and procedures
- Develop file transfer protocol and interface requirements between Contractor and SETS
- Develop software for converting EDI/EFT results data files into SETS update data files
- Test employer EFT/EDI files prior to actual billing and collections (system and individual user tests).
- Establish pre-note procedures
- Provide on-going communications through a semi-annual newsletter distributed by mail and electronically
- Provide operating procedures for enrollment in employer EFT/EDI program.
- Provide documentation at County CSEAs for enrollment instructions and information (i.e., brochures, phone numbers).
- Provide County CSEA information materials (includes summary of marketing effort and samples of marketing materials plus instructions on fulfilling employee requests for program information)

### **3. Receive Employer EDI Payment File.**

Employers participating in EDI/EFT will initiate an EFT transaction or data set through their bank or Value Added Network (VAN) for receipt at the Contractor's banking facility at any time or as scheduled with the Contractor during the set-up process. The Contractor must validate the transmission and process the EDI/EFT, confirming to the employer that EDI/EFT was received and successfully processed.

#### State Project Responsibilities

- Provide employer billing file to the Contractor on a quarterly basis or as required for communication, marketing, and outreach to employers.

#### Contractor Responsibilities

- Assist employers to send readable EDI/EFT files to the Contractor's banking facility and provide confirmation and receipt information to the employers in return.
- Resolve EDI/EFT errors or initiate appropriate paper measures
- Appropriately identify and prepare to transmit on the same day all EFT/EDI transmissions received by 12:00 PM ET on a business day:
  - SETS case postings – All SETS case postings on EFT/EDI transmissions received by 10:00 AM EST must be sent to the State in the SETS payment posting datafile by 5:00 PM the same day
- Process EDI transfer from employers
- Provide confirmation to employers of successful receipt/processing of EFT/EDI
- Send an 820 Implementation Guide to each EDI capable employer.

#### Assumption

- Files are unencrypted

### **4. SETS Datafile.**

The Contractor must transmit an update datafile with all payment activity to SETS daily.

#### State Project Responsibilities

- Confirm receipt of update datafile
- Monitor transmission of file
- Notify Contractor if transmission problems occur

#### Contractor Responsibilities

- Transmit and receive update datafile.
- Provide exception handling, resolution and reporting as required.
- Include the following data elements on the payment posting datafile
  - Batch number

- Collection Date
- Receipt Date
- Payment method
- Deposit instrument tracking number
- Deposit instrument item number
- For each individual payment
  - Amount
  - SETS case number
  - SETS order number/state code/county code
  - SSN
  - Obligor last, first name
  - Employer TPN
  - Employer name
- Receive Employer EDI/EFT payments
- Update SETS with current income withholding payments (to respond to obligor/payee queries)

#### **5. Reconciliation Datafile.**

The Contractor must generate and transmit a daily reconciliation datafile containing all received EFT information for SETS payment posting.

##### State Project Responsibilities

- Transmit reconciliation datafile to reconcile SETS and the Contractor's financial information
- Receive reconciliation datafile
- Confirm receipt of file by SETS

##### Contractor Responsibilities

- Receive reconciliation datafile
- Generate and transmit reconciliation datafile to SETS by 5:00 PM ET for nightly batch

#### **6. EFT/EDI Deposit Reconciliation.**

The Contractor must perform a reconciliation of all payments posted to SETS through the batch update process for employer/payroll EFT/EDI. It is assumed that all EFT/EDI payments are "good money" upon initiation because the employer or payroll processor is responsible for their generation; therefore reducing or eliminating returned deposit items.

##### State Project Responsibilities

- Research support from County CSEA as needed.
- Receipt of daily reconciliation datafile.
- Deposit instrument-tracking numbers from the EFT/EDI header record.

##### Contractor Responsibilities

- Provide research support as needed.
- Ensure integrity and accuracy of daily reconciliation datafile.
- Clarify requirements for deposit reconciliation of EFT/EDI collections posting.
- Generate and transmit "clean" reconciliation datafile for the prior business day's activity by 5:00 PM ET that business day (e.g., Contractor must receive "raw" reconciliation data from Monday's bank activity and reconcile on Tuesday in order to generate a "clean" datafile to SETS by 5:00 PM ET Wednesday).

## D. Disbursement Operations

### 1. Establish Disbursement Operations.

The Contractor must establish disbursement operations to accept the SETS check printing file and creating and mailing checks to designated obligees on a per county basis. This process must include transmission of the SETS check file from SETS to the Contractor, the printing and mailing of the physical checks, the delivery of the Disposition Status file from the Contractor to SETS, the delivery of an issue file to State Payment Analysis and Reconciliation, and exception handling that occurs during the process. It must be designed to conform to all State Project Responsibilities with regard to file formatting and transmission, report generation, auditability, and security. Acceptable file formats are included as an Attachment to this document.

#### State Project Responsibilities

- The State will provide the Contractor with SETS balancing information that will include item and dollar amounts for the entire datafile and for each account within the file.
- Provide SETS Checkprinting Datafile
- File compatibility requirements
  - SETS generates and processes transmission files in an IBM MVS mainframe environment. All electronic transmissions received by SETS for the purposes of this project must be formatted such that they are ready for immediate use by the SETS system.
  - File layout conversion that may be necessary to achieve compatibility with the SETS data exchange environment which may include:
    - Conversion from ASCII to EBCDIC
    - Customization of file layouts according to ODJFS specifications.
    - File Transmission Requirements.

#### Contractor Responsibilities

- Establish a check printing system and facility in Ohio to generate State checks
  - The system must accept data files from SETS in an agreed upon format and generate check print images for Child Support payments
  - Generate and transmit daily check disposition status files to SETS
  - Issue files for reconciliation that identify all payments processed
  - Adequately staff the facility to print and render the checks within the required timeframes (anticipated daily volume may range from between 25,000 and 100,000 checks per day).
- The Contractor must meet all check design, generation and mailing requirements
  - Check Design Requirements:
    - Provide only one check stock for all eighty-eight (88) counties.
    - Provide check security measures to include but not be limited to watermarks, tamper proof stock and graphics, holograms, and multi-colored signatures.
  - Check Generation Requirements:
    - Provide all r supplies necessary for the daily check run including but not limited to paper and ink
    - Provide all hardware and software necessary to support the check printing solution
    - 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.
    - Validate amounts and totals of checks against the amounts and totals in the SETS Check file.
  - Mailing requirements:
    - 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.
    - Provide a single State address for all mail.
    - 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.
- Actual postage expense will be charged to ODJFS as a "pass-through" expense
  - The postage rate must always be the best possible rate available without affecting delivery

- 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
- 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:
  - Onsite prior to printing
  - Onsite after printing
  - In transit to the USPS facility
- The Contractor must take precautions to prevent fraud from occurring once the disbursement item or datafile has left its possession including, but not limited to:
  - Security of data file transmissions
  - Use of Positive Pay Service
- The Contractor must take precautions to prevent fraud from occurring on their accounts, once out in the mail stream, including but not limited to:
  - Cashing of a physical check by an incorrect individual
  - Alteration of a check by another individual to modify payee, payment amount, or other information.
- The Contractor must ensure data integrity of the SETS disbursement file through use of secure file protocols and checks and balances procedures.
- The following conditions require the Contractor to conduct a Positive Pay Review:
  - Alteration of a check to modify the check amount
  - Alteration or modification of any information on the check MICR line. This includes the account number, check number and check amount.
- The Contractor must identify and provide the following via a datafile or report:
  - Check disbursements
  - Returned mail items
  - Unprocessed and late pull item lists
  - Disposition file to SETS
  - Issue file to State Payment Analysis and Reconciliation
- Alteration or modification of the payee is not a condition that Positive Pay Review should stop
- The Contractor must manage the investigation of fraud, based on the identification of fraud through State and County CSEA resources.

**2. State Check Printing Time and Volume Schedule.**

The Contractor will process State checks on a same day basis. Payment files of up to 90,000 must be processed, printed, rendered and postmarked on the same day they are received (assuming operational cutoff for receipt at 7:00AM). Additionally, the Contractor will obtain the best possible postal rates for all items without affecting delivery. Designations below of item amounts assigned to presort and full postage are suggestions only and should not be considered postal rate requirements.

**For Files Received By 5 AM ET**

<b>Volume</b>	<b>Presort Rate*</b>	<b>Full Postage</b>	<b>Next Day Mail</b>
1 - 90,000	Yes	Not required	No
90,000 - 120,000	For 1 <sup>st</sup> 90,000	For items after 90,000	No

\* Assuming 10 items to each 5 digit ZIP or 50 to each 3 digit ZIP

### For Files Received After 7 AM ET

<b>Volume</b>	<b>Presort Rate*</b>	<b>Full Postage</b>	<b>Next Day Mail</b>
1 - ?	As possible	As required	No

Assuming 10 items to each 5 digit ZIP or 50 to each 3 digit ZIP

### **3. SETS Check File.**

SETS will generate the SETS check-printing file and the Contractor must receive it within the stated acceptable timeframes, on business days. A schedule will be developed after contract award to include datafile delivery times, item volumes, and due out times. The Contractor must notify SETS that the file was received successfully. The Contractor will then translate the file into a format acceptable for its check printing system and provide validation to the State that the translation was successful.

#### State Project Responsibilities

- SETS will generate and send the disbursement/check file for the previous business night's batch activity by 7:00AM.
- The SETS check file must be validated for the following:
  - Incomplete mailing addresses
  - Negative Amounts
- The SETS check file must have accurate information
- The SETS check file must be transmitted to the vendor in the time frame indicated on the check printing time and Volume schedule. This file will be in a format specified by the State.
- Balancing information must be provided by SETS either in fax or separate transmission files in order to validate each datafile transmitted.
- Validations such as large check amount, too many checks to an address or complete postal address validation.

#### Contractor Responsibilities

- Check files received on a Saturday, Sunday or federal holiday must be processed on the next business day.
- Provide verification to SETS of successful check file transmission.
- Notify SETS that a file has been received with a transmission error to facilitate retransmission.
- Include validation between the SETS check file and any subsequent formats produced for input into the check printing process.
- Automatically acknowledge each datafile by return transmission. **This acknowledgement cannot replace the requirement for balancing information.**
- Perform a basic address validity check
- Must generate physical checks for all identified records on the disbursement/check file for mailing the same business day of datafile receipt (i.e. 8:00 PM on the same day as 7:00 AM receipt)
- Receive and process SETS check file
- Confirm receipt of all check file information
- Generate a successful file transmission indicator

### **4. Print and Mail Checks.**

The check printing process includes all activities required to produce and mail the physical checks. The Contractor will print checks to all payees as indicated by SETS Check File with the specified amount and within the required time frame. A schedule will be developed after contract award of datafile delivery times, item volumes, and due out times. Once the Contractor has printed the checks they will be mailed to payees in a secure manner.

#### State Project Responsibilities

- Develop datafile delivery times, item volumes, and due out times.

#### Contractor Responsibilities

- Print all checks from the SETS-generated disbursement datafile each business day.

- Produce a daily report that details the association of SETS-generated check numbers with vendor inventory control numbers.
- Convey issue status information in the disposition file.
- Deliver all disbursement mail pieces to an authorized U.S. mail facility by 8:00 PM ET of the day the Contractor receives the datafile from ODJFS.
- “Pull” processing
  - The Contractor is responsible for generating the disbursement status datafile to reflect all “pull” status checks by 5:00 PM EST for all pulls requested on that same business day
  - County CSEA staff must be able to call the Contractor to request the “pull” of a potential check on the SETS check file sent to the Contractor in the previous night SETS batch processing
    - The Contractor must process the request
    - The Contractor may establish the deadline for requests
  - The Contractor is responsible for:
    - Voiding the instrument (Contractor systems)
    - Capturing the void status of the disbursement and updating SETS through the nightly batch file transmission.
    - Destroying the instrument
  - Late Pull items must be included in both the Disposition status file and the Reconciliation file. The Contractor must update both systems with the correct status.
  - Late Pull requests that cannot be found may be stopped.
- Duplicate check numbers must be checked for 60 days in the past.
- Receive and process SETS Check file
- Print and mail checks
- Identify and provide a report on the status of late pull Items

## **5. Disposition Status.**

The Disposition Status file updates the SETS disbursement record with the status update information regarding checks that have been produced and mailed. This file may also include any updates to SETS necessary as a result of a “pull” request.

### State Project Responsibilities

- Upon receipt of a validated update file, SETS will update the disbursement status code on the disbursement record with OOT (outstanding) indicating check has been printed and mailed, but not yet cashed.
- SETS will be updated with the printing and mailing status update during Tuesday night’s batch for checks printed on Tuesday)

### Contractor Responsibilities

- Once the day’s check run has been completed, the Contractor must generate a data file containing an update of check printing status for each disbursement record in the SETS check file in the format required by SETS.
- The update data file must be transmitted to SETS by 5:00 PM on the day of the printing and mailing of the item. (i.e., checks authorized to be printed during Monday night’s SETS batch will be sent to the Contractor on Tuesday morning for printing and mailing.)
- A backup of the update file must be maintained in the event of transmission or other types of errors.
- Verification of the timely receipt of the check printing status file without transmission error.
- Late Pull items will be included in both the disposition status file and the reconciliation file.
- Transmit a datafile to SETS.
- Facilitate retransmission of the update datafile in the event of a transmission error.
- Transmit a data file indicating list of all checks printed and mailed for the day

## **6. Undeliverable Mail Processing.**

All undeliverable mail will be returned to the Contractor’s central location. The Contractor must identify the originating County CSEA, and subsequently generate county-specific daily reports detailing all undeliverable mail for the day. The Contractor must also void the instrument and remove it from the outstanding check file.

The County CSEA is responsible for researching instruments returned due to bad address and for authorizing the reissuance of any monies. Once a correct address has been found, the County CSEA must reissue the check in the SETS system. The reissued item is processed in the daily checkprinting file.

#### State and County CSEA Project Responsibilities

- County CSEA staff will make reissuance decisions, either through manual check or validation of the address

#### Contractor Responsibilities

- Provide centralized return address
- Receive and process checks returned by USPS
- Provide a report to County CSEA of Returned Mail items
- Reissue checks
- Identify the “need to void” the disbursement item through the returned mail
- Process and resubmit items for the following reasons:
  - Payee address did not appear through the window
  - Improper postage affixed to item
- Open and log all undeliverable items and:
  - Prepare a County CSEA-specific report capturing the check number, date of return and reason for return (reason code).
  - Void the instrument (the Contractor systems)
- Provide County CSEA-specific listing with all source documentation.
- Produce datafile to update SETS regarding changes to payee information
- Provide County CSEA-specific log report on Inner Web.

#### Process Description

- All undeliverable mail will be returned to the Contractor.
- Undeliverable mail includes mail that cannot be delivered because of physical defect (the check is mutilated during the printing process) or mail that cannot be delivered because of a bad address.
- Mutilated Mail
  - If the check was damaged during the printing process and has not left the Contractor’s premises, the item will be reprinted.
  - If the check was damaged during postal delivery, the Contractor will receive the item in return mail and will initiate a void on the item and report the item back to the appropriate County CSEA.
- Incorrect Address
  - Incorrect address information may be obtained two ways: The County CSEA is made aware of an incorrect address from their client, or the post office returns mail to the Contractor.
  - If a County CSEA is made aware of an incorrect address, the County CSEA will contact the Contractor. The Contractor will initiate a pull and void, or a stop payment on the item.
  - If the post office returns mail to the Contractor because of an incorrect address, the Contractor must initiate a void on the item and research a new address. If a new address is located it must be included on the report to the County CSEA.

### **7. Void/Stop Payment Processing.**

County CSEAs are responsible for initiating void/stop payment protocol. There are a variety of reasons why a check may be voided or have a stop payment placed (e.g., mutilated or stolen checks). Proper processing of voids and stop payments is critical to ensure proper allocation and disbursement of child support collections. The Contractor must ensure that void and stop payment items are properly accounted for in both SETS and Contractor systems.

#### State and County CSEA Project Responsibilities

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

- County CSEA worker contacts the Contractor to void the instrument in the Contractor's systems.
- County CSEA worker is required to destroy the physical instrument if instrument is returned to the County CSEA.
- SETS will be updated with stop payment information through a nightly status update datafile. This information is not included on the daily BAI2.
- When the Contractor updates DDA, SETS will update the status and reissue the check.
- County CSEA has the authority to void the item.

#### Contractor Responsibilities

- The Contractor will determine the status of the check.
- Void Request: If the void request is prior to 10:00 a.m. on the day of issuance, the Contractor will request a pull at its banking facility and void the check.
  - Note: Void processing due to mail returned to the Contractor, is addressed under Undeliverable Mail.
  - Stop Request: If the County CSEA requests a stop payment, the Contractor will immediately place the stop on its STP system and update its application with the stop.
- The Contractor must create a daily file of stop and void activity and transmit the file to SETS.
- Upon receiving a request for void or stop payment of checks
  - Initiate void requests for returned mail.
  - Notify County CSEA of stale dated items.
- Stop Payments
  - A stop payment must be placed on the item (versus a void), if the physical instrument is in circulation.
  - County CSEA worker contacts the Contractor to inquire on the status of the outstanding disbursement. The Contractor will verify that the item has not been presented through its systems.
  - Place a stop in its systems and provide a confirmation number to County CSEA staff.
- Confirmation of check status through monthly ARP reporting from the Contractor.
- Receives and processes nightly check file from SETS
  - Update Demand Deposit Account (DDA) system for stop payments
- Destroy physical checks and maintain appropriate security measures for check disposal
- Update ARP system for voids.
- Establish and manage a process for Void/Stop Payment requests from County CSEAs
- Generate nightly check file
- Submit nightly file to SETS
- Generate file that identifies void/stop payment checks

#### Assumptions

- A void transaction is used to remove a check from the outstanding issue file on the ARP system and should only be performed if the check has not been released into circulation. Void transactions are not processed by, recognized by, and not housed on the Contractor's DDA system.
- Checks, on which a void transaction has been placed (on the ARP system), that are presented for payment will be identified as a Positive Pay exception and reported daily for a pay/no pay decision by the financial institution where the check is presented.
- Voids may be communicated by the County CSEA to the Contractor in an electronic check issue file. Voids that are not included on an electronic transmission may be faxed to ARP Operations for manual addition to the ARP system. Faxing of voids should be performed on a limited basis only.
- A stop payment is used to prevent a presented check from being paid against an account and should be used if the check has already been released into circulation.
- Stop payment and void transactions should not be placed on the same check.
- The Contractor may place stop payment designations on the Automated Stop Payment (STP) system. STP will place the stop transaction on the DDA system, which will in turn place the stop on the ARP system.

## **8. Disbursement Check Presentment.**

This section addresses the Contractor's responsibility with regard to presentment and clearing of individual disbursement items through its disbursement account, including the subsequent imaging of cleared items.

The Contractor must process all checks presented during a standard business day, and clear those items as appropriate. For auditing purposes, the Contractor must image all redeemed checks. Images will include both the front and the back of the check.

### **Contractor Responsibilities**

- Image paid checks the day following presentment and add to the central archive for later viewing and research
- Provide a daily cycle of image availability to support County CSEA staff requests made through the Contractor.
- Develop access procedures and requirements after contract award.
- Retain paper items for seven (7) years for audit purposes.
- Archive images on CD ROM.

## **9. Account Reconciliation Reports.**

On a monthly basis, reconciliation must be performed and reports produced for each separate disbursement account. A listing of paid items must be provided daily via electronic data transmission; however, account reconciliation will not occur on a daily basis, except as required for with daily positive pay exception item review.

### **Contractor Responsibilities**

- Receive checks
- Send check file to ARP
- Receive ARP validation of items presented via Positive Pay
- Make a pay or return decision based upon pre-established State requirements
- Pay accepted checks
- Transmit nightly ARP Paid Item Listing to State.
- Provide full ARP reports monthly
- Update Paid Item Listing file through nightly file submission
- Provide stale date report
- Reports must be available for review by the State no later than five (5) business days following the end of the business month.
- Retransmit a report upon request from the State following an unsuccessful transmission.
- Maintain reports on-line for ninety (90) days after the cycle date. After ninety (90) days, reports must be available on an archive system.
- Provide the State with information on all items issued, paid, voided, etc., along with detailed information needed to reconcile and manage disbursement checking accounts
- Provide full reconciliation with Positive Pay on eighty-eight (88) County CSEA disbursement accounts including a list of both paid and outstanding checks, with exception items clearly identified.
- Provide check issue files via electronic data transmission
- Provide detailed reconciliation reports for all account activity balanced to the DDA account statement at the end of the reconciliation period
- Establish each of the eighty-eight (88) accounts with a stale date period of 180 days.
- A check presented for payment after the established stale date period must will be reported as an exception on the daily Positive Pay Exception Report and payment mustbe denied.
- Standard reports available with Full Reconciliation must include:
  - Cover Sheet
  - Recap of Posted Items
  - Outstanding Settlement Report
  - Reconciliation Diagnostic Summary
  - Miscellaneous Credits
  - Miscellaneous Debits
  - Paid Only Report
  - Unpaid Only Report

- Consolidated Report
- Ad Hoc reports may include but may not be limited to:
  - Paid-No-Issue Report
  - Unmatched Reconciliation Report
  - Stop Reconciliation Report
    - Aged Issues Report - a customized report file transmission with the monthly ARP reconciliation files.
- Reconciliation reports must be provided within five (5) business days after the statement/reconciliation cycle or within 5 business days after receiving final issue input for the period. Report data is available via data transmission in a format that is compatible with the State system.

#### **10. Positive Pay Exception.**

The Contractor must use 'Positive Pay' to match the daily SETS check file with checks presented for payment on the disbursement account. Checks presented must be validated against Positive Pay to ensure validity. Positive Pay detects check fraud and other internal control problems by comparing checks presented to the Contractor for payment with a customer generated issue file. In addition, Positive Pay identifies discrepancies and permits the customer to decide whether the exception checks(s) should be dishonored or paid. Positive Pay does not identify altered payee situations and must not be used in lieu of stop payments. On each banking day, the Contractor compares items that have been presented for payment to the customer issue file. The comparison identifies checks that do not match the issue file information.

#### **Contractor Responsibilities**

- Generate ARP exception notices
- Provide research to determine if the check is a valid issuance from SETS
  - If necessary, consult County CSEA for "no pay decision"
  - If item is a valid issuance (e.g., encoding error), the Contractor will give "pay decision"
  - If item is NOT a valid issuance, the Contractor will return a "no pay decision"
    - ARP rejects the item
- An item presented for payment that is not in the check file must be treated as a fraudulent item. These items will be returned to the bank of first deposit, unless the item was cashed at a Contractor branch office. The Contractor must notify the County CSEA when this occurs. If necessary, the Contractor's Fraud Investigation area may become involved to help investigate and prosecute.
- Research items that do not match and correct any bank errors, such as miscoded items, zero serial numbers and duplicate paid items.
- Provide a Positive Pay Exception Report of checks presented the previous business day via facsimile transmittal prior to 12:00 P.M. Eastern Time local processing time
- Provides a "nil" report if there are no checks to report. This report must be delivered in hard copy rather than via fax.
- On each business day by 4:00 p.m. Eastern Time, determine the disposition of each item on the Positive Pay Exception Report.
  - PAY or RETURN the check in accordance with the determination
  - Mark all checks to be returned "Refer to Maker" and process in compliance with Regulation Uniform Commercial Code guidelines.
- If the Contractor does not determine explicit pay or return instruction by 4:00 p.m. it must be determined by default that all items on the Positive Pay Exception Report are UNAUTHORIZED and they will be RETURNED.
- Contractor branch offices must not have access or visibility to the positive paycheck issue files, therefore, checks presented for cash are NOT verified against the check issue file prior to the check being cashed.

#### **11. Reconciliation Datafile.**

Each night, following nightly batch processing, the Contractor must create the electronic reconciliation datafile. The file must provide status update information on all paid items from the prior day's activity. The Contractor will transmit the nightly BAI2 file to the State during the business day on which the file is generated. The file will be uploaded to SETS via nightly batch processing, so that information is available to County CSEAs on the second business day (i.e., Monday's activity is processed by the Contractor early Tuesday morning, at which time the BAI2 file is created. The State retrieves the BAI2 file Tuesday morning, and uploads it to SETS in Tuesday night's batch, making the data available on Wednesday morning.)

#### State Project Responsibilities

- SETS must confirm successful file receipt.
- SETS must notify the Contractor of unsuccessful transmission so that the Contractor will retransmit the file.
- The State will define an escalation procedure for use in the event that an item cannot be traced back to a particular County CSEA.

#### Contractor Responsibilities

- The Contractor must generate the datafile to include at a minimum:
  - SETS nine digit check number;
  - Disposition status of checks cleared
  - Amount of check
  - County CSEA of origin (each file separated by county account must include an identifying County CSEA designation)
- The Contractor must organize the datafile in standard file format readable by SETS
- Transmission Processing
  - Initiation of the electronic transmission
  - Monitoring of transmission
  - Verification of successful receipt of the datafile by SETS
  - Re-transmission of datafile in the event of error; and
  - Backup tape transfer in the event of repeated unsuccessful electronic submissions
  - Backup procedures definition and re-transmission protocol
- Valid datafile received by SETS from the Contractor no later than 5:00 PM ET each business day for all disbursement status updates, such as cleared instruments
- Valid datafile received by SETS from the Contractor no later than 5:00 PM ET each business day.
- Notification of the outcome of investigations conducted by the Contractor.
- The ARP system must produce a daily data file containing checks presented and paid on ARP the previous business day.
  - **\*The Contractor must provide a file listing all checks cleared that day by 5:00 p.m. EST that day. The term “that day” refers to the previous business day.\***
  - A separate file may be generated for each of the eighty-eight (88) accounts, or the file may contain data for all eighty-eight (88) accounts combined
- The file will not include non-monetary transactions, returned checks, voids, stops, or any other check that rejected on the ARP system during batch posting (e.g. Positive Pay exception checks). Rejected checks must be included on subsequent data files when repaired and re-posted to the ARP system by ARP Operations.
- “Additional data” for each issued check, as provided on the issue file, may be provided on the daily paid file for each paid check. To facilitate paid check research and reconciliation, each issued check record must contain the case number, last name, and first name. This information will then be reported back on the daily reconciliation file for each paid record.
- In addition to the daily paid file, the Contractor must provide an electronic transmission of report data contained in the monthly reconciliation reports. This file is available upon successful completion of the month-end account reconciliation by ARP.
- The Contractor must confirm successful transmission of the daily paid file.
- The Contractor must archive daily transmissions for ten (10) business days.

#### 12. Disbursement Transaction Reconciliation.

SETS disbursement reconciliation includes reconciliation activities for both the Contractor and the State. At a minimum, the disbursement reconciliation is the nightly file transfer of prior day’s bank activity, and how it is appropriately translated into the SETS application. Current SETS processing provides a simplified version of standard file formatting which supports disbursement reconciliation.

#### State Project Responsibilities

- SETS must process the daily datafile during nightly batch
- SETS will transmit a daily check file to the Contractor.
- SETS screens and databases will be updated daily based on the Contractor datafile

- The State will provide the Contractor's staff with baseline training and education on SETS financial management architecture and the current reconciliation workflow and procedures
- The State will provide work sessions to address the modification and redesign of key SETS reports to facilitate the Contractor's staff to assume reconciliation duties
- After the SETS database is updated, County CSEAs must have up-to-date access to the disbursement disposition status.

#### Contractor Responsibilities

- Reconcile bank activity for the day for the Disbursement Account and generate the nightly datafile, which includes (at a minimum):
  - Check information:
  - SETS 9-digit check number
  - Disposition status
  - Checks paid Stop Payments- monthly
  - Voids- monthly
  - Sent to SETS no later than 5:00 PM ET each business day
- The Contractor will reconcile the bank activity to the SETS Check File)
- The Contractor must complete a reconciliation report to forward to the Treasurer, and will make the reconciliation reports available on Inner Web when reconciliation is complete.
- The Contractor must send a datafile to SETS by 5:00 PM EST daily to update the SETS database. Data will include:
  - 9 digit check number
  - Disposition Status
  - Checks paid
  - Stop Payments
  - Voids
- Provide consistent, accurate daily updates to the SETS application based on the Contractor reconciliation in order for County CSEAs to provide accurate, up-to-date information to clients.

### **13. Market ACH Direct Deposit.**

The Contractor must assist the State to develop a marketing strategy to raise awareness of the benefits of direct deposit. The Contractor will develop the appropriate marketing materials (e.g. brochures, posters, public service announcements, etc).

#### Contractor Responsibilities

- Assist the State in establishing marketing goals and strategy.
- Clear understanding of EFT disbursement, standards and requirements.
- Develop and deliver marketing materials
  - Initial announcement and marketing mailing to all participating clients in the State-statement stuffer.
  - Periodic Statement Stuffers to be included with checks promoting the new payment receipt options.
  - Payment Receipt Options brochure describing the alternatives available for clients to receive payments electronically (direct deposit or cash card).
  - County CSEA Information Materials (includes summary of marketing effort and samples of marketing materials plus instructions on fulfilling recipient requests for program information).
- Plan, develop and support outreach activities
- Provide training for appropriate update of SETS for establishing payee EFT disbursement.

### **14. ACH Direct Deposit Logistics and Setup.**

The Contractor must establish and implement enrollment procedures for direct deposit. Enrollment forms will be processed through the Contractor and provide information necessary for updating SETS.

#### Contractor Responsibilities

- Maintain standard operating procedures for enrollment in EFT disbursement
- Test EFT disbursement prior to actual disbursement (system and individual user tests)

- Maintain training, procedures and forms and materials for proper updating of SETS for enrollment and maintenance of payees in EFT disbursement program
- Provide training to County CSEAs and satisfy client fulfillment requests.
- Provide specifications of daily SETS disbursements datafile
- Convert SETS disbursement data files into NACHA formatted files
- Convert EFT results data files into SETS update data files
- Establish and implement enrollment procedures.
- Establish and implement pre-note procedures.
- Define file transfer protocol and interface requirements between other Contractor responsibilities and SETS.
- Develop and provide County CSEA training and logistics support:
  - Comprehensive Training Guide and program documentation for County CSEAs
  - CD-ROM overview of workflow

**15. SETS Record.**

The obligor's SETS case information must reflect that the obligor has set up ACH direct deposit for child support payment.

State Project Responsibilities

- Accurate, complete and timely submission of update datafile to SETS

Contractor Responsibilities

- Generate ACH participant demographic update datafile to SETS by 5:00 PM every Friday for new and changed participant information received by the Contractor for the week (Monday through that same Friday)
- Provide file to automatically update participant demographics in SETS, including the following data elements
  - Date requested/initiated
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state
  - Participant Zip + 4
  - Participant bank name
  - Participant bank account routing transit number/account number.
- Provide updated case information

**16. SETS ACH Direct Deposit File.**

The State is responsible for generating a daily EFT disbursement file similar to the standard disbursement file created daily for physical check payments. The file is expected to contain EDI (Electronic Data Interchange) information with the obligee's relevant information for distribution of payment.

#### State Project Responsibilities

- Timely and validated transmission of EFT disbursement file to the Contractor daily
- Individual case and financial information must be up to date and correctly set up for EFT disbursement
- ODJFS will generate the SETS disbursement/EFT file during nightly batch processing and make the file available by 7:00AM.

#### Contractor Responsibilities

- Receive SETS EFT/EDI datafile
- Confirm successful receipt of datafile
- All disbursement records on the file must be initiated by 5:00PM the same business day as receipt of the datafile
- ACH deposit must settle and be available in the obligee bank account the business day following initiation (e.g., a transaction initiated on Tuesday will settle to the obligee bank account on Wednesday).

#### **17. Receive and Transmit EFT.**

The Contractor must create a NACHA formatted file for transmission upon successful file transmission of the SETS EFT disbursement datafile from the State. The Contractor must release the transaction records to the ACH network for disbursement of funds per the payee's information on file.

#### State Project Responsibilities

- Accurate and current case information and EFT disbursement information contained in SETS EFT disbursement datafile

#### Contractor Responsibilities

- Provide timely and accurate disbursement of payments to payee's account as agreed in set-up activity
- Provide exception handling and reporting
- Generate and mail EFT reminder notices in conjunction with the initiation of ACH direct deposit
- Process EFT disbursement on the same day the SETS EFT disbursement datafile for checks is received
- Receive and process daily SETS EFT disbursement datafile
- Confirm successful EFT disbursement at payee financial institution
- Provide returned item information
- Exception processing must be reported to the State next business day.
- Process the EFT disbursement file on the same day it is received from SETS. The State must receive the file a minimum of one day prior to the settlement date.

#### **18. Disbursement Status File.**

The Contractor must generate and transmit a daily datafile to SETS that will be used to update the disbursement status for ACH Direct Deposit transactions. Similar to cleared check information, the datafile will update the payment status in SETS to indicate that direct deposit has been initiated with the obligee's bank.

#### State Project Responsibilities

- SETS regularly updated with disbursement status in order to respond to obligor/payee queries.

#### Contractor Responsibilities

- Provide daily confirmation that EFT transactions are included in the disbursement file.
- Provide exception handling resolution and reporting.
- Generate and send the ACH Direct Deposit disposition status update datafile to ODJFS by 5:00pm each business day for all ACH Direct Deposits settled that same business day (i.e. SETS disbursement/EFT authorized in a datafile received by the Contractor on Tuesday morning from Monday night's batch should have the disposition status update on the update datafile generated to ODJFS by 5:00pm Tuesday evening)
- Provide SETS with a datafile to confirm EFT transactions initiated for the current business day, for settlement the following business day.
- Transmit daily SETS disbursement status datafile to the State.

## **19. EFT Return Datafile.**

The Contractor must identify, record and track any EFT disbursements. It is also responsible for providing reports to the State and County CSEAs.

### State Project Responsibilities

- Provide return reasons through SETS for user inquiries.
- Receive EFT return datafile from Contractor

### Contractor Responsibilities

- Provide EFT return information from payee's financial institution.
- Process returns and report returns to the County CSEA for appropriate handling.
- Submit EFT Return Item Datafile to the State by 5:00 PM ET each business day. Any return EFT items received after the datafile is created must be reported on the next business day's datafile.

## **20. Research & Resolution.**

The Contractor must provide exception reporting to the State Payment Analysis unit to facilitate research and resolution of individual failed EFT/EDI transactions. The State, in conjunction with the County CSEA, is responsible for research, resolution and updating SETS to reflect accurate information and for re-requesting the EFT/EDI transfer of funds.

### State Project Responsibilities

- Timely and validated reception of EFT returns datafile.
- The County CSEA updates SETS and determines if the item should be re-disbursed.
- Reason codes for EFT return available through SETS.

### Contractor Responsibilities

- Accept information from payee's financial institution
- Make alternative disbursement arrangements within two (2) days of disbursement availability in SETS
- Report all return notifications to the appropriate County CSEA.
- Forward any NOC to the County CSEA.
  - Receive and process return ACH disbursement.
  - Generate a report, by County CSEA, of return disbursement items.
  - Fax the report to each County CSEA.
- Submit EFT Return Item Datafile to ODJFS by COB (5:00 PM ET) each business day. Any return EFT items received after the datafile is created will be reported on the next business day's datafile.

## **21. EFT Return Item.**

All returned EFT disbursements must be tracked and recorded for appropriate reporting, research and resolution.

### State Project Responsibilities

- Timely and accurate updating of case information in SETS with EFT disbursement returns, including reasons and resolutions.
- Updated disbursement information available in SETS for case participant inquiries.

### Contractor Responsibilities

- Provide timely and accurate responses from payee's financial institution as to reasons for return
- Provide specifications for EFT returns datafile
- Receive EFT disbursement return results from payee's financial institution
- Generate and transmit EFT returns datafile

## **22. EFT Reconcile.**

The Contractor is responsible for daily disbursement reconciliation, and for reporting reconciliation status to the STO and ODJFS. In order to perform daily reconciliation, the Contractor must compare the SETS daily EFT/EDI disbursement records to the Contractor reconciliation of the ACH Direct Deposit account (electronic payments). The Contractor is responsible for determining whether or not the account is in balance for that day, and reporting status appropriately.

#### State Project Responsibilities

- Timely and validated receipt of reconciliation reporting from the Contractor
- SETS will transmit a daily check file for upload to the Contractor's Customer Support Application.
- After the SETS database is updated, County CSEAs will have up-to-date access to the disbursement disposition status.

#### Contractor Responsibilities

- Ensure integrity and accuracy of daily reconciliation datafile.
- Reconcile the bank activity to the SETS Check File.
- Complete a reconciliation report to forward to the Treasurer, and make the reports available on Inner Web when reconciliation is complete.
- FTP a datafile to SETS by 5:00 p.m. EST daily to update the SETS database. Data will include:
  - 9 digit check number
  - Disposition Status
  - Checks paid
  - Stop Payments
  - Voids
- Complete reconciliation on a daily basis.

### **E. Customer Support Services**

#### **1. Client Information Requests.**

County CSEA staff will be the primary contact point for employers, obligors, and obligees. County CSEA staff will have support from the Contractor's Customer Support Unit for bank requests and service. The role of Customer Support will include some direct contact with employers, obligors, and obligees with regard to bank functions such as direct debit, direct deposit, or Internet banking protocol set up.

#### State Project Responsibilities

- County CSEA staff will be the sole point of contact for service requests made by child support clients. The Contractor's Customer Support will provide assistance to County CSEAs through the following functions
  - Reports on returned deposit items with lists and physical source documentation
  - Stop payment requests
  - Handling pull/void requests for disbursements
  - Research on collection/disbursement items
  - Access to imaged disbursement items for initial requests as needed.
- County CSEA staff will have appropriate information to provide clients with information and process to sign up for ACH Direct Deposit of child support disbursements

#### Contractor Responsibilities

- Provide primary marketing, enrollment and fulfillment packages/brochures/etc.
  - Receive and process all enrollment requests (fulfillment)
- Forward all individual client information, including the enrollment documentation, to the County CSEA of case responsibility for entrance into SETS

#### **2. County CSEA Service Requests.**

The State and County CSEAs may request assistance from the Contractor for facilitating specific actions (e.g., void, stop pay, or pull requests) or for reporting on bank activity. The Contractor must provide assistance and support for the timely execution of such requests.

#### State Project Responsibilities

- Maintain front-line access to client inquiries
- Maintain responsibility for initiating pull and void requests
- Maintain responsibility for stop payment requests

#### Contractor Responsibilities

- Pull and void and stop payments

- Establish protocol to receive pull and void and stop payment requests directly from County CSEA personnel to include:
    - Means of communication (i.e., telephone, fax, e-mail, etc.)
    - Training and documentation (i.e., training and decision for stop/put/void)
    - Time frames for activities
  - Provide a weekly report detailing pull and void activity and stop payment requests
- Execute pull and void requests. If a County CSEA is in possession of the check, the County CSEA will initiate the void request.
- Customer Support must be available between the hours of 7:00 am ET and 6:00 p.m. ET.
- Generate datafile to update SETS
- Respond to County CSEA service requests
- Provide weekly update reports on service activities

### **3. Research and Resolution.**

The Contractor must fully support the Ohio County CSEAs in collecting and disbursing child support payments in the most efficient way possible.

#### **Contractor Responsibilities**

- Service level agreements and performance expectations for key Customer Support functions
  - Pull: Immediately, under the assumption that the request is received by 12:00 PM ET.
  - Void: Immediately
  - Stop payment: Immediately
  - Reporting on return deposit item: within twenty-four (24) hours
  - Undeliverable mail turnaround: within forty-eight (48) hours
  - Researching collection and disbursement items: specified during detailed design discussions
  - Enrollment for ACH Direct deposit: complete within three (3) to six (6) weeks
  - ACH fulfillment request: within twenty-four (24) hours
- Track call patterns for individuals and counties.
- Provide the following customer support functions:
  - Balance all Reconciliation data files back to SETS.
  - Reconcile all bank statements back to SETS.
  - Report reconciliation to the Ohio State Treasurer.
  - Provide reconciliation reports to the State Payment Analysis unit
  - Process undeliverable mail.
  - Process void and stop payment requests.
  - Support County CSEA fulfillment requests.
  - Support County CSEA research requests.
  - Work with County CSEAs in the Positive Pay Review/Exception process.
- Act as liaison between the other Contractor areas and County CSEA.

## **F. Managing United States Postal Service Coordination**

### **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). The current operation has three separate post office boxes for: 1) individual remitters, 2) employers and 3) recoupment accounts.

#### **Contractor Responsibilities**

- Collect all mail from the Postal Service by 8:30 AM ET
- 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
- Coordinate with the USPS for the return of all mail pieces erroneously forwarded to the Contractor
- Identify how late receipted mail will be identified and tracked
- Coordinate with the USPS to resolve misdirected and late-receipted items.
- Coordinate with the USPS to resolve late delivery of child support payments.
- Handle and monitor all incoming mail
- Monitor USPS service levels relating to the following outgoing mail items:
  - Billings

- Report of number of misdirected mail pieces returned to USPS
- Late receipt tracking
- Disbursements
- Marketing Materials

## **G. County CSEA Training**

### **1. County CSEA Training.**

Contractor must design training for County CSEA and State staff on new Ohio CSPC activities to assist with the transition from current operations to the Contractor's centralized structure. Training must be delivered to staff impacted by CSPC procedure changes and be structured to address tasks necessary during both transition and ongoing activities. Additionally, CSPC training must be integrated into SETS' existing training and communications structure that is conducted at the five regional training centers and the SETS InnerWeb site.

#### State and County CSEA Project Responsibilities

- County CSEAs will provide time and resources to ensure adequate levels of worker training agency-wide prior to CSPC implementation
- Documentation of current operations must be available to the Contractor for easy reference and conversion to training materials

#### Contractor Responsibilities

- Provide complete CSPC documentation (i.e., workflow documents, manuals, etc.)
- Develop and provide:
  - Training Strategy
  - Training Materials
  - Supporting documentation for the SETS InnerWeb
  - Supporting documentation for CBT (as necessary)
  - County CSEA training and logistics Support:
    - Comprehensive Training Guide and program documentation for offices
    - CD-ROM overview of workflow
    - Supply collateral material (deposit tickets, endorsement stamps, etc.) for distribution to OCCD clients in branch
  - On-going communications through semi-annual newsletter distributed by mail and electronically

## **H. Reconciliation Activities**

### **1. Account Reconciliation.**

The contractor must provide and support all account reconciliation activities for Ohio Child Support Payment Central (CSPC). Detailed reporting requirements and formats will be developed through design sessions conducted by the contractor in conjunction with the ODJFS Bureau of Payment Analysis & Reconciliation (PAR) and the Treasurer of State (TOS).

#### Contractor Responsibilities

- Bank Account Reconciliation – The Contractor will be responsible for all account reconciliation responsibilities. Reconciliation at the customer support level must focus on two primary areas, excluding SETS allocation;
  - Disbursement Transaction Verification - reconcile disbursements generated by the Contractor and the SETS datafile; and
  - Exception Handling – manage pulls, stop payments, voids, and undeliverable mail processing.
- Account Reconciliation reports will include but, not be limited to:
  - Bank Account reconciliation reporting – On a monthly basis, the Contractor must provide the ODJFS cash position (within 5 business day of the end of the business month)
  - Daily reports must be provided on-line or via e-mail.
  - Deposit Reporting – The Contractor must provide a daily report of deposits as well as a monthly summary.
- The following reports must be available daily by 7:30 am for the previous day's deposit activity:
  - Settlement transactions by account
  - Returned deposit items, by County CSEA
  - Disbursement transactions by County CSEA
  - Checks paid by County CSEA
  - Stop Payments by County CSEA
  - Voided checks by County CSEA
- The Contractor must provide Monthly Bank Account Analysis Statements that include but are not limited to:
  - All transaction line items previously reported on the daily transaction reports (within 5 business days of the end of the calendar month)
  - Calculation of average daily balance for reporting period (within 10 business days of the end of the calendar month)
  - Group and account level statement of earnings (within 10 business days of the end of the calendar month)
  - Group and account level statement of banking service fees (within 10 business days of the end of the calendar month)

### **2. Account Transition.**

The Contractor must establish account transition procedures to ensure a smooth transfer of responsibilities from the current vendor to the Contractor. The Contractor and the State will provide transition workflows, training and ongoing support during the transition.

The Contractor must establish a unique deposit structure for each of Ohio's eighty-eight (88) counties and transition from the current vendor's accounts to these new accounts. The Contractor must provide any necessary retraining to State and County CSEA staff if there are changes to their workflow or to the account structure. The Contractor must provide information regarding any changes to deposit procedures and supplies. The Contractor must establish reporting and reconciliation services for the State. Training must be provided on changes to the daily and month-end reconciliation processes

#### State Project Responsibilities:

- Centralized reconciliation responsibilities

#### Contractor Responsibilities:

- County CSEA training on the Contractor's procedures and protocol;
- Assistance in determining the amount of monies to be transferred to the Contractor's banking facility;

### **3. BAI2 Deposit Reporting Datafile.**

The BAI2 Deposit Reporting Datafile is the electronic file generated and transmitted by the Contractor following the posting of the daily deposits. This file communicates all prior day balances and deposit activity from the County CSEA's account to SETS. Returned deposited Items are presented and reported to the State Payment Reconciliation Unit.

#### State Project Responsibilities

- Create Reconciliation Datafile structure
- SETS-based BAI2 transaction reconciliation: update through "automated bank file update (ABFU) style processing" – tie out of the reconciliation subsystem for printed deposit listing
- Verify successful receipt of transmitted datafile.
- Notify the Contractor when transmission is unsuccessful.

#### Contractor Responsibilities

- Provide BAI2 deposit reporting datafile
- Generate reconciliation datafile
  - Mandatory data elements to be identified after contract award
  - Standard SETS ready file format
  - Transmit file by 5:00 PM ET and include all deposit activity for that business day.
- Transmission Processing Management
  - Initiate the electronic transmission
  - Monitor transmission
  - Retransmit datafile in event of transmission error.
  - In the event of repeated unsuccessful electronic submissions, the Contractor is responsible for transporting the reconciliation datafile to SETS by other means
- Disaster Recovery
  - The Contractor must make backup copies and retransmit as necessary.
- Establish procedures for notification of failed transmissions.

### **4. Deposit Transaction Reconciliation.**

Account Reconciliation is the process by which the Contractor reconciles deposits posted by the County CSEAs.

#### Contractor Responsibilities

- Develop and use a Reconciliation datafile to identify appropriate County CSEA postings
- Perform a discrepancy analysis and "close-out" for the individual County CSEAs
- Perform a thorough understanding of BAI2 processing in order to perform reconciliation
- Provide deposit instrument reconciliation,
- County CSEA-specific deposit transaction reconciliation
  - Including the identification of discrepancy amounts
  - Manage exception items identified through BAI2 processing
- Provide reconciliation of the deposit report and the reconciliation datafile
- Generate the "clean" reconciliation datafile for the prior business day's activity by 5pm that business day (e.g., Receive BAI2 reconciliation data from Monday's bank activity and reconcile on Tuesday in order to generate a "clean" datafile to SETS by 5pm Wednesday, for Monday's BAI2 activity)

#### Process Description

- County CSEAs will receive cash payments, post the payments in SETS, balance the daily postings against the SETS log, and deposit to the Master Concentration Account.
- SETS will transmit a file to the Contractor for daily upload.
- The Contractor must create a daily BAI2 file.
- The Contractor will complete an automated compare process of the SETS file and the BAI2 file and return a balance indicator of Yes or No.
- If the balance indicator is 'Yes,' the bank account is in balance with SETS. The Contractor must produce a reconciliation report for submission to the State of Ohio Treasurer and make the reports available on the InnerWeb for access by County CSEAs.

- If the balance indicator is 'No,' the bank account is not in balance with SETS. The Contractor must take appropriate actions to identify the discrepancy, and the cause. Possible sources of errors may include:
  - Contractor errors or discrepancies that must be resolved prior to generating a reconciliation datafile may include:
    - Encoding error
    - Other proof error (e.g., two checks overlaid)
  - County CSEA errors for which the Contractor must identify the County CSEA of responsibility, notify the County CSEA for resolution, and indicate the resolution status in the reconciliation datafile (e.g., adjusting entry) may include:
    - Item missing from the deposit
    - SETS entry error
    - SETS system error

## 5. Datafile.

The Contractor must transmit a daily reconciliation datafile to SETS reflecting all collections received into the Master Concentration Account, for the purpose of reconciling SETS payment posting processing.

### State Project Responsibilities

- Verify receipt of transmitted datafile.
- Notify the Contractor if transmission is unsuccessful.

### Contractor Responsibilities

- Create Reconciliation Datafile Structure
- Generate Reconciliation Datafile
  - Mandatory data elements:
    - County number
    - Available payor and payment information
    - Deposit Status
    - SETS receipt number
- Organization of Datafile
  - Standard SETS file format
- Transmission Processing
  - Initiate electronic transmission
  - Monitor transmission
  - Retransmit datafile in event of transmission error.
  - Transport the Reconciliation Datafile to SETS by other means in the event of repeated unsuccessful electronic submissions.
- Backup Procedures
  - Make backup copies and be available to retransmit as necessary.
- Maintain 90 days worth of Reconciliation data files on site and a minimum of seven years worth of backups available offline.
- Transmit file no later than 5:00 PM ET each business day.
- Identify and report Daily Deposits and undepositable items

## 6. Reconciliation Datafile.

The Contractor must generate and transmit a daily reconciliation datafile containing all received EFT information for SETS payment posting.

### State Project Responsibilities

- Transmit reconciliation datafile to reconcile SETS and the Contractor's financial information
- Receive reconciliation datafile
- Confirm receipt of file by SETS

### Contractor Responsibilities

- Receive reconciliation datafile
- Generate and transmit reconciliation datafile to SETS by 5:00 PM ET for nightly batch

## **7. EFT/EDI Deposit Reconciliation.**

The Contractor must perform a reconciliation of all payments posted to SETS through the batch update process for employer/payroll EFT/EDI. It is assumed that all EFT/EDI payments are “good money” upon initiation because the employer or payroll processor is responsible for their generation; therefore reducing or eliminating returned deposit items.

### State Project Responsibilities

- Research support from County CSEA as needed.
- Receipt of daily reconciliation datafile.
- Deposit instrument-tracking numbers from the EFT/EDI header record.

### Contractor Responsibilities

- Provide research support as needed.
- Ensure integrity and accuracy of daily reconciliation datafile.
- Clarify requirements for deposit reconciliation of EFT/EDI collections posting.
- Generate and transmit “clean” reconciliation datafile for the prior business day’s activity by 5:00 PM ET that business day (e.g., Contractor must receive “raw” reconciliation data from Monday’s bank activity and reconcile on Tuesday in order to generate a “clean” datafile to SETS by 5:00 PM ET Wednesday).

## **8. Account Reconciliation Reports.**

On a monthly basis, reconciliation must be performed and reports produced for each separate disbursement account. A listing of paid items must be provided daily via electronic data transmission; however, account reconciliation will not occur on a daily basis, except as required for with daily positive pay exception item review.

### Contractor Responsibilities

- Receive checks
- Send check file to ARP
- Receive ARP validation of items presented via Positive Pay
- Make a pay or return decision based upon pre-established State requirements
- Pay accepted checks
- Transmit nightly ARP Paid Item Listing to State.
- Provide full ARP reports monthly
- Update Paid Item Listing file through nightly file submission
- Provide stale date report
- Reports must be available for review by the State no later than five (5) business days following the end of the business month.
- Retransmit a report upon request from the State following an unsuccessful transmission.
- Maintain reports on-line for ninety (90) days after the cycle date. After ninety (90) days, reports must be available on an archive system.
- Provide the State with information on all items issued, paid, voided, etc., along with detailed information needed to reconcile and manage disbursement checking accounts
- Provide full reconciliation with Positive Pay on eighty-eight (88) County CSEA disbursement accounts including a list of both paid and outstanding checks, with exception items clearly identified.
- Provide check issue files via electronic data transmission
- Provide detailed reconciliation reports for all account activity balanced to the DDA account statement at the end of the reconciliation period
- Establish each of the eighty-eight (88) accounts with a stale date period of 180 days.
- A check presented for payment after the established stale date period must will be reported as an exception on the daily Positive Pay Exception Report and payment mustbe denied.
- Standard reports available with Full Reconciliation must include:
  - Cover Sheet
  - Recap of Posted Items
  - Outstanding Settlement Report
  - Reconciliation Diagnostic Summary
  - Miscellaneous Credits
  - Miscellaneous Debits

- Paid Only Report
- Unpaid Only Report
- Consolidated Report
- Ad Hoc reports may include but may not be limited to:
  - Paid-No-Issue Report
  - Unmatched Reconciliation Report
  - Stop Reconciliation Report
  - Aged Issues Report (a customized report file transmission with the monthly ARP reconciliation files)
- Reconciliation reports must be provided within five (5) business days after the statement/reconciliation cycle or within 5 business days after receiving final issue input for the period.
- Report data must be available via data transmission in a format that is compatible with the State system.

### **9. Reconciliation Datafile.**

Each night, following nightly batch processing, the Contractor must create the electronic reconciliation datafile. The file must provide status update information on all paid items from the prior day's activity. The Contractor will transmit the nightly BAI2 file to the State during the business day on which the file is generated. The file will be uploaded to SETS via nightly batch processing, so that information is available to County CSEAs on the second business day (i.e., Monday's activity is processed by the Contractor early Tuesday morning, at which time the BAI2 file is created. The State retrieves the BAI2 file Tuesday morning, and uploads it to SETS in Tuesday night's batch, making the data available on Wednesday morning.)

#### State Project Responsibilities

- SETS must confirm successful file receipt.
- SETS must notify the Contractor of unsuccessful transmission so that the Contractor will retransmit the file.
- The State will define an escalation procedure for use in the event that an item cannot be traced back to a particular County CSEA.

#### Contractor Responsibilities

- The Contractor must generate the datafile to include at a minimum:
  - SETS nine digit check number;
  - Disposition status of checks cleared
  - Amount of check
  - County CSEA of origin (each file separated by county account must include an identifying County CSEA designation)
- The Contractor must organize the datafile in standard file format readable by SETS
- Transmission Processing
  - Initiation of the electronic transmission
  - Monitoring of transmission
  - Verification of successful receipt of the datafile by SETS
  - Re-transmission of datafile in the event of error; and
  - Backup tape transfer in the event of repeated unsuccessful electronic submissions
  - Backup procedures definition and re-transmission protocol
- Valid datafile received by SETS from the Contractor no later than 5:00 PM ET each business day for all disbursement status updates, such as cleared instruments
- Valid datafile received by SETS from the Contractor no later than 5:00 PM ET each business day.
- Notification of the outcome of investigations conducted by the Contractor.
- The ARP system must produce a daily data file containing checks presented and paid on ARP the previous business day.
- The file is available by 10:00 AM ET the day following posting.  
A separate file may be generated for each of the eighty-eight (88) accounts, or the file may contain data for all eighty-eight (88) accounts combined
- The file will not include non-monetary transactions, returned checks, voids, stops, or any other check that rejected on the ARP system during batch posting (e.g. Positive Pay exception checks). Rejected checks must be included on subsequent data files when repaired and re-posted to the ARP system by ARP Operations.

- “Additional data” for each issued check, as provided on the issue file, may be provided on the daily paid file for each paid check. To facilitate paid check research and reconciliation, each issued check record must contain the case number, last name, and first name. This information will then be reported back on the daily reconciliation file for each paid record.
- In addition to the daily paid file, the Contractor must provide an electronic transmission of report data contained in the monthly reconciliation reports. This file is available upon successful completion of the month-end account reconciliation by ARP.
- The Contractor must confirm successful transmission of the daily paid file.
- The Contractor must archive daily transmissions for ten (10) business days.

#### **10. Disbursement Transaction Reconciliation.**

SETS disbursement reconciliation includes reconciliation activities for both the Contractor and the State. At a minimum, the disbursement reconciliation is the nightly file transfer of prior day’s bank activity, and how it is appropriately translated into the SETS application. Current SETS processing provides a simplified version of standard file formatting which supports disbursement reconciliation.

##### State Project Responsibilities

- SETS must process the daily datafile during nightly batch
- SETS will transmit a daily check file to the Contractor.
- SETS screens and databases will be updated daily based on the Contractor datafile
- The State will provide the Contractor’s staff with baseline training and education on SETS financial management architecture and the current reconciliation workflow and procedures
- The State will provide work sessions to address the modification and redesign of key SETS reports to facilitate the Contractor’s staff to assume reconciliation duties
- After the SETS database is updated, County CSEAs must have up-to-date access to the disbursement disposition status.

##### Contractor Responsibilities

- Reconcile bank activity for the day for the Disbursement Account and generate the nightly datafile, which includes (at a minimum):
  - Check information:
    - SETS 9-digit check number
    - Disposition status
    - Checks paid Stop Payments- monthly
    - Voids- monthly
  - The contractor must send the reconciliation datafile to SETS no later than 5:00 PM ET each business day
- The Contractor will reconcile the bank activity to the SETS Check File)
- The Contractor must complete a reconciliation report to forward to the Treasurer, and will make the reconciliation reports available on Inner Web when reconciliation is complete.
- The Contractor must send a datafile to SETS by 5:00 PM EST daily to update the SETS database. Data will include:
  - 9-digit check number
  - Disposition Status
  - Checks paid
  - Stop Payments
  - Voids
  - Provide consistent, accurate daily updates to the SETS application based on the Contractor reconciliation in order for County CSEAs to provide accurate, up-to-date information to clients.

#### **11. EFT Reconcile.**

The Contractor is responsible for daily disbursement reconciliation, and for reporting reconciliation status to the STO and ODJFS. In order to perform daily reconciliation, the Contractor must compare the SETS daily EFT/EDI disbursement records to the Contractor reconciliation of the ACH Direct Deposit account (electronic payments). The Contractor is responsible for determining whether or not the account is in balance for that day, and reporting status appropriately.

#### State Project Responsibilities

- Timely and validated receipt of reconciliation reporting from the Contractor
- SETS will transmit a daily check file for upload to the Contractor's Customer Support Application.
- After the SETS database is updated, County CSEAs will have up-to-date access to the disbursement disposition status.

#### Contractor Responsibilities

- Ensure integrity and accuracy of daily reconciliation datafile.
- Reconcile the bank activity to the SETS Check File.
- Complete a reconciliation report to forward to the Treasurer, and make the reports available on Inner Web when reconciliation is complete.
- FTP a datafile to SETS by 5:00 p.m. EST daily to update the SETS database. Data will include:
  - 9-digit check number
  - Disposition Status
  - Checks paid
  - Stop Payments
  - Voids
  - Complete reconciliation on a daily basis.

### **12. Research and Resolution.**

The Contractor must fully support the Ohio County CSEAs in collecting and disbursing child support payments in the most efficient way possible.

#### Contractor Responsibilities

- Service level agreements and performance expectations for key Customer Support functions
  - Pull: Immediately, under the assumption that the request is received by 12:00 PM ET.
  - Void: Immediately
  - Stop payment: Immediately
  - Reporting on return deposit item: within twenty-four (24) hours
  - Undeliverable mail turnaround: within forty-eight (48) hours
  - Researching collection and disbursement items: specified during detailed design discussions
  - Enrollment for ACH Direct deposit: complete within three (3) to six (6) weeks
  - ACH fulfillment request: within twenty-four (24) hours
- Track call patterns for individuals and counties.
- Provide the following customer support functions:
  - Balance all Reconciliation data files back to SETS.
  - Reconcile all bank statements back to SETS.
  - Report reconciliation to the Ohio State Treasurer.
  - Provide reconciliation reports to the State Payment Analysis unit
  - Process undeliverable mail.
  - Process void and stop payment requests.
  - Support County CSEA fulfillment requests.
  - Support County CSEA research requests.
  - Work with County CSEAs in the Positive Pay Review/Exception process.
  - Act as liaison between the other Contractor areas and County CSEA.

### **13. ACH Direct Debit Deposit Reconciliation.**

The Contractor must conduct a reconciliation of all payments posted to SETS through the batch update process for ACH Direct Debit transactions. It is assumed that all ACH Direct Debit payments are valid upon initiation; therefore reducing or eliminating returned deposit items. As a result, the SETS-based reconciliation will be a matter of updating the "cleared" status of individual "deposit instrument tracking numbers" from the ACH Direct Debit header record.

#### State Project Responsibilities

- Research support from County CSEA and the Contractor as needed
- Timely and validated reception of daily reconciliation datafile

#### Contractor Responsibilities

- Ensure integrity and accuracy of daily reconciliation datafile
- Generate a “clean” reconciliation datafile for the prior business day’s activity by 5 pm that business day (e.g., Contractor must receive “raw” reconciliation data from Monday’s bank activity and reconcile on Tuesday in order to generate a “clean” datafile to SETS by 5pm Tuesday for Monday’s “raw” activity)

## **I. Optional Services**

### **1. Market Internet.**

The Contractor must offer individual obligors and employers the option to view and pay child support obligations via a secure Internet session. The advantages of Internet access must be communicated clearly and convincingly. The Contractor must take reasonable action to ensure secure access to confidential financial information.

#### Contractor Responsibilities

- Collaborate with State on marketing goals and approach
- Define clear and consistent marketing activities and provide effectiveness metrics
- Develop an integrated long-term marketing plan that will
  - Identify target audiences
  - Identify existing or develop marketing materials
  - Identify marketing objectives
  - Develop user instruction or on-line help materials
- Develop and provide training materials to state and county CSEA staff in conjunction with the Contractor’s technical staff
- Develop and provide initial announcement/marketing mailing to all individual obligors (approximately 215,600) and employers in the state (approximately 400,000)
- Develop and distribute Employer/Individual Direct Mail program – frequency of mailings to be determined as part of planning process
- Develop and distribute Employer and Individual Information Materials
- Provide information in response to on-going requests from interested parties
- Develop and implement statewide print advertising in metropolitan publications
- Develop and provide print advertising material in a “photo ready” mode that is suitable for county CSEA use with local media
- Develop and provide announcement and /marketing mailings to key stakeholders, media and advocacy groups
- Develop and distribute County CSEA Information Materials (includes summary of marketing effort and samples of marketing materials plus instructions on fulfilling employer/individual requests for program information)
- Include all levels of electronic collection capabilities in marketing materials: EDI and Internet

Contractor Optional Responsibility (the State may choose not to implement this feature)

- Employer Electronic Newsletter (posted quarterly on the Internet Website)

### **2. Internet Logistics and Setup.**

The Contractor must provide obligors and employers interested in viewing and paying child support obligations via secure Internet transmission with the necessary forms and procedures. The Contractor must set expectations with the obligors as to when Internet sessions will be available, how often the data is updated, and when Internet payments will be processed. Datafile exchange procedures must be established between SETS and the web server.

#### State Project Responsibilities

- Provide specifications of SETS billing datafile
- Provide support in identifying critical or mandatory data elements for capture as well as recommended capture points

#### Contractor Responsibilities

- Provide initial intake and ongoing maintenance of employers and obligors in the program
- Provide standard operating procedures for enrollment in Internet access

- Test Internet prior to actual billing and collections (system and individual user tests)
- Build web and host web site
- Identify specifications for web architecture and communications protocols
- Provide architecture, servers, information and transaction repository/database, development platform and ongoing maintenance platform
- Provide web server architecture and communications protocols
- Provide conversion software for converting SETS billing data files into ACH direct debit-ready data files
- Provide conversion software for converting ACH direct debit-results data files into SETS update data files
- Provide internet web site to be able to process both “push” and “pull” functions
  - Push: accept SETS billing datafile and display in easy-to-read fashion
    - Employer group model
    - Host multiple group models for any one employer, sorted by third party number
    - Search on employer name, third party number and FEIN
    - Individuals
    - Host multiple case/order obligations for one participant, sorted by participant
    - Search on name, participant number, SETS case number
  - Pull: accept updates to hosted information
    - Employer group model
    - Capture requests to consolidate multiple third party numbers for employers (i.e. merge lists)
    - Capture text information for employees (e.g., sick – no pay this period)
    - Capture modifications to amount withheld, participant information
    - Individual
    - Capture changes/additions to individual demographics (address, bank account, etc.)
- Provide County CSEA Office Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
  - Provide on-going communications through semi-annual newsletter distributed by mail and electronically
- Provide training, procedures and forms/materials for proper updating of SETS for enabling Internet access

### **3. SETS Billing Datafile Exchange.**

Each month, SETS must provide the web server with billing information for those obligors and employers who have selected Internet access to their child support obligations. Additionally, the Contractor will capture additional new/changed information from employers and individuals and be responsible for capturing and updating SETS with information for verification by County CSEA staff.

#### State Project Responsibilities

- Provide timely and validated transmission of monthly SETS billing datafile, in standard format, to web server for both employer group models and individual obligations.
- Provide accurate, complete and timely updating of SETS records

#### Contractor Responsibilities

- Provide timely and validated transmission of monthly billing datafile to Internet web server
- Provide proper updating of SETS as to Internet participation
- Provide file to automatically update participant demographics in SETS, including the following data elements
  - Date requested/initiated
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state

- Participant Zip + 4
  - Participant bank name
  - Participant bank account routing transit number/account number
- Provide file from Customer Support to automatically update employer roster information in SETS, including the following data elements
  - Date requested/initiated
  - Employer name
  - Employer third party numbers (TPNs)
  - Employer Federal Employer Identification numbers (FEINs)
  - Employer bank name
  - Employer bank account routing transit number/account number
  - Employee Information (new/changed for multiple employees)
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state
  - Participant Zip + 4
- Develop Internet specifications
- Develop Internet case update procedures
- Provide training for properly updating case status in SETS to permit Internet access
- Provide training on the automatic update/verification of new employer and /or individual information posted to the internet payment posting site
- Produce and transmit files that contain:
  - Updated case information
  - Updated SETS billing file
- The SETS must be displayed as an invoice on the WEB to participating employers or obligors
- The demographic update datafile must be generated to SETS by 5:00 PM ET every Friday for new/changed participant information received by the Contractor for the previous week (Monday through that same Friday)

#### **4. Request ACH Direct Debit.**

Upon successful Internet login and request for direct debit payment to child support obligation by an obligor or employer, the web server must generate a valid ACH direct debit request

##### State Project Responsibilities

- Provide timely and validated transmission of SETS billing datafile, in standard format, to web server
- Provide reliable processing of SETS billing datafile by web server
- Provide accurate Internet case setup and information entered into SETS
- Provide secure web page for collecting account information from employers/obligors

##### Contractor Responsibilities

- Provide timely and validated transmission of SETS billing datafile to web server
- Provide appropriate translation of SETS billing datafile into "live" bill on Internet web server
- Provide accurate Internet case setup and information entered into SETS
- Confirm successful receipt of valid ACH direct debit request
- The system must provide the user with "live" feedback on status of payment authorization.
- Generate SETS posting datafile each business day for transactions that settle by 12:00 Noon ET. The SETS posting datafile must be generated to ODJFS by 5:00PM ET for all ACH direct Debit transactions that settle by 12:00 Noon ET that business day
- Provide a web application that includes, at a minimum, the following features:
  - When selected by the obligor or employer, the electronic payment Web page will appear with pre-populated payment data displayed based on the net invoice amount.

- The obligor or employer will initiate payment of the invoice to establish an ACH direct debit request.
- Payment history will be displayed online once initiated.
- Web pages will display brief information in tabular format for twenty payments at a time.
- Additional details regarding a payment will be available by selecting the payment from the display list.

**5. Contractor Direct Debit.**

Upon receiving valid ACH direct debit request, the Contractor must direct debit obligor/employer's account.

State Project Responsibilities

- Accurate and current case information and Internet information contained in SETS billing datafile
- Timely and accurate transmission of ACH direct debit information from online user via web server

Contractor Requirements

- Provide timely and accurate debiting of obligor's account as agreed in obligor set up activity
- Provide exception handling and reporting
- Provide timely confirmation of payment status to online user
  - Issue a confirmation number
  - Display payment status
- Develop and provide a system to process:
  - Online user's debit information
  - Web server-generated request for ACH direct debit
- A payment verification screen will appear after the payment screen has been processed.
- Once the payment has been processed and validated a confirmation number will be issued and the payment status displayed.

**6. SETS Datafile.**

SETS must be updated daily with all payment activity that the Contractor receives through ACH Direct Debit. This must be in the form of an update datafile transmitted from the Contractor to SETS.

State Project Responsibilities

- Timely and validated reception of update datafile
- Exceptions handling resolved/reported as necessary

Contractor Responsibilities

- Provide timely and validated transmission of payment activity update datafile
- Generate the following data elements on the payment posting datafile
  - Batch number
  - Collection Date
  - Receipt Date
  - Payment method
  - Deposit instrument tracking number
  - Deposit instrument item number
  - For each individual payment
  - Amount
  - SETS case number
  - SETS order number/state code/county code
  - SSN
  - Obligor last, first name
  - Employer TPN (where appropriate)
  - Employer name (where appropriate)
- Ensure that all ACH Direct Debit transactions received by 12:00 PM ET on a business day are appropriately identified and transmitted on the same business day for generation to the State by 5:00 PM ET:
- Develop a process to manage ACH Direct Debit requests/settlement

## **7. Reconciliation Datafile.**

The Contractor must generate and transmit to SETS a daily reconciliation datafile containing all received ACH Direct Debit information for SETS payment posting.

### State Project Responsibilities

- Timely and validated transmission of reconciliation datafile for the purpose of reconciling SETS and the Contractor's financial information
- Confirm receipt of Reconciliation Datafile

### Contractor Responsibility

- Provide timely and validated reception of reconciliation datafile
- Generate and transmit ACH Direct Debit reconciliation

## **8. ACH Direct Debit Deposit Reconciliation.**

The Contractor must conduct a reconciliation of all payments posted to SETS through the batch update process for ACH Direct Debit transactions. It is assumed that all ACH Direct Debit payments are valid upon initiation, therefore reducing or eliminating returned deposit items. As a result, the SETS-based reconciliation will be a matter of updating the "cleared" status of individual "deposit instrument tracking numbers" from the ACH Direct Debit header record.

### State Project Responsibilities

- Research support from County CSEA and the Contractor as needed
- Timely and validated reception of daily reconciliation datafile

### Contractor Responsibilities

- Ensure integrity and accuracy of daily reconciliation datafile
- Generate a "clean" reconciliation datafile for the prior business day's activity by 5 pm that business day (e.g., Contractor must receive "raw" reconciliation data from Monday's bank activity and reconcile on Tuesday in order to generate a "clean" datafile to SETS by 5pm Tuesday for Monday's "raw" activity)

## **9. Market Consumer ACH Direct Debit.**

The Contractor must inform obligors of the availability of direct debit as a payment option. Advantages of direct debit must be communicated clearly and convincingly. Goals and metrics must be established to shape the overall marketing strategy.

### State Project Responsibilities

- Work with Contractor to establish marketing goals and strategy
- Training for State and County CSEA staff for appropriate update of SETS for establishing obligor direct debit

### Contractor Responsibilities

- Provide initial announcement and marketing, mailing to all participating non-withholding clients in the state (approximately 180,000 per month).
- Provide periodic marketing mailings to non-withholding clients that have not enrolled to participate in the electronic payment options.
- Provide payment Options brochure describing the alternatives available for employees to make payments electronically ACH Direct Debit (via Customer Initiate Entry or via Voice Response Unit, Pre-Authorized Debit, or Internet
- Provide payroll statement stuffer available for employers to insert in employees checks encouraging participation in the electronic programs.
- Provide statewide public service announcements (paper and electronic).
- Develop and provide ACH direct debit procedures, standards and requirements
- Plan, develop and provide marketing materials
- Plan, develop and provide outreach activities

## 10. Logistics and Setup.

County CSEAs must be prepared to provide necessary forms and procedures to obligors interested in establishing ACH direct debit of their accounts. Expectations need to be set with the obligors as to when ACH direct debit will be processed and how much will be debited. Datafile exchange procedures must be established between SETS and the Contractor. Initial intake and ongoing maintenance of obligors in the program will have to be addressed.

### State Project Responsibilities

- Approve Contractor's operating procedures.
- Transmit SETS posting file of ACH direct debit transactions.

### Contractor Responsibilities

- Establish operating procedures for enrollment in ACH direct debit program including all necessary forms and documentation
- Test ACH direct debit prior to actual billing and collections (i.e., system and individual user tests)
- Provide training, procedures, forms and materials for proper updating of SETS for enabling ACH direct debit
- Communicate input requirements through a marketing and outreach program to ensure comprehensive data collection, including:
  - SETS case number
  - SETS order number/state code/county code
  - Obligor last name, first name
  - Obligor SSN
  - Amount
  - Obligor Bank Account Name
  - Obligor Bank Account Routing Transit Number
- Provide County CSEA information materials (including summary of marketing effort and samples of marketing materials as well as instructions on fulfilling employee requests for program information)
- Develop training documentation.
- Provide enrollment database and procedures
- Provide file transfer protocol and interface requirements between the Contractor and SETS.
- Establish pre-note procedures.
- Provide County CSEA training and logistics support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
- Provide ongoing communications through semi-annual newsletter distributed by mail and electronically

## 11. SETS Record.

The Contractor must ensure that the obligor's SETS case information indicates the obligor has set up ACH direct debit for his or her child support payment.

### State Project Responsibilities

- Training of County CSEA's and State staff for properly updating case status in SETS to permit direct debit

### Contractor Responsibilities

- Provide a monthly file to automatically update participant demographics in SETS, including the following data elements
  - Date requested/initiated
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state

- Participant Zip + 4
  - Participant bank name
  - Participant bank account routing transit number/account number.
- Generate ACH participant demographic update datafile to SETS by 5:00pm every Friday for new/changed participant information received by the Contractor for the previous week (Monday through that same Friday)
- Identify and provide ACH Direct Debit specifications
- Identify and provide ACH Direct Debit case update procedures
- Format and transmit a file to SETS that contains the following:
  - Updated case information
  - Updated SETS billing file

## **12. Request ACH Direct Debit.**

At predetermined intervals, the Contractor must produce a report of all ACH debit transactions to be settled against an obligor's bank account, for obligors enrolled in the ACH Debit Program. ACH Direct Debit must be available to individual obligors and employers remitting obligations on behalf of an employee.

### Contractor Responsibilities

- Direct debit processing pursuant to participant requests.
- Timely and validated transmission of SETS billing datafile, in standard format
- Accurate ACH direct debit case information
- The Contractor billing datafile is generated monthly, and must indicate form of payment
- The Contractor to generate SETS posting datafile each business day for transactions that settle by 12 NOON. The SETS posting datafile must be generated to the State by 5:00pm EST for all ACH direct Debit transactions that settle by 12 NOON EST that business day
- Confirm successful receipt of valid ACH direct debit request

## **13. Contractor Direct Debit.**

The Contractor must process all ACH direct debit transactions for settlement at the obligor's financial institution in accordance with National Automated Clearing House Association (NACHA) rules,.

### Contractor Responsibilities

- Provide timely and accurate debiting of obligor's account as agreed in obligor set up activity
- Provide exception handling and reporting
- Provide a file in NACHA Format
- Authenticate file.
- Receive file one (1) day prior to settlement
- Transmit file
- Process returns and exceptions.
- Provide accurate and current ACH direct debit information contained in billing datafile

## **14. SETS Datafile.**

SETS must be updated daily with all payment activity that the Contractor receives through ACH Direct Debit. This must be in the form of an update datafile transmitted from the Contractor to SETS.

### Contractor Responsibilities

- Provide timely and validated transmission of payment activity update datafile
- Generate the following data elements on the payment posting datafile
  - Batch number
  - Collection Date
  - Receipt Date
  - Payment method
  - Deposit instrument tracking number
  - Deposit instrument item number
  - For each individual payment
  - Amount
  - SETS case number

- SETS order number/state code/county code
- SSN
- Obligor last, first name
- Employer TPN (where appropriate)
- Employer name (where appropriate)
- Provide timely and validated reception of update datafile
- Provide exception handling resolved and reported as necessary
- Identify and transmit all ACH Direct Debit transactions received by 12:00 PM ET on a business day for generation to the State by 5:00 PM ET:
- Receive and process ACH Direct Debit requests/settlement
- Transmit SETS update datafile

**I. Disaster Recovery**

**1. Disaster Recovery.**

The Contractor is responsible for providing a Disaster Recovery Plan for checkprinting, lockbox and customer support operations.

**Contractor Responsibilities**

- Backup and archive data on a frequent and regular basis
- Provide protocol for offsite storage
- Provide data restoration processes that ensure full system functionality in the shortest possible time in the event of system failure
- In the event of system failure, the Contractor must continue with normal operations and timeframes
- Guarantee file retrieval through archived files

**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' and should allow for the three (3) days the State will require to approve each deliverable document.

<b>Milestone</b>	<b>Date</b>
<b>Project Kick-off Meeting</b>	Five (5) days after receipt of Purchase Order
<b>Technical Design and Implementation</b>	
System Requirement Document (includes business process flows)	Contractor
General System Design Document	Contractor
Technical Design Document	Contractor
System Testing Plan (develop scenarios, develop schedule, identify requirements)	Contractor
Completion of two full cycles of testing (PC and mainframe)	October 25, 2002
<b>Marketing</b>	
Marketing Plan (transition)	Contractor
Marketing Plan (on-going)	Contractor
Outreach to existing EDI/EFT employers	October 14, 2002
Transition Marketing Materials Distributed (Audience: County CSEAs, Employers, Obligors)	October 14, 2002
<b>Training</b>	
Training Plan and Materials Developed	Contractor
Training Materials Completed	Contractor

Training Delivery	To begin no earlier than October 25, 2002 and completed by November 8, 2002
<b>Account Management – Transition and Ongoing</b>	
Account Cut-Over Reconciliation Plan	September 30, 2002
Account Structure Set-up Completed	November 4, 2002
Customer Service Ready	November 4, 2002
Reconciliation Procedures and Protocols Defined and Implemented	November 4, 2002
EFT/EDI Collection Procedures for Payments Directed to Current Vendor in Error	November 4, 2002
ACH Disbursement Procedures in Place	November 4, 2002
Contractor Begins Issuing Checks	November 12, 2002
Transition Completed (no later than)	December 31, 2002

**Performance Testing.** A performance test will be conducted and must extend over no more than six weeks. The Contractor must successfully complete a minimum of two (2) full mainframe testing cycles before going into production. Mainframe testing will begin after the Contractor has completed successful desktop or PC testing. A test calendar and scenarios will be developed jointly between the Contractor and the State.

**Performance Criteria.** The Contractor and the State will jointly develop test scenarios that address daily, weekly and monthly transactions. Testing will be initiated on the desktop, but the final testing must take place with the SETS mainframe programs. Each transaction is subject to acceptance testing.

Test areas will include but not be limited to:

- Reports - SETS & Contractor
- EFT Process - In & Out
- EFT Enrollment Process
- File Transfers
- Check Processing
- Billing
- Unidentified Payments
- Interstate EFT Payments
- Cost Recovery
- Recoupment
- All Financial Aspects of the System
- Reference Tables
- Financial Corrections
- Voluntary Payments

**The Contractor's Fee Structure.** The Contractor will be paid for the Deliverables and Transaction items listed on the Cost Summary Form included as an Attachment to this document.

**Escrow Account.** Contractor is responsible for establishing an escrow account to which the State is expressly a beneficiary for all proprietary software developed with funds outside of this Contract that are incorporated into any deliverable under this Contract, excluding commercial software licensed by a third party. The account must contain the current application source code and at least two previous versions, documentation, models used in development such as entity-relationship diagrams and object interaction diagrams, the development environment for the software such as language compilers, debuggers, analysis and design tools, version-control software, testing tools and repositories, source code for the run time environment and whatever is needed to modify the run time environment.

Contractor must ensure that the agreement which establishes the escrow account is acceptable to the state, by providing the state an opportunity to review it, prior to execution. The state may reject the agreement in whole or in part if any of the terms and conditions conferring rights and obligations upon the state are not compatible with state policies and law, including the term of the agreement, any indemnification obligations, the location for arbitration, governing law and any payment obligations. The state may also reject the agreement in whole or in part if the state's access to the escrowed materials is not satisfactory to the state.

**Project Reports.** The Contractor must perform periodic quality control reviews of its operations and supply the results of the quality control reviews, including all findings and corrective actions needed and the time frame for completing each action to the state within five business days of completing the quality control review. Thereafter, the Contractor must provide weekly status reports on all findings until the finding is closed. The Contractor must supply copies of all findings, responses, corrective actions and time frames for completing each action for each such audit, report, memoranda and other written communication.

The State will perform periodic quality assurance reviews of the Contractor's operations. The State will provide the results of any quality assurance review to the Contractor, including all findings. The Contractor shall respond, within thirty (30) calendar days of receipt of the review with a corrective action plan and projected dates of completion for each action. The Contractor must provide weekly status reports on all findings and corrective actions until the finding is closed.

**Source of Funding; Third-Party Funding.** Compensation for this Contract will include both federal and state funds.

**Reimbursable Expenses.** None.

**Bill to Address.** The Contractor must submit invoices in quadruplicate (1 original and 3 copies):

Ohio Department of Job and Family Services  
Office of Fiscal Services  
Bureau of Accounting  
30 East Broad Street, 30th Floor  
Columbus, Ohio 43215.

Contractor's federal tax identification number and purchase order number must appear on all statements and time sheets. The provisions of Ohio Revised Code, Section 126.30 will also apply to any Contract between the parties.

**Permits the State Will Obtain.** None.

## ATTACHMENT TWO: REQUIREMENTS FOR PROPOSALS

**Proposal Format.** Each Proposal must include sufficient data to allow the evaluation committee to verify the total cost for the Project 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 will 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:

- Cover Letter
- Offeror Profile
- Statement of Understanding
- Contract Performance
- Remedies
- Development and Support Capabilities
- Staffing Plan
- Personnel Profile Summaries
- Work Plan(s)
  - Work Plan for Account Management
  - Work Plan for Lockbox Operations
  - Work Plan for Employer EDI
  - Work Plan for Disbursement Operations
  - Work Plan for Customer Support Services
  - Work Plan for Managing Post Office Coordination
  - Work Plan for County CSEA Training
  - Work Plan for Optional Services
  - Work Plan for Disaster Recovery
  - Work Plan for Reconciliation Activities
- Project Management Methodology
- Project Schedule
- Quality Assurance Plan
- Support Requirements
- Cost Summary
- Time Commitment
- Performance Bond
- Conflict of Interest
- Minimum Financial Requirements
- Payment Address
- Proof of Insurance
- W-9 Form

**Cover Letter.** The cover letter must be in the form of a standard business letter and must be signed by an individual authorized to legally bind the offeror. The cover letter will provide an executive summary of the solution the offeror plans to provide. The letter must also have the following:

- a. A statement regarding the offeror's legal structure (e.g., an Ohio corporation), Federal tax identification number, and principal place of business;
- b. A list of the people who prepared the Proposal, including their titles;
- c. The name, phone number, and fax number of a contact person who has authority to answer questions regarding the Proposal;

- d. A list of all subcontractors, if any, that the offeror will use on the Project if the offeror is selected to do the work;
- e. 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, tax identification number, and principal place of business address;
  2. The name and phone number of someone 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;
  5. A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP;
- f. A statement that the offeror's proposed solution for the Project meets all the requirements of this RFP;
- g. A statement that the entity proposed to serve as the financial institution is a member of FDIC;
- h. A statement that the offeror's solution complies with Section 135.18 of the Ohio Revised Code;
- i. A statement that the offeror or at least one (1) named subcontractor is a member in good standing with the American Banking Association;
- j. A statement that the offeror will not charge non-bank customers any processing fee for cashing child support checks issued under this contract; and
- k. A statement indicating that the offeror has not submitted their proposal under the assumption that there would be an opportunity to negotiate any aspect of the proposal.

**Offeror Profile.** Each Proposal must include a profile of the offeror's relevant experience working on projects similar to this Work. The profile must also include the offeror's legal name, address, and telephone number; home office location; date established; ownership (such as public firm, partnership, or subsidiary); firm leadership (such as corporate officers or partners); number of employees; number of employees engaged in tasks directly related to the Work; and any other background information that will help the evaluation committee gauge the ability of the offeror to fulfill the obligations of the Contract.

The offeror must also include three (3) project references for which the offeror has successfully provided services that were similar in their nature, size, and scope to the Work required for this project. These references must relate to work that was performed within the past five (5) years. This RFP includes a reference form as an attachment. The offeror must use this form and fill it out completely for each reference.

**The forms must be completed using typewritten or electronic means.** The forms may be recreated electronically, but all fields and formats must be retained. Failure to recreate the forms accurately may lead to the rejection of the offeror's proposal.

Each reference must be willing to discuss the offeror's performance with the evaluation committee.

**Statement of Understanding.** The offeror will describe their understanding of the purpose, scope and intent of this project. In the Statement of Understanding, the offeror should demonstrate a sound knowledge of and experience with all aspects of child support collection and disbursement activities. The offeror will provide sufficient information to demonstrate a working knowledge and understanding of the scope of work of this project. Restating the scope of work of this document will not be an acceptable response and may eliminate the offeror from further consideration.

**Contract Performance.** The offeror must provide the following information for this section for the past seven years:

- a. Whether the offeror has had a contract terminated for default or cause. If so, the offeror must submit full details, including the other party's name, address, and telephone number.
- b. Whether 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). If so, the offeror must provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.
- c. Whether 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.

- d. Whether trading in the stock of the company has ever been suspended with the date(s) and explanation(s).
- e. Whether 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.
- f. Whether 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 in (a) through (f) 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 evaluation committee, such an answer and a review of the background details may result in a rejection of the offeror's Proposal. The committee will make this decision based on its determination of the seriousness of the matter, the matter's possible impact on the offeror's performance of the Work, and the best interests of the State.

**Remedies.** Offerors 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 the amounts specified below. The offeror statement must expressly include the following acknowledgements:

General Events of Default, Loss, Theft, and Misdirection – The Contractor must reimburse the State actual, direct damages associated with the following events of loss:

- a. any loss of federal funds that is attributable to the offeror's performance of the requirements of this contract.
- b. the amount paid on any instrument that was lost or taken while in the possession of the Contractor, its subcontractors, agent or employees within two days of the identification of such a payment.
- c. the amount of any funds misdirected as a result of a payment that is not posted in accordance with the original remittance document.
- d. the amount of any funds misdirected through an EFT or direct deposit transaction within two business days of the identification of the misdirection.

Specific Events of Default and Liquidated Damages – The Contractor must reimburse the State actual, direct damages associated with any of the below listed events of default. As the State anticipates that it may be difficult to determine the amount of the State's actual, direct damages, liquidated damages amounts are provided for each specific event of default. If the actual, direct 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:

Account Management – The Contractor must compensate the State \$10,000 per day for any day when at least 95% of checks deposited the previous day are not available.

Check Printing – The Contractor must compensate the State:

- a. \$100 per occurrence PLUS any amount over the amount on the SETS disbursement datafile for any day when checks have not been printed to a 100% tolerance from the SETS disbursement datafile.
- b. \$1,000 per day for any business day when the SETS system has not received a disbursement status update by 5:00 PM ET.

Collections – The Contractor must compensate the State:

- a. \$1,000 per day for any business day when the SETS system has not received a valid collections datafile by 5:00 PM ET. A valid collections datafile contains all collections received on that day.
- b. \$1,000 per day for any business day when the State has not received an unpostable collections datafile by 5:00 PM ET each business day .
- c. \$1,000 per day when all unpostable collections documentation is not available to the State by 7:00 AM ET of the third business day.

- d. \$50 per occurrence for collections transactions posted at less than a 99.6% accuracy rate PLUS the amount of any funds disbursed in error due to an error in the Contractor's collections datafile. A transaction, for purposes of calculating error rate, is defined as a posting to the daily lockbox collections or unpostable collections datafiles. An error is a discrepancy between the collection item or submitted remittance documentation or, in the event the remittance documentation, did not include the mandatory SETS case number/order number information, the Contractor research protocol that produced the SETS case/order information and the information on the datafile.

Disbursement – The Contractor must compensate the State:

- a. \$1,000 per occurrence PLUS any amount over the amount on the SETS disbursement datafile for any day when EFT/ACHs have not been transmitted to a 100% tolerance as compared to the SETS disbursement datafile.

Reconciliation – The Contractor must compensate the State:

- a. \$500 per day for each business day that the Contractor does not transmit the deposit reconciliation datafile to SETS by 5:00 PM ET.
- b. \$500 per day for each business day the Contractor does not transmit the disbursement reconciliation datafile to SETS by 5:00 PM ET.

**Development and Support Capabilities.** Each offeror must describe its capability, capacity, and plans for developing the Deliverables, as well as describe contingency plans if the primary plan is not able to meet the Project's needs.

**Staffing Plan.** The offeror will provide a staffing plan that identifies all personnel required to do the Project. The plan must have the following information:

- A matrix matching each team member to the staffing requirements in this RFP.
- A contingency plan that shows the ability to add more staff if needed to meet the Project's due date(s).
- A discussion of the offeror's ability to provide qualified replacement personnel.
- Before the State can award a contract, ODJFS must submit the successful proposal for federal approval. This may cause the contract start date to be delayed by up to sixty days from selection and recommendation of award by the state's evaluation committee. The offeror must provide a statement to assure the state that the candidates offered in their proposal will be available to perform the work.

**Personnel Profile Summaries.** Each Proposal must include a profile for each key member of the proposed Work team. This RFP includes a reference form as an attachment. The offeror must use this form and fill it out completely for each reference. **The forms must be completed using typewritten or electronic means.** The forms may be recreated electronically, but all fields and formats must be retained. Failure to recreate the forms accurately may lead to the rejection of the offeror's proposal.

One of the criteria on which the State may base the award of the Contract is the quality of the offeror's Work team. Switching personnel after the award will not be accepted without due consideration.

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.

All candidates proposed must meet the mandatory technical experience for the candidate's position and be identified by name. If any candidate does not meet the minimum requirements for the position the candidate has been proposed to fill, the offeror's Proposal may be rejected as non-responsive. The various sections of the form are described below.

1. References. Provide 3 references for which the proposed candidate has successfully demonstrated meeting the requirements of the RFP on a project of similar size and scope in the past 5 years. The name of the person to be contacted, phone number, company, address, brief description of project size and complexity, and dates (month and year) of employment must be given for each reference. The candidate must provide a list of professional references that can attest to his/her specific qualifications.

**The references given must be a person within the client's organization and not a co-worker or a contact within the offerors organization.**

If less than 3 references are provided, the offeror must include information as to why less than 3 references were provided. The State may disqualify the proposal if less than 3 references are given.

- b) Education and Training. This section must be completed to list the education and training of the proposed candidates and will demonstrate, in detail, the proposed candidate's ability to properly execute the Contract based on the relevance of the education and training to the requirements of the RFP.
- c) Mandatory Experience and Qualifications. This section must be completed to show how the candidate meets the mandatory experience. For each reference the following information must be provided:

Candidate's Name.

Contact Information. The contact name, phone number, company name, and address must be completely filled out. If the primary contact cannot be reached, an alternate contact name in the company, address, and phone number must be provided in lieu of the primary contact.

Dates of Employment. Must be completed to show the length of time the candidate performed the technical experience being described, not the length of time the candidate worked for the company. The offeror must complete these dates with a beginning month and year and an ending month and year.

Description of the Related Service Provided. The State does not assume that since the technical requirement is provided at the top of the page that all descriptions on that page relate to that requirement. Contractors must reiterate the technical experience being described, including the capacity in which the experience was performed and the role of the candidate in the project. It is the Contractors' responsibility to customize the description to clearly substantiate the candidate's qualification.

Project Experience. The candidate's project 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.

- d) Desirable Experience and Qualifications. This section must be completed to show how the candidate meets the desirable experience.
- e) Resume. The candidate's resume must follow the completed form and show how the candidate meets the qualifications listed for the position in the RFP.

**Work Plans.** The offeror must fully describe its approach, methods, and specific work steps for doing the work on this Project and producing the Deliverables. The State encourages responses that demonstrate a thorough understanding of the nature of the Project and what the Contractor must do to get the Project done well. The offeror must also provide a complete and detailed description of the way it will do the Project that addresses the areas of concern identified below.

The State seeks insightful responses that describe proven, state-of-the-art methods. Recommended solutions should demonstrate that the offeror will be prepared to quickly undertake and successfully complete the required tasks. The offeror's work plan should clearly and specifically identify personnel assignments and the number of hours by individual for each task.

**Work Plans must provide sufficient information so that the State will be assured that the Project transition period will be completed by December 31, 2002. The “transition period” begins when a new Contractor begins work on this contract and ends when that Contractor begins to issue checks.**

**Work Plan for Account Management.** The Work Plan for Account Management must include a description of the process, methods or steps used to perform the Scope of Work responsibilities described in the following RFP sections: 1. Establish Account Structure, 2. Account Transition, 3. Master Concentration Account, 4. County CSEA Collection Accounts, 5. Disbursement Account, 6. ACH/EDI Account, 7. County CSEA Posts into SETS, 8. BAI2 Deposit Reporting Datafile, 9. Deposit Transaction Reconciliation, 10. Returned Deposit Item Identified, and 11. NSF Enforcement.

**Work Plan for Lockbox Operations.** The Work Plan for Lockbox Operations must include a description of the process, methods or steps used to perform the Scope of Work responsibilities described in the Project Requirement sections in Attachment One: 1. Market Lockbox, 2. Lockbox Logistics, Setup, and Maintenance, 3. SETS Billing Datafile, 4. Receive and Print Billing Documents, 5. Lockbox, 6. Lockbox Account, 7. Datafile, and 8. Lockbox Datafile.

**Work Plan for Employer EDI.** The Work Plan for Employer EDI must include a description of the process, methods or steps used to perform the Scope of Work responsibilities described in the Project Requirement sections in Attachment One: 1. Market Employer EDI, 2. EDI Logistics and Setup, 3. Receive Employer EDI Payment File, 4. SETS Datafile, 5. Reconciliation Datafile, and 6. EFT/EDI Deposit Reconciliation.

**Work Plan for Disbursement Operations.** The Work Plan for Disbursement Operations must include a description of the process, methods or steps used to perform the Scope of Work responsibilities described in the Project Requirement sections in Attachment One: 1. Establish Check Printing Operations, 2. State Check Printing Time and Volume Schedule, 3. SETS Check File, 4. Print and Mail Checks, 5. Disposition Status, 6. Undeliverable Mail Processing, 7. Void/Stop Payment Processing, 8. Disbursement Check Presentment, 9. Account Reconciliation Reports, 10. Positive Pay Exception, 11. Reconciliation Datafile, 12. Disbursement Transaction Reconciliation, 13. Market ACH Direct Deposit, 14. ACH Direct Deposit Logistics and Setup, 15. SETS Record, 16. SETS ACH Direct Deposit File, 17. Receive and Transmit EFT, 18. Disbursement Status File, 19. EFT Return Datafile, 20. Research and Resolution, 21. EFT Return Item, and 22. EFT Reconcile.

**Work Plan for Customer Support Services.** The Work Plan for Customer Support Services must include a description of the process, methods or steps used to perform the Scope of Work responsibilities described in the Project Requirement sections in Attachment One: 1. Client Information Requests, 2. County CSEA Service Requests, 3. Research and Resolution.

**Work Plan for Managing United States Postal Service Coordination.** The Work Plan for United States Postal Service Coordination must include a description of the process, methods or steps used to perform the Scope of Work responsibilities described in Attachment One for this task.

**Work Plan for County CSEA Training.** The Work Plan for County CSEA Training must include a description of the process, methods or steps used to perform the Scope of Work responsibilities required for this task.

**Work Plan for Reconciliation Activities.** The Work Plan for Reconciliation Activities must include a description of the process, methods or steps used to perform the Scope of Work responsibilities required to provide Disaster Recovery. Although, the activities included in this section may have been addressed in previous Work Plans, they must be included within this section also.

**Work Plan for Optional Services.** The Work Plan for Optional Services must include a description of the process, methods or steps used to perform the Scope of Work responsibilities described in the Project Requirement sections in Attachment One: 1. Market Internet, 2. Internet Logistics and Setup, 3. SETS Billing Datafile Exchange, 4. Request ACH Direct Debit, 5. Contractor Direct Debit, 6. SETS Datafile, 7. Reconciliation Datafile, 8. ACH Direct Debit Deposit Reconciliation, 9. Consumer ACH Direct Debit, 10. Alternate Pay Logistics and Setup, 11. SETS Record, 12. Request ACH Direct Debit, 13. Contractor Direct Debit, and 14. SETS Datafile,

**Work Plan for Disaster Recovery.** The Work Plan for Disaster Recovery must include a description of the process, methods or steps used to perform the Scope of Work responsibilities required to provide Disaster Recovery.

**Project Management Methodology.** The offeror must describe the approach, method(s), and specific work steps it plans to use to complete the Project. After award, the Management Plan becomes the offeror's master plan to fulfill the Contract. It will incorporate other plans required by this RFP.

The Management Plan must be as complete as possible at the time of submission. It must:

- a. Describe the offeror's proposed organization(s) and management structure responsible for fulfilling the Contract's requirements.
- b. Describe the methodologies, processes, and procedures the offeror's proposed organization(s) will follow to develop the Project.
- c. Define the milestone review processes (e.g. critical design review), and describe how communication and status review will be conducted between all parties.

The offeror must also describe the Project reporting procedures required for the successful completion of the Project. And the offeror must address potential problem areas, recommended solutions to the problem areas, and any assumptions used in developing those solutions.

If the offeror chooses to use any subcontractors, this part of the offeror's Proposal must describe its approach to effectively managing its subcontractors.

**Project Schedule.** The offeror will provide a detailed Project schedule for all Project milestones and Deliverables. The Project schedule should be delivered as a Gantt chart, showing all major Project tasks on a week-by-week schedule to serve as the basis for managing the Project. The schedule should clearly demonstrate how the Project will become fully operational by the delivery date. The offeror must give dates for when the Deliverable(s) will be completed. The offeror will also identify and describe all risk factors associated with the forecasted milestone schedule.

**Quality Assurance Plan.** The offeror will provide 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.

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

- Nature and extent of State support required;
- Assistance from State staff and the experience and qualification level 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 must therefore 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 unwilling or unable to meet the requirements.

**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 sheet in the exact format provided. Any reformatting may cause the State to reject the offeror's Proposal.

The offeror's total cost for the entire Project must be broken down for each Deliverable, and the total must be represented as the not-to-exceed fixed price.

**The State will not be liable for any costs the offeror does not identify in its Proposal.**

**Time Commitment.** The offeror must submit a statement and chart that clearly indicate the time commitment of the proposed Project team, including the Project Manager, to this Project and other projects during the term of the Contract. The offeror must also include a statement indicating that the Project Manager will be on-site and devoted only to this project until the transition period has been completed. The offeror must also include a statement assuring the State that the proposed Lockbox Manager and the proposed Customer Support Manager will remain in those positions through State Fiscal Year 2003 or until twelve (12) months after the transition period has been completed, whichever is later. The "transition period" begins when a new Contractor begins work on this contract and ends when that Contractor begins to issue checks.

**Performance Bond.** The Contractor must provide a performance bond. The amount of the performance bond must be equal to at least 10% of the total amount of the Contract and must remain in place through the term of the Contract. Each offeror must enclose a letter of commitment from a bonding company for the performance bond with its Proposal.

**Conflict of Interest.** Each Proposal must include a statement indicating whether the offeror or any people that may work on the Project through the offeror have a possible conflict of interest (e.g., employed by the state of Ohio, etc.) and, if so, the nature of that conflict. The State has the right to reject a Proposal in which a conflict is disclosed or cancel the Contract if any interest is later discovered that could give the appearance of a conflict.

**Minimum Financial Requirements.** In order to be considered responsive, an offeror must provide its audited annual financial statements for the past 3 years. If the offeror's most recently completed fiscal year is not yet audited, the 3 years just before the most recent fiscal year will be acceptable.

**Payment Address.** The offeror must give the address to which payments to the offeror will be sent.

**Proof of Insurance.** In this section, the offeror must provide the certificate of insurance required by the General Terms & Conditions.

**W-9 Form.** The offeror must complete the attached W-9 form in its entirety. At least 1 original W-9 form must be submitted. All other copies of a Proposal may contain copies of the W-9 form. Please indicate on the outside of the binder which Proposal contains the original signature.

## ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS

### PART ONE: PERFORMANCE AND PAYMENT

**Statement of Work.** The RFP and the Contractor's Proposal (Collectively referred to as the "RFP") are a part of this Contract and describe the work (the "Project") the Contractor will do and any materials the Contractor will deliver (the "Deliverables") under this Contract. The Contractor will do the Project in a professional, timely, and efficient manner and will provide the Deliverables in a proper fashion. The Contractor will also furnish its own support staff necessary for the satisfactory performance of the Project.

The Contractor will consult with the appropriate State representatives and others necessary to ensure a thorough understanding of the Project and satisfactory performance. The State may give instructions to or make requests of the Contractor relating to the Project, and the Contractor will 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 Project and will not amend or alter the scope of the Project.

**Term.** Unless this Contract is terminated or expires without renewal, it will remain in effect until the Project 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 the current biennium, which is June 30, 2003. But 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 will also apply to the end of any subsequent biennium during which the Project continues. Termination or expiration of this Contract will not limit the Contractor's continuing obligations with respect to Deliverables that the State paid for before termination or limit the State's rights in such.

The Project has a completion date that is identified in the RFP. It may also have several dates for delivery of Deliverables or reaching certain milestones in the Project. If so, those dates are also contained in the RFP. The Contractor must make those deliveries, meet those milestones, and complete the Project within the times the RFP requires. If the Contractor does not meet those dates, the Contractor will be in default, and the State may terminate this Contract under the termination provision contained below. But the State may also have certain obligations to meet. Those obligations, if any, are also listed in the RFP. If the Contractor's failure to meet the delivery, milestone, or completion dates in the RFP 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 effected 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 given the State written notice of the State's failure to meet its obligations, with reasonable specificity, within five (5) days after the State's delay has begun and while the State's delay is happening. The extension of the Contractor's performance time will be the Contractor's only remedy for the State's delay.

The State seeks a complete Project. Any incidental items omitted in the RFP will be provided as part of the Contractor's not-to-exceed fixed price. The Contractor must fully identify, describe, and document all systems that are delivered as a part of the Project. All hardware, software, supplies, and other required components (such as documentation, conversion, training, and maintenance) for the Project to be complete and useful to the State are included in the Project and the not-to-exceed fixed price.

**Compensation.** In consideration of the Contractor's promises and satisfactory performance, the State will pay the Contractor the amount(s) identified in the RFP (the "Fee"), plus any other expenses identified as reimbursable in the RFP. But in no event will payments under this Contract exceed the "not-to-exceed" amount in the RFP 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 Project or, in the case of milestone payments or periodic payments of an hourly, daily, weekly, monthly, or annual rate, all relevant parts of the Project tied to the applicable milestone or period. Payment of the Fee is also contingent on the Contractor delivering a proper invoice and any other documents required by the RFP. 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 will send all invoices under this Contract to the "bill to" address in the RFP 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 "Code"). That section of the Code currently requires monthly interest payments of one 12<sup>th</sup> of the annual rate in Section 5703.47 of the 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 may then deduct the disputed amount from its payment as a non-exclusive remedy. In addition, the State will consult with the Contractor as early as reasonably possible about the nature of the dispute and the amount of payment affected. When the Contractor has resolved the disputed matter to the State's satisfaction, the State will pay the disputed amount within 30 business days after the matter is resolved.

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 will reimburse the State for that amount at the end of the 30 calendar days as a non-exclusive 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.

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

In making any reimbursable expenditure, the Contractor will always comply with the more restrictive of its own, then-current internal policies for making such expenditures or with the State's then-current policies. All reimbursable travel will require the advance written approval of the State's Representative. All reimbursable expenses will be billed monthly and paid by the State within 30 business days of receiving the Contractor's invoice.

**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 Code, including Section 126.07, have been met;
- (b) All necessary funds are made available by the appropriate state agencies;
- (c) If required, approval of this Contract is given by the Controlling Board of Ohio; 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 have been made available.

**Employment Taxes.** Each party will be solely responsible for reporting, withholding and paying all employment related taxes, payments and withholdings for its own personnel, including, but not limited to, Federal, state and local income taxes, social security, unemployment or disability deductions, withholdings, and payments (together with any interest and penalties not disputed with the appropriate taxing authority). All people the Contractor provides to the State under this Contract will be deemed employees of the Contractor for purposes of withholdings, taxes, and other deductions or contributions required under the law.

**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 Project, 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: PROJECT & 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 Project duplicates the work done or to be done under the other contracts.

**Subcontracting.** The Contractor may not enter into subcontracts for the Work 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.

**If the banking functions of the Contract are performed by a subcontractor-bank, the State relied upon the experience and credentials of the subcontractor-bank in its determination to let this Contract to the Contractor. Therefore, the Contractor may not change banks or materially alter the responsibilities of the bank without the written approval of the State. Failure to conform with this provision is a material breach of the Contract, which must be cured within 30 calendar days.**

The State's approval of the use of subcontractors, including a subcontractor-bank, 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 Project in a timely and professional manner. The Contractor will hold the State harmless for and will indemnify the State against any such claims.

The Contractor will assume responsibility for all Deliverables whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the State will consider the Contractor to 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. **The State may require the Contractor to change subcontractors, including a subcontractor-bank, if the State determines that the subcontractor does not meet the capabilities or credentials represented in the Contractor's proposal or if the State determines that the success of the project is threatened by the participation of the subcontractor.**

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 must also 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 will indemnify the State for the damage.

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

The Contractor will keep a separate account for the Project (the "Project Account"). All payments made from the Project Account will be only for obligations incurred in the performance of this Contract and will be supported by contracts, invoices, vouchers, and any other data needed to audit and verify the payments. All payments from the Project Account will be for obligations incurred only after the effective date of this Contract unless the State has given specific written authorization for making prior payments from the Project Account.

**Audits.** During the term of this Contract and for 3 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 Project. This audit right will also apply to the State's duly authorized representatives and any person or organization providing financial support for the Project.

Unless it is impracticable to do so, all records related to this Contract must be kept in a single location, either at the Contractor's principle place of business or its place of business where the work was done. If this is not practical, the Contractor will assume the cost of collecting, organizing, and relocating the records and any technology need to access the records to the Contractor's office nearest Columbus whenever the State or anyone else with audit rights requests access to the Contractor's Project records. The Contractor will do so with all due speed, not to exceed 5 business days.

If any audit reveals any material deviation from the Project's specifications, any misrepresentation, or any overcharge to the State, the State will be entitled to recover damages, as well as the cost of the audit.

For each subcontract in excess of \$25,000.00, the Contractor will require its subcontractors to agree to the requirements of this section and of the record-keeping section. Subcontracts with smaller amounts involved need not meet this requirement. But the Contractor may not artificially break up contracts with its subcontractors to take advantage of this exclusion.

**Equal Employment Opportunity.** During the Project, the Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, disability, age, or Vietnam-era veteran status ("Protected Status"). The Contractor will ensure that applicants for employment and employees are treated without regard to their Protected Status.

The Contractor agrees to post notices with the provisions of this section in conspicuous places that are available to employees and applicants and to state in all solicitations and advertisements for employees that it is an equal opportunity employer.

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

1. **Workers' compensation insurance, as required by Ohio law, and, if some of the Project will be done outside Ohio, the laws of the appropriate state(s) where work on the Project will be done.**
2. **The Contractor will also maintain employer's liability insurance with at least a \$1,000,000.00 limit.**
3. **Personal injury, bodily injury, and property damage liability insurance, including automobile coverage, with personal injury and bodily injury of not less than \$1,000,000.00 combined single limit, and property damage of at least \$500,000.00 for any one occurrence.**

The Contractor also must furnish a certificate of insurance to the State for the required coverage evidencing insurance from an insurance carrier, or carriers, authorized to do business in Ohio. The certificate 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. The certificate must also:

- a. Provide 30 days' notice to the State before cancellation.
- b. Have an endorsement providing that the insurance is primary insurance and over any coverage held by the State.
- c. List the State as an additional insured.

**State Personnel.** During the term of this Contract and for 1 year after completion of the Project, the Contractor will not hire or otherwise contract for the services of any state employee involved with the Project.

**Bond.** If the RFP provides a dollar amount for a performance bond, the Contractor will provide the State with a performance bond in that amount within 5 business days after execution of this Contract. The performance bond will serve as an assurance that the Contractor and all of its subcontractors will comply with all the requirements of this Contract. The performance bond will also indemnify the State against all direct damages it suffers from any failure of the Contractor to properly perform. The bond must be issued by a company authorized by Ohio's Department of Insurance to do business in Ohio. Failure of the Contractor to provide the performance bond on or before the date it is required to be delivered to the State 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 bond will remain in effect for the duration of this Contract and any extensions of this Contract's initial term.

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.

The Contractor will be solely liable for all the costs associated with getting and keeping the performance bond in place.

**Replacement Personnel.** If the RFP contains the names of specific people who will work on the Project, 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 will use all commercially reasonable efforts to ensure the continued availability of those people. Also, the Contractor will not remove those people from the Project without the prior, written consent of the State, except as provided below.

The Contractor may remove a person listed in the RFP from the Project 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.

The Contractor must have qualified replacement people available to replace any people listed by name in the RFP. When the removal of a listed person is permitted under this Section, or if a person becomes unavailable, the Contractor will submit the resumes for 2 replacement people for each person removed or who otherwise becomes unavailable. The Contractor will submit the 2 resumes, along with such other information as the State may reasonably request, within 5 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(s). Should the State reject both replacement candidates due to their failure to meet the minimum qualifications identified in the RFP, 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 the event of such a default, the State will have the right to terminate this Contract and to have the damages specified elsewhere in this Contract for termination due to default.

The State may determine that proposed replacement candidates meet the minimum qualifications of this Contract and still substantially reduce the value the State perceived it would receive through the work 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 will 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, then such rejection will be deemed a termination for 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, and right to ensure, that its operations are carried out in an efficient, professional, legal, and secure manner. The State, therefore, will have the right to require the Contractor to remove any individual working on the Project 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 will follow the procedures identified above for replacing unavailable people. This provision applies to people engaged by the Contractor's subcontractors if they are listed as key people on the RFP.

**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 may also terminate this Contract if the Contractor violates any law or regulation in doing the Project, 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. The State may also 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 3 times. After the third notice, the State may terminate this Contract without a cure period if the Contractor again fails to meet any obligation. The 3 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. Those provisions will prevail over this one. If a particular section does not State what the cure period will be, this provision will govern.**

The State may also terminate this Contract for its convenience and without cause or if the Ohio General Assembly fails to appropriate funds for any part of the Project. If a third party is providing funding for the Project, the State may also terminate this Contract should that third party fail to release any Project funds. The RFP identifies any third party source of funds for the Project.

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 will immediately cease all work on the Project and take all steps necessary to minimize any costs the Contractor will incur related to this Contract. The Contractor will also immediately prepare a report and deliver it to the State. The report must detail the work completed at the date of termination, the percentage of the Project's completion, any costs incurred in doing the Project to that date, and any Deliverables completed or partially completed but not delivered to the State at the time of termination. The Contractor will also deliver all the completed and partially completed Deliverables to the State with its report. But, if delivery in that manner would not be in the State's interest, then the Contractor will propose a suitable alternative form of delivery.

If the State terminates this Contract for cause, it will be entitled to cover for the Project by using another Contractor on such commercially reasonable terms as it and the covering Contractor may agree. The Contractor will be liable to the State for all costs related to covering for the Project to the extent that such costs, when combined with payments already made to the Contractor for the Project before termination, exceed the costs that the State would have incurred under this Contract. The Contractor will also 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 on the Project 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 determined to be owing to the Contractor by the State. The State will make that determination based on the lesser of the percentage of the Project completed or the hours of work performed in relation to the estimated total hours required to perform the entire applicable unit(s) of Work.

The State will have the option of suspending rather than terminating the Project where 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 Project rather than termination for cause, the Contractor will not be entitled to any compensation for any work performed. If the State reinstates the Project 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 amount of compensation due to the Contractor for work performed before the suspension will be determined 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 costs associated with a suspension for the State's convenience. No payment under this provision will be made to the Contractor until the Contractor submits a proper invoice.

Any notice of suspension, whether with or without cause, will be effective immediately on the Contractor's receipt of the notice. And the Contractor will prepare a report concerning the Project just as is required by this Section in the case of termination. After suspension of the Project, the Contractor will perform no work without the consent of the State and will resume 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 Project. 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 will not suspend the Project for its convenience more than once during the term of this Contract, and any suspension for the State's convenience will not continue for more than 30 calendar days. If the Contractor does not receive notice to resume or terminate the Project within the 30-day period, 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 will indemnify the State for any liability to them. Each subcontractor will hold the State harmless for any damage caused to them from a suspension or termination. They will 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 on the RFP or a subsequent notice to the Contractor as the "Project Representative." The Project Representative will review all reports made in the performance of the Project by the Contractor, will conduct all liaison with the Contractor, and will accept or reject the Deliverables and the complete Project. The Project Representative may assign a manager responsibilities for individual aspects of the Project to act as the Project Representative for those individual portions of the Project.

The Contractor's Project Manager under this Contract will be the person identified on the RFP as the "Project Manager." The Project Manager will conduct all liaison with the State under this Contract. Either party, upon written notice to the other party, may designate another representative. But the Project Manager may not be replaced without the approval of the State if s/he is identified in the RFP as a key individual on the Project.

**Work Responsibilities.** The State will be responsible for providing only those things expressly identified, if any, in the RFP. 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/or equipment or has voluntarily waived an inspection and will work with the equipment and/or facilities on an “as is” basis.

Normal working hours on State property are Monday through Friday, except for State holidays, from 8:00 a.m. to 5:00 p.m., Eastern Standard Time, with a 1 hour for lunch. The Contractor must plan to work within these time constraints.

The Contractor will assume the lead in the areas of management, design, and development of the Project. The Contractor will coordinate the successful execution of the Project and direct all Project activities on a day to day basis, with the advice and consent of the Project Representative. The Contractor will be responsible for all communications regarding the progress of the Project and will discuss with the Project Representative any issues, recommendations, and decisions related to the Project.

If the Project, or parts of it, require 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 will complete an installation letter and secure the signature of Project Representative certifying that installation is complete and the Project, or applicable portion of it, is operational. The letter will describe the nature, date, and location of the installation, as well as the date it was certified as installed and operational by the Project Representative.

The Contractor will provide a written report to the Project Representative at least as often as the end of every other week throughout the term of the Project, or as otherwise provided in the RFP. The reports will include the number of hours worked by task and a percentage-to-completion rate, if applicable, as well as any other special requirements in the RFP.

Unless otherwise provided in the RFP, the Contractor will be responsible for obtaining all official permits, approvals, and similar authorizations required by any local, state, or Federal agency for the Project.

**Changes.** The State may make reasonable changes, within the general scope of the Project, in any one or more of the following: (I) Project tasks or subtasks; (ii) time or place of delivery; or (iii) period of performance. 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 Project, the Contractor will have the right to request a Change Order from the State. Scope of work changes will be managed as follows: pricing will be provided from the Contractor 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. Within 5 business days after receiving the Change Order, the Contractor will 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 Project, the Contractor will notify the State in writing and request an equitable adjustment in the Contractor's 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 Project not described in a written Change Order, the Contractor must notify the State of the claim within 5 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 relevant change was specifically ordered in writing by the State 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 Project, 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, and the Contractor seeks an equitable adjustment in its Fee, 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 hours of labor will be broken down by employee position, and the actual hourly pay rate for each employee involved in the change must be provided. The total amount of the equitable adjustment for the Change Order will then 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 will then 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. But if the change involves removing a requirement from the Project or replacing one part of the Project with the change, the State will get a credit for the work no longer required under the original scope of the Project. 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 will be 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 work a subcontractor will do under a Change Order.

**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 will notify the other promptly of any material delay in performance and will 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 must also 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 Contractor has no legal control.

**Independent Status of the Contractor.** The parties will be acting as independent contractors. The partners, employees, officers, and agents ("Personnel") of one party, in the performance of this Contract, will act only in the capacity of representatives of that party and not as Personnel of the other party and will not be deemed for any purpose to be Personnel of the other. Each party assumes full responsibility for the actions of its Personnel while they are performing services pursuant to this Contract and will be solely responsible for paying its Personnel (including withholding of and/or paying income taxes and social security, workers' compensation, disability benefits and the like). Neither party will commit, nor be authorized to commit, the other party in any manner. The Contractor's subcontractors will be considered the agents of the Contractor for purposes of this Contract.

### **PART THREE: OWNERSHIP & HANDLING OF INTELLECTUAL PROPERTY & 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 interests of the public, other contractors or potential contractors with the State, or individuals or organizations about whom the State keeps information. By way of example, information 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. 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 expressly excluded by Ohio law from public records disclosure requirements.

The Contractor agrees not to disclose any Confidential Information to third parties and to use it solely to do the Project. The Contractor will 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 Project. 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 be liable for any unintentional disclosure of Confidential Information that results despite the Contractor's exercise of at least the same degree of care as it normally takes to safeguard its own secrets, except when the Contractor's procedures are not reasonable given the nature of the Confidential Information or when the disclosure nevertheless results in liability to the State.

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 will cause all of its employees 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) 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 will return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Contract.

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.

**Ownership of Deliverables.** The proposal, Change Orders, Services **Software**, and other deliverables under this Agreement (collectively "Work Product") shall be considered "works made for hire" within the meaning of copyright laws of the United States of America. The State is and shall be deemed the sole author of the Work Product and sole owner of all rights therein. If any portion of the Work Product is deemed not to be a "work made for hire," or if there are any rights in the Work Product not so conveyed to the State, then the Contractor agrees to and hereby does assign to the State all worldwide rights, title and interest in and to the Work Product. The State acknowledges that its sole ownership of the Work Product under this Agreement does not affect Contractor's right to use general concepts, algorithms, programming techniques, methodologies or technology that has been developed by Contractor prior to this Agreement or that is generally known and available.

Copies of source code, object code, documentation, and any other deliverable making up the Work Product of this Agreement shall be given to the State in conjunction with or prior to the invoicing for payment of any such deliverable. Contractor shall include an affirmative statement with every invoice for payment that all applicable portions of the Work Product involved in such invoice have been delivered to the State. The State shall have no obligation to pay on an invoice until such time as necessary copies are delivered and the affirmative statement of the Contractor is obtained.

**License in Commercial Material.** As used in this section, "Commercial Material" means anything that has been developed at private expense by the Contractor or a third party, 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 or as an attachment referenced in the RFP, 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 State secrets. 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 (8) of this section with respect to the software. The State will not use any Commercial Software except as provided in items (1) through (8) of this section 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.

However:

- (7) If the Commercial Software delivered under this Contract is published and copyrighted, it is licensed to the State without disclosure prohibitions; but
- (8) If any Commercial Software is delivered under this Contract with the copyright notice in 17 U.S.C. 401, it will be presumed to be published, copyrighted, and licensed to the State without disclosure restrictions, unless a statement substantially as follows accompanies such copyright notice: "Unpublished -- rights reserved under the copyright laws of the United States." The State will treat such Commercial Software 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; (2) unless otherwise provided in the RFP, be the work solely of the Contractor; and (3) no Deliverable will infringe on the intellectual property rights of any third party.

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) all hardware, software, firmware, and similar devices and materials provided under this Contract will "year 2000 compliant," meaning that the hardware, software, firmware, and similar devices and materials are designed to operate without regard to the turning of the century and processes dates in a manner that takes into account dates occurring before and after the turning of the century; and (6) the Contractor has the right and ability to grant the license granted in any Deliverable in which title does not pass to the State.

The warranty regarding professionalism and material defects is a 1-year warranty. All other warranties will be continuing warranties. If any portion of the Project fails to comply with these warranties, and the Contractor is so notified in writing, the Contractor will correct such failure with all due speed or will refund the amount of the compensation paid for such portion of the Project. The Contractor will also 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 agrees to give the Contractor notice of any such claim as soon as reasonably practicable and to allow the Contractor to control the defense of the claim. 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 will do 1 of the following 4 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.

**Software Warranty.** If this Contract involves software as a Deliverable, then, on acceptance and for 12 months after the date of acceptance of any Deliverable that includes software, the Contractor warrants as to all software developed under this Contract that: (a) the software will operate on the computer(s) for which the software is intended in the manner described in the relevant software documentation, the Contractor's Proposal, and the RFP; (b) the software will be free of any material defects; (c) the Contractor will deliver and maintain relevant and complete software documentation, commentary, and source code; and (d) the source code language used to code the software is readily available in the commercial market, widely used and accepted for the type of programming involved, and support programming in the language is reasonably available in the open market; and (g) the software and all maintenance will be provided in a professional, timely, and efficient manner.

For Commercial Software licensed from a third party that is incorporated in a Deliverable, the Contractor represents and warrants that it has done 1 of the following 3 things: (a) obtained the right from the third-party licensor to commit to the warranties and maintenance obligations in this Section; (b) obtained a binding commitment from the licensor to make those warranties and maintenance obligations directly to the State; or (c) fully disclosed in the RFP any discrepancies between the requirements of this section and the commitment the third-party licensor has made.

In addition, for Commercial Software that is incorporated in a Deliverable, the Contractor will: (a) maintain or cause the third-party licensor to maintain the Commercial Software so that it operates in the manner described in the RFP (or any attachment referenced in the RFP) and relevant Commercial Software documentation; (b) supply technical bulletins and updated user guides; (c) supply the State with updates, improvements, enhancements, and modifications to the Commercial Software and documentation and, if available, the commentary and the source code; (d) correct or replace the Commercial Software and/or remedy any material programming error that is attributable to the Contractor or the third-party licensee; (e) maintain or cause the third-party licensor to maintain the Commercial Software and documentation to reflect changes in the subject matter the Commercial Software deals with; (f) maintain or obtain a commitment from the third-party licensor to maintain the Commercial Software so that it will properly operate in conjunction with changes in the operating environment in which it is designed to operate.

For purposes of the warranties and the delivery requirements in this Contract, software documentation means well written, readily understood, clear, and concise instructions for the software's users as well as a system administrator. The software documentation will provide the users of the software with meaningful instructions on how to take full advantage of all of the capabilities designed for end users. It also means installation and system administration documentation for a system administrator to allow proper control, configuration, and management of the software. Source code means the uncompiled operating instructions for the entire System. But the Contractor will not be obligated to provide source code for Commercial Software unless it is readily available from the licensor. The source code will be provided in the language in which it was written and will include commentary that will allow a competent programmer proficient in the source language to readily interpret the source code and understand the purpose of all routines and subroutines contained within the source code.

**Equipment Warranty.** If any electrical equipment, mechanical device, computer hardware, telecommunications hardware, or other type of physical machinery ("Equipment") will be a part of any Deliverable, the following warranties apply. The Contractor warrants that the Equipment fully complies with all government environmental and safety standards applicable to the Equipment. The Contractor also warrants for 1 year from the acceptance date of the Equipment that the Equipment will perform substantially in accordance with specifications described in the RFP, the user manuals, technical materials, and related writings published by the manufacturer for the Equipment. The foregoing warranties will not apply to Equipment that is modified or damaged after title passes to the State.

The Contractor will notify the State in writing immediately upon the discovery of any breach of the warranties given above.

The Contractor's will do the following if any Equipment does not meet the above warranties:

- (a) Cause the Equipment to perform as required, or, if that is not commercially practicable, then;

- (b) Grant the State an a refund equal to the amount the State paid for the Equipment or, if such has not been individually priced, the manufacturer's suggested retail price for the Equipment.

Except where the Contractor's breach of a warranty makes it not possible for the State to do so, the State will return the affected Equipment to the Contractor in the case of a refund under the previous paragraph.

**General Exclusion of Warranties.** THE CONTRACTOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE EXPRESS WARRANTIES CONTAINED IN THIS CONTRACT. THE CONTRACTOR ALSO MAKES NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE EXCEPT AS FOLLOWS: IF THE CONTRACTOR HAS BEEN ENGAGED UNDER THE SCOPE OF WORK IN THE RFP TO DESIGN SOMETHING TO MEET A PARTICULAR NEED FOR THE STATE, THEN THE CONTRACTOR DOES WARRANT THAT THE CONTRACTOR'S WORK WILL MEET THE STATED PURPOSE FOR THAT WORK.

**Indemnity for Property Damage and Bodily Injury.** The Contractor will indemnify the State for all liability and expense resulting from bodily injury to any person (including injury resulting in death) and damage to property arising out of the performance of this Contract, providing such bodily injury or property damage is due to the fault of the Contractor, its employees, agents, or subcontractors and occurs without negligence on the part of the State or any of its employees.

**Limitation of Liability.** EXCEPT AS EXPRESSLY PROVIDED IN THIS CONTRACT, NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, EXCEPT WITH RESPECT TO THIRD-PARTY CLAIMS OR JUDGEMENTS AGAINST ONE PARTY RESULTING FROM THE FAULT OR BREACH OF THIS CONTRACT BY THE OTHER PARTY, EACH PARTY'S LIABILITY FOR DIRECT DAMAGES IS LIMITED TO TWICE THE VALUE OF THE CONTRACT REGARDLESS OF THE CAUSE, THEORY, OR BASIS FOR SUCH LIABILITY.

## **PART FIVE: ACCEPTANCE AND MAINTENANCE**

**Standards of Performance and Acceptance.** There will be a period for performance testing of the Project. During the performance period, the Contractor will perform acceptance testing by successfully completing a minimum of two (2) full mainframe testing cycles before going into production. The performance period should take no more than six weeks but may last up to 90 calendar days, during which time the Project must meet the standard of performance required by the Contract for two (2) full mainframe testing cycles. The performance criteria in the Contract 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 Contract. Acceptance of the Project depends on a successful completion of the performance period defined in this section and the Contract. 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 performance period, the Contractor must demonstrably correct all outstanding problems before the performance period will restart and the Project (or part thereof) may be accepted. The performance test will continue on a day-by-day basis until the standard of performance is met for two (2) full mainframe testing cycles.

If the Project fails to meet the standard of performance after 90 calendar days from the start of the 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 will have the right to request 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 for each part of the Project that will be independently tested and accepted. But, unless the RFP expressly provides 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 98.5%, unless otherwise specified in the RFP. 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 is defined as 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 is defined as 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, 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.

**Alternative form of Acceptance.** If this Contract does not involve software or Equipment as a Deliverable, then the preceding section will not apply and there will be no formal acceptance procedure unless the RFP expressly provides otherwise. If the RFP does not provide otherwise, the acceptance procedure will be an informal review by the Project Representative to ensure that each Deliverable and the Project as a whole comply with the requirements of this Contract. The Project Representative will have up to 30 calendar days to do this. No formal letter of acceptance will be issued, and passage of the 30 calendar days will imply acceptance, though the State will issue a notice of noncompliance if a Deliverable or the Project as a whole does not meet the requirements of this Contract. If the Project Representative issues a letter of noncompliance, then the Contractor will have 30 calendar days to correct the problems listed in the noncompliance letter. If the Contractor fails to do so, the Contractor will be in default without a cure period. If the Project Representative has issued a noncompliance letter, the Deliverables or the Project as a whole will not be accepted until the Project Representative issues a letter of acceptance indicating that each problem noted in the noncompliance letter has been cured. If the problems have been fixed during the 30 day period, the Project Representative will issue the acceptance letter within 15 calendar days.

If the Project fails to meet the standard of performance after 90 consecutive calendar days from the start of the 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 will have the right to request correction or replacement of the relevant portion of the Project.

**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.

**Software Maintenance.** If this Contract involves software as a Deliverable, then, during the warranty period, the Contractor will correct any material programming errors that are attributable to the Contractor within a reasonable period of time. But the State must notify the Contractor, either orally or in writing, of a problem with the software and provide sufficient information for the Contractor to identify the problem.

The Contractor's response to a programming error will depend upon the severity of the problem. For programming errors that slow the processing of data by a small degree, render minor and non-critical functions of the System inoperable or unstable, or require users or administrators to employ work-arounds to fully use the software, Contractor will respond to the request for resolution within 4 business hours. And the Contractor must begin working on a proper solution for the problem within 1 business day, dedicating the resources of at least 1 qualified programmer full-time to fixing the problem. For any defects with more significant consequences, including those that render key functions of the system inoperable or significantly slow processing of data, the Contractor will respond within 2 business hours of notice. Additionally, the Contractor must begin working on a proper solution for the problem immediately after responding and, if requested, provide on-site assistance and dedicate all available resources to resolving the problem.

For software classified as Commercial Software in the Ownership of the Work section and for which the State has not signed a separate license agreement, the Contractor will acquire the right to maintenance for 1 year. That maintenance will be the third-party licensor's standard maintenance program. But, at a minimum, that maintenance program must include all new releases, updates, patches, and fixes to the software. It will also include a commitment to keep the software current with the operating environment in which it is designed to function (and, if applicable, the subject matter covered by the software) and to correct material defects in the software in a timely fashion. Additionally, the Contractor will obtain a commitment from the licensor to make maintenance available for the product for at least 4 years after the first year of maintenance. The Contractor will also obtain a commitment from the licensor to limit increases in the annual fee for maintenance to no more than 10% annually. If the licensor is unable to provide maintenance during that 5 year period, then the licensor must be committed to doing 1 of the following 2 things: (a) give the State a *pro rata* refund of the license fee based on a 5-year useful life; or (b) release the source code for the software to the State for use by the State solely for the purpose of maintaining the copy(ies) of the software for which the State has a proper license. For purposes of receiving the source code, the State agrees to treat it as confidential and to be obligated to the requirements under the Confidentiality section of this Contract with respect to the source code. That is, with respect to the source code that the State gets under this section, the State will do all the things that the Confidentiality section requires the Contractor to do in handling the State's Confidential Information.

**Equipment Maintenance.** If this Contract involves Equipment as a Deliverable, then, on delivery and for 12 months after acceptance, the Contractor will provide Equipment maintenance to keep the Equipment in or restore the Equipment to good working order. This maintenance will include preventative and remedial maintenance, installation of safety changes, and installation of engineering changes based upon the specific needs of the individual item of Equipment. This maintenance will include the repair, replacement, or exchange deemed necessary to keep the Equipment to good working order. For purposes of this Contract, Equipment restored to good working condition means Equipment that performs in accordance with the manufacturer's published specifications and the RFP.

The Contractor will exert its best efforts to perform all fault isolation and problem determination attributed to the Equipment covered under this Contract.

The following services are outside the scope of this Contract:

- a. Maintenance to bring the Equipment into compliance with any law, rule, or regulation if such law, rule, or regulation was not in effect on the acceptance date.
- b. Repair and replacement work or increase in maintenance time as a result of damage or loss resulting from casualty or the State's misuse of the Equipment, damage resulting from improper packing or failure to follow prescribed shipping instructions (if such is done by the State), failure of electrical power, air conditioning or humidity control, use of supplies not approved by the original manufacturer of the Equipment as described or included in the Contractor's Proposal, or causes other than ordinary use of the Equipment.

- c. Furnishing platens, supplies, or accessories, making specification changes, or adding or removing approved accessories, attachments, or other devices.
- d. Maintenance or any increase in maintenance time resulting from any maintenance or inappropriate connection to other equipment (not done by the Contractor) that results in damage to the Equipment.
- e. Activities required to restore the Equipment to good operating condition if the problem has resulted from someone other than Contractor's authorized service personnel repairing, modifying, or performing any maintenance service on the Equipment.

**Equipment Maintenance Standards.** This section applies if Equipment will be a Deliverable under this Contract.

Remedial Equipment maintenance by the Contractor will be completed within 8 business hours after notification by the State that maintenance is required. In the case of preventative maintenance, the Contractor will perform such in accordance with the manufacturer's published schedule and specifications. If maintenance is not completed or substitute equipment provided within 8 hours after notification by the State, the Contractor will be in default.

All maintenance will also meet any standards contained in the RFP. Failure of the Contractor to meet or maintain these requirements will provide the State with the same rights and remedies specified elsewhere in the RFP for default, except that the Contractor will only have 8 hours to remedy a default.

The Contractor will provide adequate staff to provide the maintenance required by this Contract.

**Equipment Maintenance Continuity.** This section applies if Equipment will be a Deliverable under this Contract.

If the Contractor is unable to provide maintenance services to meet the State's ongoing performance requirements and if, in the State's sole opinion, the Contractor is unlikely to resume providing warranty services that meets the State's ongoing performance requirement, the Contractor will be in default. The State then will be entitled to the remedies in the default section of this Contract. But the State will also be entitled to the following items from the Contractor: (a) all information necessary for the State to perform the maintenance, including logic diagrams, maintenance manuals and system and unit schematics, as modified by the Contractor; and (b) a listing of suppliers capable of supplying necessary spare parts.

Any information in items (a) and (b) above that is rightfully identified by the Contractor as proprietary information will be maintained in confidence by the State except where disclosure to a third party is necessary for the State to continue the maintenance. But any third party to whom disclosure is made will agree to hold such proprietary information in confidence and to make no further disclosure of it. Further, the State agrees that any such proprietary information will be used solely to perform the Contractor's maintenance obligations hereunder and will be returned to the Contractor upon completion of the such use.

**Principal Period of Maintenance (General).** This section applies if software or Equipment will be a Deliverable under this Contract.

Maintenance will be available 9 working hours per weekday, between 8:00 a.m. and 5:00 p.m. Eastern Standard Time. Travel time and expenses related to remedial and preventive maintenance will not be considered billable but will be included in the Contractor's firm, fixed Fee for the Project during the warranty period and a part of the annual maintenance fee during later annual maintenance periods.

**Maintenance Access (General).** This section applies if software or Equipment will be a Deliverable under this Contract.

The Contractor will keep the Project in good operating condition during the warranty period and any annual maintenance period during which the State contracts for continued maintenance, and the State will provide the Contractor with reasonable access to the Project to perform maintenance. All maintenance that requires the Project to be inoperable must be performed outside the State's customary working hours except when the Project is already inoperable. Preventive or scheduled maintenance will be performed at mutually agreeable times, within the parameters of the manufacturer's published schedule.

**Key Maintenance Personnel (General).** This section applies if software or Equipment will be a Deliverable under this Contract.

The Contractor will identify all key people who will provide maintenance on the Project, furnish the State with a means of identifying these people, furnish the State with their credentials, and notify the State at least 30 calendar days in advance of any reductions in staffing levels of key people at the office serving the State.

## **PART SIX: CONSTRUCTION**

**Entire Document.** This Contract is the entire agreement between the parties with respect to the 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 will 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 Project and the time for meeting any final payment of compensation, except where such creates an absurdity.

## PART SEVEN: LAW & COURTS

**Compliance with Law.** The Contractor agrees to comply with all applicable Federal, state, and local laws in the conduct of the Work.

**Drug-Free Workplace.** The Contractor will comply with all applicable state and Federal laws regarding keeping a drug-free workplace. The Contractor will make a good faith effort to ensure that all the Contractor employees, 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.** No Personnel of the Contractor may voluntarily acquire any personal interest that conflicts with their responsibilities under this Contract. Additionally, the Contractor will not knowingly permit any public official or public employee who has any responsibilities related to this Contract or the Project 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 will disclose to the State knowledge of any such person who acquires an incompatible or conflicting personal interest related to this Contract. And the Contractor will 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 the light of the personal interest disclosed, that person's participation in any such action would not be contrary to the public interest.

**Ohio Ethics and Elections Law.** The Contractor certifies that it is currently in compliance and will continue to adhere to the requirements of the Ohio ethics law, O.R.C. §102.04. The Contractor affirms that, as applicable to the Contractor, no party listed in Division (I) or (J) of Section 3517.13 of the Ohio Revised Code or spouse of such party has made, as an individual, within the 2 previous calendar years, one or more contributions totaling in excess of \$1,000.00 to the Governor or to his campaign committees.

**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.

**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.

**Disputes.** Any claim, controversy or dispute concerning questions of fact or law arising out of or relating to this Contract, to performance by either party hereunder, or to the threatened, alleged, or actual breach thereof by either party, which is not disposed of by mutual agreement within a period of thirty (30) days after one party has provided written notice of the dispute to the other, shall be subject Alternate Dispute Resolution as hereinafter set forth.

The parties agree that they will within ten (10) days following written invocation of this provision by one party, engage in face-to-face negotiations in an attempt to resolve the dispute. The negotiators shall have a period of ten business days in which to attempt to resolve the dispute. If a resolution is not achieved by the negotiators within the allotted time, then either party may invoke Mediation as hereinafter set forth.

The parties shall choose a mutually agreeable third party neutral who shall mediate the dispute between the parties. The mediator chosen shall be an experienced mediator and shall not be: a current or former employee of either party or associated with any aspect of the Government of the State of Ohio; or associated with any equipment or software supplier; or associated with Contractor or the State. As to each prohibition this means either directly or indirectly or by virtue of any material financial interests, directly or indirectly, or by virtue of any family members, close friendships or in any way that would have the reasonable appearance of either conflict or potential for bias. If the parties are unable to agree on a qualified person, the mediator shall be appointed by the American Arbitration Association.

The mediation shall be non-binding and shall be confidential. Each party shall be represented in the mediation by a person with authority to settle the dispute. The parties shall participate in good faith in accordance with the recommendations of the mediator and shall follow procedures for mediation as suggested by the

mediator. All expense of the mediation, except expenses of the individual parties, shall be shared equally by the parties.

The parties shall refrain from court proceedings during the mediation process insofar as they can do so without prejudicing their legal rights.

**ATTACHMENT FOUR  
A CONTRACT BETWEEN  
THE OHIO DEPARTMENT OF ADMINISTRATIVE SERVICES  
ON BEHALF OF THE DEPARTMENT OF JOB AND FAMILY SERVICES  
AND  
ACS STATE AND LOCAL SERVICES**

**THIS CONTRACT, which results from CSP#0A02029, entitled Child Support Payment Central Services Project,** is between the state of Ohio, through the Department of Administrative Services, Computer Services Division, on behalf of the Department of Job and Family Services and the Office of the Treasurer of State (the "State") and ACS State and Local Services (the "Contractor").

Whether the banking functions to be performed under this Contract are performed by a division or subsidiary of the Contractor or a named subcontractor-bank, the division, subsidiary or subcontractor-bank is required to sign this Contract. Its signature indicates its promise to perform all of the banking functions faithfully and to remain a State Depository as determined by the Office of the State Treasurer. The division, subsidiary or subcontractor bank's promise to the State does not relieve the Contractor of its obligations to ensure that the banking functions are fully and satisfactorily performed. The Treasurer of State's signature to the Contract is pursuant to Revised Code Sections 113.051 and 135.18 and its obligation to serve as the custodian of public money.

The Contract consists of this RFP including all attachments, written amendments to this RFP, the Contractor's proposal, and written, authorized amendments to the Contractor's proposal. It will also 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 this two-page document, which incorporates by reference all the documents identified above. The general terms and conditions for the Contract are contained in another attachment to the 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. This RFP, CSP #0A02029, as amended;
2. The documents and materials incorporated by reference in the RFP;
3. The Contractor's proposal, as amended; and
4. The documents and materials incorporated by reference in the Contractor's proposal.

Notwithstanding the order listed above, purchase orders, 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 \_\_\_\_\_, 2002, or the occurrence of all conditions precedent specified in the General Terms and Conditions.

**IN WITNESS WHEREOF**, the parties have executed this Contract as of the dates below.

CONTRACTOR:

STATE OF OHIO:

Department of Administrative Services  
on behalf of the Department of Job and  
Family and Services and the Office of  
the Treasurer of State

By: \_\_\_\_\_  
**Replica**

By: \_\_\_\_\_

Title: \_\_\_\_\_  
**Do not sign**

Title: DAS Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

BANK:

Office of the Treasurer of State pursuant  
to Revised Code Sections 113.051 and  
135.18 and its obligation to serve as the  
custodian of public money.

By: \_\_\_\_\_  
**Replica**

By: \_\_\_\_\_

Title: \_\_\_\_\_  
**Do not sign**

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

<b>Development Deliverables</b>	<b>Cost</b>
System Requirement Document (includes business process flows)	\$ _____
General System Design Document	\$ _____
Technical Design Document	\$ _____
System Testing Plan (develop scenarios, develop schedule, identify requirements)	\$ _____
Marketing Materials	\$ _____
All State and County CSEA Training Completed	\$ _____
<b>Total Cost of Deliverables</b>	<b>\$ _____</b>

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2003**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
<b>Payment Processing</b>				
Payment Posted	13,000,000	X	\$	\$
Payment Researched	237,000	X	\$	\$
<b>Collections</b>				
EFT	173,000	X	\$	\$
Paper	6,000,000	X	\$	\$
<b>Disbursements</b>				
EFT/ACH	1,204,000	X	\$	\$
Checks				
Paper	12,000,000	X	\$	\$
Envelope	12,000,000	X	\$	\$
Returned Checks	139,000	X	\$	\$
<b>ACH Enrollment Processing</b>				
ACH Enrollment Forms	65,000	X	\$	\$
<b>Marketing</b>				
Employer EDI Enrollment Kits	15,000	X	\$	\$
Print Publicity/Advertising		X	\$	\$
Quarterly Employer Newsletters	567,000	X	\$	\$
Brochures	1,000,000	X	\$	\$
Inserts (State prepares documents)	1,000,000	X	\$	\$
Inserts (Contractor prepares documents)	1,000,000	X	\$	\$
Direct Deposit Acknowledgement Letters	130,000	X	\$	\$
Direct Deposit Enrollment Forms	500,000	X	\$	\$
<b>Account Management and Reconciliation</b>				
NSF Collections	4,000	X	\$	\$
Pull Request	12,000	X	\$	\$
Void Request	12,000	X	\$	\$
Stop Payment Request	23,000	X	\$	\$
Return Item Processing	13,500	X	\$	\$
<b>Customer Support</b>				
Call Inquiry Center	250,000	X	\$	\$
<b>Billing Costs</b>				
Billing Statement -				
1st page	3,000,000	X	\$	\$
Mailing Envelopes	3,000,000	X	\$	\$
Return Envelopes	5,640,000	X	\$	\$

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2003 (continued)**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
Billing Statement - Additional Pages	1,800,000	X	\$ _____	\$ _____

**Total SFY 2003 Transaction Cost:** \$ \_\_\_\_\_

**Technical Staffing Costs SFY 2003**

<b>Position</b>	<b>Hourly Rate</b>	<b>X</b>	<b>Estimated Hours</b>	<b>=</b>	<b>Total Cost</b>
Systems Analyst	\$ _____	X	4,000	=	\$ _____
Business Analyst	\$ _____	X	4,000	=	\$ _____
Programmer Analyst	\$ _____	X	4,000	=	\$ _____
Sr. Programmer Analyst	\$ _____	X	4,000	=	\$ _____

**Total SFY 2003 Technical Staffing Cost:** \$ \_\_\_\_\_

**Total SFY 2003 Transaction Cost:** \$ \_\_\_\_\_

**Total SFY 2003 Technical Staffing Cost:** \$ \_\_\_\_\_

**Estimated SFY 2003 Postage (pass-through):** \$ 5,550,000.00

**Total SFY 2003 Cost:** \$ \_\_\_\_\_

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2004**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
<b>Payment Processing</b>				
Payment Posted	13,500,00	X	\$	\$
Payment Researched	236,000	X	\$	\$
<b>Collections</b>				
EFT	312,000	X	\$	\$
Paper	6,000,000	X	\$	\$
<b>Disbursements</b>				
EFT/ACH	1,330,000	X	\$	\$
Checks				
Paper	12,000,000	X	\$	\$
Envelope	12,000,000	X	\$	\$
Returned Checks	146,000	X	\$	\$
<b>ACH Enrollment Processing</b>				
ACH Enrollment Forms	25,000	X	\$	\$
<b>Marketing</b>				
Employer EDI Enrollment Kits	2,000	X	\$	\$
Print Publicity/Advertising		X	\$	\$
Quarterly Employer Newsletters	567,000	X	\$	\$
Brochures	25,000	X	\$	\$
Inserts (State prepares documents)	1,000,000	X	\$	\$
Inserts (Contractor prepares documents)	1,000,000	X	\$	\$
Direct Deposit Acknowledgement Letters	50,000	X	\$	\$
Direct Deposit Enrollment Forms	50,000	X	\$	\$
<b>Account Management and Reconciliation</b>				
NSF Collections	4,000	X	\$	\$
Pull Request	13,000	X	\$	\$
Void Request	13,000	X	\$	\$
Stop Payment Request	24,000	X	\$	\$
Return Item Processing	13,500	X	\$	\$
<b>Customer Support</b>				
Call Inquiry Center	165,000	X	\$	\$
<b>Billing Costs</b>				
Billing Statement -				
1st page	3,000,000	X	\$	\$
Mailing Envelopes	3,000,000	X	\$	\$
Return Envelopes	5,640,000	X	\$	\$

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2004 (continued)**

Transaction	Estimated Volume	X	Unit Cost	Total Cost
Billing Statement - Additional Pages	1,800,000	X	\$ _____	\$ _____

**Total SFY 2004 Transaction Cost:** \$ \_\_\_\_\_

**Technical Staffing Costs SFY 2004**

Position	Hourly Rate	X	Estimated Hours	=	Total Cost
Systems Analyst	\$ _____	X	4,000	=	\$ _____
Business Analyst	\$ _____	X	4,000	=	\$ _____
Programmer Analyst	\$ _____	X	4,000	=	\$ _____
Sr. Programmer Analyst	\$ _____	X	4,000	=	\$ _____

**Total SFY 2004 Technical Staffing Cost:** \$ \_\_\_\_\_

**Total SFY 2004 Transaction Cost:** \$ \_\_\_\_\_

**Total SFY 2004 Technical Staffing Cost:** \$ \_\_\_\_\_

**Estimated SFY 2004 Postage (pass-through)** \$ \_\_\_\_\_ **5,550,000.00**

**Total SFY 2004 Cost:** \$ \_\_\_\_\_

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2005**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
<b>Payment Processing</b>				
Payment Posted	14,000,000	X	\$	\$
Payment Researched	240,000	X	\$	\$
<b>Collections</b>				
EFT	654,000	X	\$	\$
Paper	6,000,000	X	\$	\$
<b>Disbursements</b>				
EFT/ACH	1,395,000	X	\$	\$
Checks				
Paper	12,500,000	X	\$	\$
Envelope	12,500,000	X	\$	\$
Returned Checks	153,000	X	\$	\$
<b>ACH Enrollment Processing</b>				
ACH Enrollment Forms	20,000	X	\$	\$
<b>Marketing</b>				
Employer EDI Enrollment Kits	2,000	X	\$	\$
Print Publicity/Advertising		X	\$	\$
Quarterly Employer Newsletters	567,000	X	\$	\$
Brochures	25,000	X	\$	\$
Inserts (State prepares documents)	1,000,000	X	\$	\$
Inserts (Contractor prepares documents)	1,000,000	X	\$	\$
Direct Deposit Acknowledgement Letters	40,000	X	\$	\$
Direct Deposit Enrollment Forms	20,000	X	\$	\$
<b>Account Management and Reconciliation</b>				
NSF Collections	4,000	X	\$	\$
Pull Request	14,000	X	\$	\$
Void Request	14,000	X	\$	\$
Stop Payment Request	25,000	X	\$	\$
Return Item Processing	13,500	X	\$	\$
<b>Customer Support</b>				
Call Inquiry Center	165,000	X	\$	\$
<b>Billing Costs</b>				
Billing Statement -				
1st page	3,000,000	X	\$	\$
Mailing Envelopes	3,000,000	X	\$	\$
Return Envelopes	5,640,000	X	\$	\$

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2005 (continued)**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
Billing Statement - Additional Pages	1,800,000	X	\$ _____	\$ _____

**Total SFY 2005 Transaction Cost:** \$ \_\_\_\_\_

**Technical Staffing Costs SFY 2005**

<b>Position</b>	<b>Hourly Rate</b>	<b>X</b>	<b>Estimated Hours</b>	<b>=</b>	<b>Total Cost</b>
<b>Systems Analyst</b>	\$ _____	X	4,000	=	\$ _____
<b>Business Analyst</b>	\$ _____	X	4,000	=	\$ _____
<b>Programmer Analyst</b>	\$ _____	X	4,000	=	\$ _____
<b>Sr. Programmer Analyst</b>	\$ _____	X	4,000	=	\$ _____

**Total SFY 2005 Technical Staffing Cost:** \$ \_\_\_\_\_

**Total SFY 2005 Transaction Cost:** \$ \_\_\_\_\_

**Total SFY 2005 Technical Staffing Cost:** \$ \_\_\_\_\_

**Estimated SFY 2005 Postage (pass-through)** \$ 5,550,000.00

**Total SFY 2005 Cost:** \$ \_\_\_\_\_

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2006**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
<b>Payment Processing</b>				
Payment Posted	15,000,000	X	\$	\$
Payment Researched	245,000	X	\$	\$
<b>Collections</b>				
EFT	687,000	X	\$	\$
Paper	6,000,000	X	\$	\$
<b>Disbursements</b>				
EFT/ACH	2,000,000	X	\$	\$
Checks				
Paper	12,500,000	X	\$	\$
Envelope	12,500,000	X	\$	\$
Returned Checks	161,000	X	\$	\$
<b>ACH Enrollment Processing</b>				
ACH Enrollment Forms	15,000	X	\$	\$
<b>Marketing</b>				
Employer EDI Enrollment Kits	2,000	X	\$	\$
Print Publicity/Advertising		X	\$	\$
Quarterly Employer Newsletters	567,000	X	\$	\$
Brochures	25,000	X	\$	\$
Inserts (State prepares documents)	1,000,000	X	\$	\$
Inserts (Contractor prepares documents)	1,000,000	X	\$	\$
Direct Deposit Acknowledgement Letters	30,000	X	\$	\$
Direct Deposit Enrollment Forms	20,000	X	\$	\$
<b>Account Management and Reconciliation</b>				
NSF Collections	4,000	X	\$	\$
Pull Request	14,600	X	\$	\$
Void Request	14,600	X	\$	\$
Stop Payment Request	26,000	X	\$	\$
Return Item Processing	13,500	X	\$	\$
<b>Customer Support</b>				
Call Inquiry Center	165,000	X	\$	\$
<b>Billing Costs</b>				
Billing Statement -				
1st page	3,000,000	X	\$	\$
Mailing Envelopes	3,000,000	X	\$	\$
Return Envelopes	5,640,000	X	\$	\$

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2006 (continued)**

Transaction	Estimated Volume	X	Unit Cost	Total Cost
Billing Statement - Additional Pages	1,800,000	X	\$ _____	\$ _____

**Total SFY 2006 Transaction Cost:** \$ \_\_\_\_\_

**Technical Staffing Costs SFY 2006**

Position	Hourly Rate	X	Estimated Hours	=	Total Cost
Systems Analyst	\$ _____	X	4,000	=	\$ _____
Business Analyst	\$ _____	X	4,000	=	\$ _____
Programmer Analyst	\$ _____	X	4,000	=	\$ _____
Sr. Programmer Analyst	\$ _____	X	4,000	=	\$ _____

**Total SFY 2006 Technical Staffing Cost:** \$ \_\_\_\_\_

**Total SFY 2006 Transaction Cost:** \$ \_\_\_\_\_

**Total SFY 2006 Technical Staffing Cost:** \$ \_\_\_\_\_

**Estimated SFY 2006 Postage (pass-through)** \$ \_\_\_\_\_ **5,550,000.00**

**Total SFY 2006 Cost:** \$ \_\_\_\_\_

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2007**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
<b>Payment Processing</b>				
Payment Posted	16,000,000	X	\$	\$
Payment researched	249,000	X	\$	\$
<b>Collections</b>				
EFT	1 081,000	X	\$	\$
Paper	6,000,000	X	\$	\$
<b>Disbursements</b>				
EFT/ACH	3,000,000	X	\$	\$
Checks				
Paper	12,000,000	X	\$	\$
Envelope	12,000,000	X	\$	\$
Returned Checks	169,000	X	\$	\$
<b>ACH Enrollment Processing</b>				
ACH Enrollment Forms	10,000	X	\$	\$
<b>Marketing</b>				
Employer EDI Enrollment Kits	2,000	X	\$	\$
Print Publicity/Advertising		X	\$	\$
Quarterly Employer Newsletters	567,000	X	\$	\$
Brochures	25,000	X	\$	\$
Inserts (State prepares documents)	1,000,000	X	\$	\$
Inserts (Contractor prepares documents)	1,000,000	X	\$	\$
Direct Deposit Acknowledgement Letters	20,000	X	\$	\$
Direct Deposit Enrollment Forms	20,000	X	\$	\$
<b>Account Management and Reconciliation</b>				
NSF Collections	4,000	X	\$	\$
Pull Request	15,000	X	\$	\$
Void Request	15,000	X	\$	\$
Stop Payment Request	28,000	X	\$	\$
Return Item Processing	13,500	X	\$	\$
<b>Customer Support</b>				
Call Inquiry Center	165,000	X	\$	\$
<b>Billing Costs</b>				
Billing Statement -				
1st page	3,000,000	X	\$	\$
Mailing Envelopes	3,000,000	X	\$	\$
Return Envelopes	5,640,000	X	\$	\$

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2007 (continued)**

Transaction	Estimated Volume	X	Unit Cost	Total Cost
Billing Statement - Additional Pages	1,800,000	X	\$ _____	\$ _____

**Total SFY 2007 Transaction Cost:** \$ \_\_\_\_\_

**Technical Staffing Costs SFY 2007**

Position	Hourly Rate	X	Estimated Hours	=	Total Cost
Systems Analyst	\$ _____	X	4,000	=	\$ _____
Business Analyst	\$ _____	X	4,000	=	\$ _____
Programmer Analyst	\$ _____	X	4,000	=	\$ _____
Sr. Programmer Analyst	\$ _____	X	4,000	=	\$ _____

**Total SFY 2007 Technical Staffing Cost:** \$ \_\_\_\_\_

**Total SFY 2007 Transaction Cost:** \$ \_\_\_\_\_

**Total SFY 2007 Technical Staffing Cost:** \$ \_\_\_\_\_

**Estimated SFY 2007 Postage (pass-through)** \$ 5,550,000.00

**Total SFY 2007 Cost:** \$ \_\_\_\_\_

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

**Transaction Costs SFY 2008**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
<b>Payment Processing</b>				
Payment Posted	16,000,000	X	\$	\$
Payment researched	254,000	X	\$	\$
<b>Collections</b>				
EFT	1,513,000	X	\$	\$
Paper	6,000,000	X	\$	\$
<b>Disbursements</b>				
EFT/ACH	3,225,000	X	\$	\$
Checks				
Paper	13,000,000	X	\$	\$
Envelope	13,000,000	X	\$	\$
Returned Checks	177,000	X	\$	\$
<b>ACH Enrollment Processing</b>				
ACH Enrollment Forms	10,000	X	\$	\$
<b>Marketing</b>				
Employer EDI Enrollment Kits	2,000	X	\$	\$
Print Publicity/Advertising		X	\$	\$
Quarterly Employer Newsletters	567,000	X	\$	\$
Brochures	25,000	X	\$	\$
Inserts (State prepares documents)	1,000,000	X	\$	\$
Inserts (Contractor prepares documents)	1,000,000	X	\$	\$
Direct Deposit Acknowledgement Letters	20,000	X	\$	\$
Direct Deposit Enrollment Forms	20,000	X	\$	\$
<b>Account Management and Reconciliation</b>				
NSF Collections	4,000	X	\$	\$
Pull Request	16,000	X	\$	\$
Void Request	16,000	X	\$	\$
Stop Payment Request	29,000	X	\$	\$
Return Item Processing	<b>13,500</b>	X	\$	\$
<b>Customer Support</b>				
Call Inquiry Center	165,000	X	\$	\$
<b>Billing Costs</b>				
Billing Statement -				
1st page	3,000,000	X	\$	\$
Mailing Envelopes	3,000,000	X	\$	\$
Return Envelopes	5,640,000	X	\$	\$

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2008 (continued)**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
Billing Statement - Additional Pages	1,800,000	X	\$ _____	\$ _____

**Total SFY 2008 Transaction Cost:** \$ \_\_\_\_\_

**Technical Staffing Costs SFY 2008**

<b>Position</b>	<b>Hourly Rate</b>	<b>X</b>	<b>Estimated Hours</b>	<b>=</b>	<b>Total Cost</b>
Systems Analyst	\$ _____	X	4,000	=	\$ _____
Business Analyst	\$ _____	X	4,000	=	\$ _____
Programmer Analyst	\$ _____	X	4,000	=	\$ _____
Sr. Programmer Analyst	\$ _____	X	4,000	=	\$ _____

**Total SFY 2008 Technical Staffing Cost:** \$ \_\_\_\_\_

**Total SFY 2008 Transaction Cost:** \$ \_\_\_\_\_

**Total SFY 2008 Technical Staffing Cost:** \$ \_\_\_\_\_

**Estimated SFY 2008 Postage (pass-through)** \$ 5,550,000.00

**Total SFY 2008 Cost:** \$ \_\_\_\_\_

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2009**

<b>Transaction</b>	<b>Estimated Volume</b>	<b>X</b>	<b>Unit Cost</b>	<b>Total Cost</b>
<b>Payment Processing</b>				
Payment Posted	17,000,000	X	\$	\$
Payment researched	258,000	X	\$	\$
<b>Collections</b>				
EFT	1,600,000	X	\$	\$
Paper	6,300,000	X	\$	\$
<b>Disbursements</b>				
EFT/ACH	4,230,000	X	\$	\$
Checks				
Paper	13,000,000	X	\$	\$
Envelope	13,000,000	X	\$	\$
Returned Checks	186,000	X	\$	\$
<b>ACH Enrollment Processing</b>				
ACH Enrollment Forms	10,000	X	\$	\$
<b>Marketing</b>				
Employer EDI Enrollment Kits	2,000	X	\$	\$
Print Publicity/Advertising		X	\$	\$
Quarterly Employer Newsletters	567,000	X	\$	\$
Brochures	25,000	X	\$	\$
Inserts (State prepares documents)	1,000,000	X	\$	\$
Inserts (Contractor prepares documents)	1,000,000	X	\$	\$
Direct Deposit Acknowledgement Letters	20,000	X	\$	\$
Direct Deposit Enrollment Forms	20,000	X	\$	\$
<b>Account Management and Reconciliation</b>				
NSF Collections	4,000	X	\$	\$
Pull Request	17,000	X	\$	\$
Void Request	17,000	X	\$	\$
Stop Payment Request	30,500	X	\$	\$
Return Item Processing	13,500	X	\$	\$
<b>Customer Support</b>				
Call Inquiry Center	165,000	X	\$	\$
<b>Billing Costs</b>				
Billing Statement -				
1st page	3,000,000	X	\$	\$
Mailing Envelopes	3,000,000	X	\$	\$
Return Envelopes	5,640,000	X	\$	\$

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Transaction Costs SFY 2009 (continued)**

Transaction	Estimated Volume	X	Unit Cost	Total Cost
Billing Statement - Additional Pages	1,800,000	X	\$ _____	\$ _____

**Total SFY 2009 Transaction Cost:** \$ \_\_\_\_\_

**Technical Staffing Costs SFY 2009**

Position	Hourly Rate	X	Estimated Hours	=	Total Cost
Systems Analyst	\$ _____	X	4,000	=	\$ _____
Business Analyst	\$ _____	X	4,000	=	\$ _____
Programmer Analyst	\$ _____	X	4,000	=	\$ _____
Sr. Programmer Analyst	\$ _____	X	4,000	=	\$ _____

**Total SFY 2009 Technical Staffing Cost:** \$ \_\_\_\_\_

**Total SFY 2009 Transaction Cost:** \$ \_\_\_\_\_

**Total SFY 2009 Technical Staffing Cost:** \$ \_\_\_\_\_

**Estimated SFY 2009 Postage (pass-through)** \$ \_\_\_\_\_ **5,550,000.00**

**Total SFY 2009 Cost:** \$ \_\_\_\_\_

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

**Optional Web-Based Payment Site Costs SFY 2003**

<b>One Time Development Costs</b>		<b>Total Cost</b>	
Website Procurement		\$	_____
Site Design		\$	_____
Site Development		\$	_____
Data Base Development		\$	_____
Testing		\$	_____
Account Management Procedures		\$	_____
Reconciliation Procedures		\$	_____
Report Development		\$	_____
<b>Monthly Site Management Costs</b>		<b>Monthly Cost</b>	<b>Yearly Cost</b>
Data Base Management	\$	X 12	\$
Reconciliation	\$	X 12	\$
Employer Reports	\$	X 12	\$
<b>Transaction Costs</b>		<b>Per Item/Transaction</b>	
Payment Processing		\$	_____
Collection Transaction Processing		\$	_____
Data Updates		\$	_____
Bill Presentation		\$	_____
<b>Marketing</b>			
Employer Enrollment Kit		\$	_____
Print Publicity/Advertising		\$	_____
Direct Mail Campaign		\$	_____
County Training Materials		\$	_____
County Informational Kits		\$	_____
Semi-Annual Direct Marketing Mailer		\$	_____
<b>Customer On-Line Support</b>		\$	_____
<b>Total Optional Web-Based Payment Site Costs SFY 2003:</b>		\$	_____

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

**Optional Web-Based Payment Site Costs SFY 2004**

<b>One Time Development Costs</b>		<b>Total Cost</b>
Website Procurement		\$ _____
Site Design		\$ _____
Site Development		\$ _____
Data Base Development		\$ _____
Testing		\$ _____
Account Management Procedures		\$ _____
Reconciliation Procedures		\$ _____
Report Development		\$ _____
<b>Monthly Site Management Costs</b>	<b>Monthly Cost</b>	<b>Yearly Cost</b>
Data Base Management	\$ _____ X 12	\$ _____
Reconciliation	\$ _____ X 12	\$ _____
Employer Reports	\$ _____ X 12	\$ _____
<b>Transaction Costs</b>		<b>Per Item/Transaction</b>
Payment Processing		\$ _____
Collection Transaction Processing		\$ _____
Data Updates		\$ _____
Bill Presentation		\$ _____
<b>Marketing</b>		
Employer Enrollment Kit		\$ _____
Print Publicity/Advertising		\$ _____
Direct Mail Campaign		\$ _____
County Training Materials		\$ _____
County Informational Kits		\$ _____
Semi-Annual Direct Marketing Mailer		\$ _____
<b>Customer On-Line Support</b>		\$ _____
<b>Total Optional Web-Based Payment Site Costs SFY 2004:</b>		<b>\$ _____</b>

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

**Optional Web-Based Payment Site Costs SFY 2005**

<b>One Time Development Costs</b>		<b>Total Cost</b>
Website Procurement		\$ _____
Site Design		\$ _____
Site Development		\$ _____
Data Base Development		\$ _____
Testing		\$ _____
Account Management Procedures		\$ _____
Reconciliation Procedures		\$ _____
Report Development		\$ _____
<b>Monthly Site Management Costs</b>	<b>Monthly Cost</b>	<b>Yearly Cost</b>
Data Base Management	\$ _____ X 12	\$ _____
Reconciliation	\$ _____ X 12	\$ _____
Employer Reports	\$ _____ X 12	\$ _____
<b>Transaction Costs</b>		<b>Per Item/Transaction</b>
Payment Processing		\$ _____
Collection Transaction Processing		\$ _____
Data Updates		\$ _____
Bill Presentation		\$ _____
<b>Marketing</b>		
Employer Enrollment Kit		\$ _____
Print Publicity/Advertising		\$ _____
Direct Mail Campaign		\$ _____
County Training Materials		\$ _____
County Informational Kits		\$ _____
Semi-Annual Direct Marketing Mailer		\$ _____
<b>Customer On-Line Support</b>		\$ _____
<b>Total Optional Web-Based Payment Site Costs SFY 2005:</b>		<b>\$ _____</b>

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

**Optional Web-Based Payment Site Costs SFY 2006**

<b>One Time Development Costs</b>		<b>Total Cost</b>
Website Procurement		\$ _____
Site Design		\$ _____
Site Development		\$ _____
Data Base Development		\$ _____
Testing		\$ _____
Account Management Procedures		\$ _____
Reconciliation Procedures		\$ _____
Report Development		\$ _____
<b>Monthly Site Management Costs</b>	<b>Monthly Cost</b>	<b>Yearly Cost</b>
Data Base Management	\$ _____ X 12	\$ _____
Reconciliation	\$ _____ X 12	\$ _____
Employer Reports	\$ _____ X 12	\$ _____
<b>Transaction Costs</b>		<b>Per Item/Transaction</b>
Payment Processing		\$ _____
Collection Transaction Processing		\$ _____
Data Updates		\$ _____
Bill Presentation		\$ _____
<b>Marketing</b>		
Employer Enrollment Kit		\$ _____
Print Publicity/Advertising		\$ _____
Direct Mail Campaign		\$ _____
County Training Materials		\$ _____
County Informational Kits		\$ _____
Semi-Annual Direct Marketing Mailer		\$ _____
<b>Customer On-Line Support</b>		\$ _____
<b>Total Optional Web-Based Payment Site Costs SFY 2006:</b>		<b>\$ _____</b>

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

**Optional Web-Based Payment Site Costs SFY 2007**

<b>One Time Development Costs</b>		<b>Total Cost</b>
Website Procurement		\$ _____
Site Design		\$ _____
Site Development		\$ _____
Data Base Development		\$ _____
Testing		\$ _____
Account Management Procedures		\$ _____
Reconciliation Procedures		\$ _____
Report Development		\$ _____
<b>Monthly Site Management Costs</b>	<b>Monthly Cost</b>	<b>Yearly Cost</b>
Data Base Management	\$ _____ X 12	\$ _____
Reconciliation	\$ _____ X 12	\$ _____
Employer Reports	\$ _____ X 12	\$ _____
<b>Transaction Costs</b>		<b>Per Item/Transaction</b>
Payment Processing		\$ _____
Collection Transaction Processing		\$ _____
Data Updates		\$ _____
Bill Presentation		\$ _____
<b>Marketing</b>		
Employer Enrollment Kit		\$ _____
Print Publicity/Advertising		\$ _____
Direct Mail Campaign		\$ _____
County Training Materials		\$ _____
County Informational Kits		\$ _____
Semi-Annual Direct Marketing Mailer		\$ _____
<b>Customer On-Line Support</b>		\$ _____
<b>Total Optional Web-Based Payment Site Costs SFY 2007:</b>		<b>\$ _____</b>

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

**Optional Web-Based Payment Site Costs SFY 2008**

<b>One Time Development Costs</b>		<b>Total Cost</b>
Website Procurement		\$ _____
Site Design		\$ _____
Site Development		\$ _____
Data Base Development		\$ _____
Testing		\$ _____
Account Management Procedures		\$ _____
Reconciliation Procedures		\$ _____
Report Development		\$ _____
<b>Monthly Site Management Costs</b>	<b>Monthly Cost</b>	<b>Yearly Cost</b>
Data Base Management	\$ _____ X 12	\$ _____
Reconciliation	\$ _____ X 12	\$ _____
Employer Reports	\$ _____ X 12	\$ _____
<b>Transaction Costs</b>		<b>Per Item/Transaction</b>
Payment Processing		\$ _____
Collection Transaction Processing		\$ _____
Data Updates		\$ _____
Bill Presentation		\$ _____
<b>Marketing</b>		
Employer Enrollment Kit		\$ _____
Print Publicity/Advertising		\$ _____
Direct Mail Campaign		\$ _____
County Training Materials		\$ _____
County Informational Kits		\$ _____
Semi-Annual Direct Marketing Mailer		\$ _____
<b>Customer On-Line Support</b>		\$ _____
<b>Total Optional Web-Based Payment Site Costs SFY 2008:</b>		<b>\$ _____</b>

**ATTACHMENT FIVE  
COST SUMMARY**

**This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.**

**Optional Web-Based Payment Site Costs SFY 2009**

<b>One Time Development Costs</b>		<b>Total Cost</b>
Website Procurement		\$ _____
Site Design		\$ _____
Site Development		\$ _____
Data Base Development		\$ _____
Testing		\$ _____
Account Management Procedures		\$ _____
Reconciliation Procedures		\$ _____
Report Development		\$ _____
<b>Monthly Site Management Costs</b>	<b>Monthly Cost</b>	<b>Yearly Cost</b>
Data Base Management	\$ _____ X 12	\$ _____
Reconciliation	\$ _____ X 12	\$ _____
Employer Reports	\$ _____ X 12	\$ _____
<b>Transaction Costs</b>		<b>Per Item/Transaction</b>
Payment Processing		\$ _____
Collection Transaction Processing		\$ _____
Data Updates		\$ _____
Bill Presentation		\$ _____
<b>Marketing</b>		
Employer Enrollment Kit		\$ _____
Print Publicity/Advertising		\$ _____
Direct Mail Campaign		\$ _____
County Training Materials		\$ _____
County Informational Kits		\$ _____
Semi-Annual Direct Marketing Mailer		\$ _____
<b>Customer On-Line Support</b>		\$ _____
<b>Total Optional Web-Based Payment Site Costs SFY 2009:</b>		<b>\$ _____</b>

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Summary of Optional Web-Based Payment Site Costs**

Optional Web-Based Payment Site Costs SFY 2003 (from page 109):	\$ _____
Optional Web-Based Payment Site Costs SFY 2004 (from page 110):	\$ _____
Optional Web-Based Payment Site Costs SFY 2005 (from page 111):	\$ _____
Optional Web-Based Payment Site Costs SFY 2006 (from page 112):	\$ _____
Optional Web-Based Payment Site Costs SFY 2007 (from page 113):	\$ _____
Optional Web-Based Payment Site Costs SFY 2008 (from page 114):	\$ _____
Optional Web-Based Payment Site Costs SFY 2009 (from page 115):	\$ _____
<b>Total Optional Web-Based Payment Site Costs:</b>	<b>\$ _____</b>

**Optional Quarterly Employer Electronic Newsletter Cost SFY 2003 - 2009**

SFY	Per Issue	X	4	=	Total Cost Per SFY
2003	\$ _____	X	4	=	\$ _____
2004	\$ _____	X	4	=	\$ _____
2005	\$ _____	X	4	=	\$ _____
2006	\$ _____	X	4	=	\$ _____
2007	\$ _____	X	4	=	\$ _____
2008	\$ _____	X	4	=	\$ _____
2009	\$ _____	X	4	=	\$ _____
<b>Total Cost of Optional Quarterly Employer Electronic Newsletter:</b>					<b>\$ _____</b>

**ATTACHMENT FIVE  
COST SUMMARY**

This RFP provides only an estimate of the State's requirements. No guarantee is made of any specific amount to be purchased. Offerors must complete the required pricing information below.

**Summary Total of Project Costs**

<b>Total Cost of Deliverables (from page 94)</b>	<b>\$</b> _____
<b>Total SFY 2003 Cost (from page 96):</b>	<b>\$</b> _____
<b>Total SFY 2004 Cost (from page 98):</b>	<b>\$</b> _____
<b>Total SFY 2005 Cost (from page 100):</b>	<b>\$</b> _____
<b>Total SFY 2006 Cost (from page 102):</b>	<b>\$</b> _____
<b>Total SFY 2007 Cost (from page 104):</b>	<b>\$</b> _____
<b>Total SFY 2008 Cost (from page 106):</b>	<b>\$</b> _____
<b>Total SFY 2009 Cost (from page 108):</b>	<b>\$</b> _____
<b>Total Optional Quarterly Employer Electronic Newsletter Cost (from page 116):</b>	<b>\$</b> _____
<b>Total Optional Web-Based Payment Site Cost (from page 116):</b>	<b>\$</b> _____
<b>Total Not-to-Exceed Fixed Price:</b>	<b>\$</b> _____

**ATTACHMENT SIX  
OFFEROR REQUIREMENTS**

<b>Offeror's Name:</b>
------------------------

Duplicate this form as necessary to provide three (3) project references for which the offeror has successfully provided services that were similar in their nature, size and scope to the Work required for this project. These references must relate to work that was performed within the past five (5) years.

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the scope of the project and a detailed explanation of relevance or similarity to the Ohio CSPC project
- Identification of any project staff who will be assigned to a similar role in the Ohio CSPC project.

**ATTACHMENT SIX  
OFFEROR REQUIREMENTS**

<b>Offeror's Name:</b>
------------------------

Duplicate this form as necessary to provide sufficient information to prove that the offeror meets the requirement of: **Minimum of three (3) previous projects where the offeror performed the duties of Prime Contractor on projects that required compliance with federal regulations.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the scope of the project and a detailed explanation of relevance or similarity to this project
- Identification of any project staff who will be assigned to a similar role in this project.

**ATTACHMENT SIX  
OFFEROR REQUIREMENTS**

<b>Offeror's Name:</b>
------------------------

**Duplicate this form as necessary to provide sufficient information to prove that the offeror meets the requirement of: Minimum of three (3) years experience providing lockbox operation services involving a minimum of 800,000 monthly transactions in a child support or other government lockbox operation.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the scope of the project and a detailed explanation of relevance or similarity to this project
- Identification of any project staff who will be assigned to a similar role in this project
- Number of monthly transactions
- Indication that project was a child support or other government lockbox operation.

**ATTACHMENT SIX  
OFFEROR REQUIREMENTS**

<b>Offeror's Name:</b>
------------------------

Duplicate this form as necessary to provide sufficient information to prove that the offeror meets the requirement of: **Minimum of three (3) years experience managing an organization responsible for disbursing a minimum of 75,000 payments per day.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

- The project description section must include but should not be limited to:
- A summary of the scope of the project and a detailed explanation of relevance or similarity to this project
  - Identification of any project staff who will be assigned to a similar role in this project
  - Number of payments disbursed per day.

**ATTACHMENT SIX  
OFFEROR REQUIREMENTS**

<b>Offeror's Name:</b>
------------------------

Duplicate this form as necessary to provide sufficient information to prove that the offeror meets the requirement of: **Minimum of three (3) years experience providing account management and fiscal services to a federal, state or local government agency.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the scope of the project and a detailed explanation of relevance or similarity to this project
- Identification of any project staff who will be assigned to a similar role in this project
- Indication that project involved account management and fiscal services.

**ATTACHMENT SIX  
OFFEROR REQUIREMENTS**

<b>Offeror's Name:</b>
------------------------

**Duplicate this form as necessary to provide sufficient information to prove that the offeror meets the requirement of: Minimum of five (5) years experience adhering to NACHA and EFT/EDI standards.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the scope of the project and a detailed explanation of relevance or similarity to this project
- Identification of any project staff who will be assigned to a similar role in this project
- Indication that project involved adhering to NACHA and EFT/EDI standards.

**ATTACHMENT SIX  
OFFEROR or SUBCONTRACTOR REQUIREMENTS**

<b>Offeror or Subcontractor Name:</b>
---------------------------------------

**Duplicate this form as necessary to provide sufficient information to prove that the offeror or at least one proposed subcontractor meets the requirement of: Experience with at least one (1) previous project that required the offeror or named subcontractor to have performed the duties of an account manager managing and monitoring customer accounts of at least \$1.7 billion annually.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the scope of the project and a detailed explanation of relevance or similarity to this project
- Identification of any project staff who will be assigned to a similar role in this project
- Indication that project involved managing and monitoring customer accounts of at least \$1.7 billion annually.

**ATTACHMENT SIX  
OFFEROR or SUBCONTRACTOR REQUIREMENTS**

<b>Offeror or Subcontractor Name:</b>
---------------------------------------

**Duplicate this form as necessary to provide sufficient information to prove that the offeror or at least one proposed subcontractor meets the requirement of: The offeror or at least one (1) subcontractor has experience with at least one (1) previous project that required the offeror or named subcontractor to be responsible for supporting CTX or CCD+ protocols.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the scope of the project and a detailed explanation of relevance or similarity to this project
- Identification of any project staff who will be assigned to a similar role in this project
- Indication that project included supporting CTX or CCD+ protocols.

**ATTACHMENT SEVEN  
KEY PERSONNEL PROFILE FORM**

<b>Candidate's Name:</b>
--------------------------

**Duplicate this form as necessary to provide three (3) project references for which the candidate has successfully demonstrated meeting the requirements of the RFP on a project of similar size and scope in the past 5 years.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project
- Detailed description of size and scope of the project.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM  
KEY PERSONNEL EDUCATION AND TRAINING**

<b>Candidate's Name:</b>
--------------------------

**Duplicate this form as necessary for each key personnel candidate and complete to list the education and training of the proposed candidate**

<b>Education and Training</b>	<b>Months/Years</b>	<b>Where Obtained</b>	<b>Degree/Major Year Earned</b>
College			
Technical School			
Other Training			

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

<b>Project Manager Candidate's Name:</b>
--

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Ten (10) years experience in operational project management including direct management and supervisory responsibility for a project team of at least thirty (30) people.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Identification of the number of project team members the candidate managed during the project.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

<b>Project Manager Candidate's Name:</b>
--

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Eight (8) years experience in development of a large-scale data processing or other technical project.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that this project involved development of a large-scale data processing or other technical project.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

<b>Project Manager Candidate's Name:</b>
--

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Five (5) years experience in development of financial applications and operations.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that this project involved development of financial applications and operations.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

**Lockbox Manager Candidate's Name:**

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Three (3) years 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.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that the candidate's role involved managerial or supervisory duties.
- Evidence that this project involved a lockbox operation of a minimum of 800,000 monthly transactions
- Evidence that the project involved a child support or other government lockbox operation.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

**Customer Support Manager Candidate's Name:**

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Three (3) years managerial or supervisory experience in a call center operation that handled a minimum of 10,000 calls per month.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that the candidate's role involved managerial or supervisory duties.
- Evidence that this project involved a call center operation that handled a minimum of 10,000 calls per month.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

<b>Customer Support Manager Candidate's Name:</b>
---

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Three (3) years managerial or supervisory experience in commercial banking account services**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that the candidate's role involved managerial or supervisory duties.
- Evidence that this project involved commercial banking account services

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

**Lockbox Manager or Customer Support Manager Candidate's Name:**

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Ten (10) years experience managing direct cash, account, and "float" for an entity with transactions similar in size and scope to this project.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that the candidate's role involved managing direct cash, account and "float."
- Evidence that this project involved an entity with transactions similar in size and scope to this project.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

<b>Lockbox Manager <u>or</u> Customer Support Manager Candidate's Name:</b>
---

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Five (5) years experience in data center management.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that this project involved data center management.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

**Lockbox Manager or Customer Support Manager Candidate's Name:**

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: Four (4) years experience with projects that required adherence to NACHA standards regarding electronic transaction processing such as EFT/EDI.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that this project required adherence to NACHA standards regarding electronic transaction processing.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM**

**Lockbox Manager or Customer Support Manager Candidate's Name:**

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the requirement of: One (1) year providing fiscal agent services for child support enforcement collections and disbursement.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that this project involved providing fiscal agent services for child support enforcement collections and disbursement.

**ATTACHMENT SEVEN  
PERSONNEL PROFILE FORM – DESIRABLE REQUIREMENT**

**Lockbox Manager or Customer Support Manager Candidate's Name:**

**Duplicate this form as necessary to provide sufficient information to prove that the candidate meets the desirable requirement of: One (1) year experience working with state of Ohio custodial account relationships or the State Treasurer's Office.**

<b>Company Name:</b>	<b>Client Contact Name:</b>	
<b>Address:</b>	<b>Phone Number:</b>	
<b>Project Name:</b>	<b>Beginning Date of Project Month/Year:</b>	<b>Ending Date of Project Month/Year:</b>

The project description section must include but should not be limited to:

- A summary of the candidate's role and duties for the project and a detailed explanation of relevance or similarity to this project.
- Evidence that this project involved working with state of Ohio custodial account relationships or the state Treasurer's Office.

**ATTACHMENT EIGHT  
GLOSSARY**

<b>Automated Clearing House (ACH)</b>	Central distribution and settlement point where electronic debits and credits between financial institutions are cleared. Also, see Ohio CSPC Through a Financial Institution.
<b>Action Transmittal</b>	A document, sent out as needed, from ACF which instructs state child support agencies on the actions they must take to comply with new and amended Federal laws.
<b>Batch Processing</b>	The running of several computer programs one after another without the need of a human operator to run each program individually. Batch processing takes place when the on-line portion of SETS is inactive (overnight) in order to create reports, notices, run mass changes, etc. A batch is automatically created and assigned a number each time the SETS posting screen is accessed unless an existing batch is chosen. A field on posting screens indicates batch status: "A" - approved, "C" - closed balanced, "G" - processed, "O" - open, "P" - pending, and "X" - closed unbalanced.
<b>Billing</b>	The automatic billing of all cases with support obligations, excluding wage withholding cases, whether payments are current or in arrears.
<b>Case Number</b>	A unique 10-digit, system assigned number used to identify a SETS case; originally the application number for IV-D services; used to identify a group of participants within SETS.
<b>Case Participant</b>	Individuals and/or agencies involved in the case including payor, payee and children.
<b>Case Status</b>	A case within SETS can be Open Active, Closed, or Open Pending Close.
<b>Child Support</b>	An amount of money under a court or administrative order that is due and owed by the non-custodial parent for the support of the parent's child(ren).
<b>CSEA (Child Support Enforcement Agency)</b>	The CSEA is the local arm of the Ohio Department of Jobs and Family Services (ODJFS), Office of Child Support (OCS). Each of the State's 88 counties has a CSEA.
<b>Child Support Enforcement Manual (CSEM)</b>	Procedural and regulatory manual published by Ohio's state IV-D Agency (ODJFS/Office of Child Support Enforcement) as a tool for operation of local CSEAs in accordance with federal and state statutes, regulations and policies.
<b>Collection Date</b>	Date a payment is received and posted by the CSPC.
<b>Current Support Obligation</b>	The total of the monthly child support obligation plus the monthly spousal support obligation.
<b>Custodial Parent</b>	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.

**ATTACHMENT EIGHT  
GLOSSARY**

<b>Depository Account</b>	Accounts established by CSPC and under its direct control for purposes of depositing child support collections and disbursing collections to Services. Collections must be deposited and disbursed within two (2) business days of CSEA's receipt.
<b>Direct Deposit</b>	Allows payees to receive child support disbursements electronically through direct deposit. Payees who choose not to receive hard-copy checks through the mail may enroll in this process through CSS by completing an enrollment form which will be made available at the CSEA offices. Also, see EFT-In.
<b>EFT/EDI (Electronic Funds Transfer/ Electronic Data Interchange)</b>	EFT/EDI is a standard electronic payment protocol in used by many employers and payroll processors for such transactions as the paying child support.
<b>EIN (Employer Identification Number)</b>	Federal tax number to identify employers. Also referred to as Federal Employer Identification Number (FEIN).
<b>Imaging</b>	A process that requires the vendor to scan documents and maintain images for subsequent viewing
<b>Income Withholding</b>	Federal and state legislation requiring employers to deduct court ordered sums from employees wages to transmit such monies to CSEA for support and/or support arrearage payments. Orders for wage withholding take precedence over all other forms of garnishment. The Consumer Credit Protection Act (CCPA) limits the amounts that can be wage withheld to a maximum of 65% where arrearages exist. Two or more orders for withholding must be prorated.
<b>IV-D</b>	Federally mandated Child Support Enforcement
<b>Lockbox (Central Lockbox)</b>	The Ohio CSPC lockbox is a central location operated by the contractor to receive and process all collections from employers and individuals.
<b>Obligee</b>	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.
<b>Obligor</b>	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.
<b>Office of Child Support Enforcement (OCSE)</b>	Federal Health and Human Services program to establish standards for state IV-D enforcement programs and agencies, to monitor such programs and agencies, and to facilitate their functioning through funding, regulation and training.
<b>Ohio CSPC (Ohio Child Support Payment Central)</b>	The official name of Ohio's State Disbursement Unit (SDU). Ohio CSPC is the umbrella that represents several activities mandated for implementation under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to centralize child support payment collection and disbursement within each of the 50 states.

**ATTACHMENT EIGHT  
GLOSSARY**

<b>Participant Number</b>	A unique 12-digit system assigned number to identify each participant known to SETS.
<b>Payee</b>	An individual to whom child support payments are to be made on behalf of the child.
<b>Payment Analysis &amp; Reconciliation (PAR)</b>	The Payment Analysis and Reconciliation (PAR) Bureau is an entity of ODJFS Office of Child Support. This Bureau consists of two units – the Payment Analysis Center and Accounts Reconciliation
<b>Payment Analysis Center (PAC)</b>	The Payment Analysis Center role is to support exception processing for the Ohio CSPC lockbox operations. The Payment Analysis Center has three core functions: county support, payment resolution, and correspondence handling.
<b>Payor</b>	An individual who has been ordered to make child support payments.
<b>Postable</b>	A deposited payment transaction when all required data elements are identified for posting. In the lockbox process, postable payment transactions are sent from the contractor lockbox location to SETS.
<b>Receipt Number</b>	A system assigned number to identify each collection payment received into the SETS system. A receipt can be printed for the client if desired.
<b>Reconciliation</b>	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.
<b>Recoupment Account</b>	An account established in SETS by a Child Support Enforcement Agency in order 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. After the recoupment account has been created, a bad check indicator may be displayed along with other information about the payor.
<b>SBD (State of Ohio Board of Deposit)</b>	The role of the SBD is to designate the depositories of the public monies of the state and implement the Uniform Depository Act as it applies to the State. For purposes of the Ohio CSPC initiative, the ODJFS worked in close cooperation with the Treasurer of State to identify services and institutions eligible to process child support monies.
<b>SDU (State Disbursement Unit)</b>	The SDU is the term the federal government uses to describe the vehicle that states must use for the purpose of collecting both IV-D and Non-IV-D child support payments. ODJFS uses the term Ohio CSPC interchangeably with the term SDU, as the operational SDU currently in development will address all Ohio CSPC-related federal requirements at full implementation.
<b>Support Enforcement Tracking System (SETS)</b>	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. SETS is designed pursuant to federal requirements outlined in the Family Support Act of 1988, PRWORA96 and other federal and state statutory and regulatory articles.

**ATTACHMENT EIGHT  
GLOSSARY**

<b>Tax Offset</b>	Occurs when the Federal Internal Revenue Service or the State of Ohio or both returns money to the taxpayer to rectify an invalid offset or an injured spouse claim. This adjustment reduces the obligor's earlier offset collection previously disbursed to the state. An adjustment is indicated on the IRS collections report, and the amount forwarded to ODJFS is reduced by the amount of the adjustment.
<b>Third Party Number (TPN)</b>	A nine (temporary) or 12 (permanent) digit number which will provide access to the name address, and employer identification number (EIN) of the entities with whom the CSEA will have dealings.
<b>Treasurer of State (TOS)</b>	The role of the TOS is to collect, invest, and protect state funds. The Treasurer's Office serves as custodian of the public's money; manages the states investment portfolio; and collects taxes, court fees, and professional licensing fees. For the Ohio CSPC initiative, the TOS will provide oversight of the summary transactions and serve as custodian for child support monies processed through the contractor.
<b>Unidentified Payment</b>	A payment that does not contain adequate documentation to determine which child support obligation/case it is designated for.
<b>Unpostable</b>	A deposited payment transaction when all required data elements are not identified for posting. In the lockbox process.
<b>Voice Response Unit (VRU )</b>	A system generated statewide network that will provide the recipient with current payment information concerning their child support case.
<b>Voluntary Payments</b>	SETS is able to process voluntary payments, defined as any payment made when no support order exists. When collections are posted to a case with no order, the funds are posted to the case, then to a voluntary subaccount, and are distributed and disbursed according to federal and state policy. Voluntary payments are not applied to any current obligor subaccounts, no arrears accrue, and the voluntary dollars are sent to distribution
<b>Zero Balance Account (ZBA)</b>	A Zero Balance Account (ZBA) is a cash management account that will be established for deposits and disbursements for all 88 counties in the State (i.e. 88 deposit ZBAs and 88 disbursement ZBAs). On a daily basis, funds will move automatically between the Ohio CSPC Master Account and the subaccounts, eliminating the need for manual transfers. Each of these accounts will maintain a zero balance, funds posting to the ZBAs or disbursed from the ZBAs are automatically transferred to or from the Ohio CSPC Master Account on a daily basis.

**ATTACHMENT EIGHT  
TRANSACTION VOLUMES FOR STATE FISCAL YEARS 2001 AND 2002**

Contract Item	SFY01 Volumes - July '00 to June '01
FDIC Charge	698,311,688
Account Maintenance	2,143
Duplicate Statement	12
Postage Fees	12
ZBA Maintenance- Master Account	2
ZBA Maintenance- Sub Account	2,131
Credits Posted	141,939
Commercial Check Cashing	14,377
Dep Return- Items Returned	3,718
Dep Return - Redeposit Reclear	5,732
Dep Return - Maker name	3,713
Deposited Checks - On us	232,474
Deposited Checks - On us	34,745
Dep Checks Clearinghouse	1,344,815
Dep Checks Clearinghouse	213,558
Dep Cks Local City	228,127
Dep Cks Local City	33,270
Dep Cks Local RCPC	761,917
Dep Cks in District RCPC	192,025
Dep Cks National Frb Other	1,892,646
Dep Cks Encoding	1,723,300
Package Pass - Through Delivery Charge (UPS)	249
Deposit Package Handling Charge	7,754
Branch Deposit Immed Verif	30,850
Debits Posted	10,126,741
STP Stop Payments	20,853
STP Monthly Maintenance	12
Ck Outsourcing Acct Maint (*No Charge)	793
Check Outsourcing -printing	10,621,018
Ck Outsourcing Register File	266
Ck Outsourcing Input File Proc	266
Ck Outsourcing Spec Item Print	2,619,249
Ck Outsourcing Spec Addl page	1,105,627
Ck Outsourcing Spec Envelope	5,696,829
Check Pulls	14,371
Image Retrieval Items	623,895
ACH Maintenance	7
ACH Processing MERET - Addenda Records	6
ACH Addenda Records	56
MERET ACH Addenda Originated	21,244
Credits Originated via MERET	2,484
MERET ACH Credits Originated	420,419
ACH Debits\Credits Originated	970
Net ACH Credits Originated	56

**ATTACHMENT EIGHT  
TRANSACTION VOLUMES FOR STATE FISCAL YEARS 2001 AND 2002**

<b>Contract Item</b>	<b>SFY01 Volumes - July '00 to June '01</b>
Net ACH Monthly Maintenance	9
MERET ACH Files Processed	106
MERET ACH Prenotes Originated	9,100
MERET ACH Returns Processed	1,292
ACH Notification of Change	2
ACH NOC - Fax Notification	2
FT Voice Incoming Transfer	818
FT Mail Advice	820
FT Voice Outgoing Non-Rep Trf	7
R\$EDI Data Transmission	251
EDI Receiving Maintenance	24
EDI Recv Fax Report Pages	2,350
ARP Full Reconciliation	10,078,065
ARP Positive Pay Maintenance (no charge)	699
ARP POS Pay Bank Match Maintenance	12
ARP Positive Pay Exception/Rejects	11,805
ARP Positive Pay - Fax Fees	20,459
ACH Transmission - Connectivity	113
ARP Transmission - Connectivity	150
Check Image Capture	8,677,481
Custom BAI2 File Accounts	12
Custom File BAI2 Items	76,370
Lockbox Maintenance	12
Lockbox Processing Post & Unpost	4,324,649
Key Entry of Detail	4,593,950
Monetary & Nonmonetary Unprocessable Items	122,632
WLB Bank Courier	13
Reconciliation Services	10,078,065
Return Item Handling	417,721
System / Database Maintenance	12
Customer Service	396,357
Ongoing Program Management Fee	12
Mktg Publicity Advertising	12
Marketing Brochures	253,014
Marketing Direct Mail Packages	535,525
Development Change Order	2,360

**ATTACHMENT EIGHT  
TRANSACTION VOLUMES FOR STATE FISCAL YEARS 2001 AND 2002**

Contract Item	SFY02 Volumes - July '01	February '02
FDIC Charge		728,176,333
Account Maintenance		1,446
Duplicate Statement		8
Postage Fees		8
ZBA Maintenance- Sub Account		
Credits Posted		172,550
Credits Posted - Branch		392
Dep Return- Items Returned		2,572
Dep Return - Redeposit Reclear		4,122
Dep Return - Maker name		2,522
Deposited Checks - On us		153,408
Dep Checks Clearinghouse		954,662
Dep Cks Local City		182,010
Dep Cks Local RCPC		534,395
Dep Cks IN District RCPC		73,134
Dep Cks National Frb Other		1,485,803
Dep Cks Encoding		3,335,235
Package Pass - Through Delivery Charge (UPS)		5
WLB Bank Courier		2
Branch Deposit Immed Verif		34,682
Branch Deposit Post Verif		945
Branch Order Currency Straps		2
Branch Dep In Non-Std Bag		104
Branch Dep Vlt & Armd Car Dep		116,873
Debits Posted		6,772,345
STP Stop Payments		13,483
STP Monthly Maintenance		8
Deposit Ticket Order		5
Ck Outsourcing Acct Maint		704
Check Outsourcing -check printing		6,999,714
Ck Outsourcing Register File		163
Ck Outsourcing Input File Proc		163
Ck Outsourcing Spec Item Print		2,320,356
Ck Outsourcing Spec Addl page		813,058
Ck Outsourcing Spec Envelope		4,594,326
Check Pulls		7,809
Image Retrieval Items		8,706
ACH Maintenance		7
ACH Debits\Credits Originated		98
MERET ACH Files Processed		148
MERET ACH Credits Originated		848,573
MERET ACH Prenotes Originated		8,918
MERET ACH Returns Processed		1,947
Net ACH Monthly Maintenance		8

**ATTACHMENT EIGHT  
TRANSACTION VOLUMES FOR STATE FISCAL YEARS 2001 AND 2002**

<b>Contract Item</b>	<b>SFY02 Volumes - July '01 February '02</b>
ACH Transmission - Connectivity	38
FT Voice Incoming Transfer	479
FT Voice Outgoing Non-Rep Trf	12
FT Voice Outgoing Rep Trf	3
MERET ACH Addenda Originated	88,365
EDI Receiving Maintenance	8
EDI Receiving Charges	321
R\$EDI Data Transmission	165
ARP Full Reconciliation	6,667,023
ARP POS Pay Bank Match Maintenance	711
ARP Positive Pay Exceptions	3,152
ARP Positive Pay - Fax Fees	14,820
ARP Ck Exception Return	1,286
ARP Transmission - Connectivity	166
ARP Reject Key Entry	8,374
Check Image Capture	6,666,752
BAI2 File Transmissions - Per Account	7
BAI2 File Transmissions - Per Item	26,125
Lockbox Processing Postable	7,894,817
Lockbox Rejects - Unpostable	167,856
Lockbox Rejects - Monetary Unprocessable	12,152
Lockbox Maintenance	24
Whsle Lxbx Custom Programming	40
Key Entry of Detail	3,830,667
Nonmonetary Unprocessable Items	80,632
Overpayment Balancing	2,623
Lockbox Imaging Maintenance	8
Lois Photocopies	1,090
Ongoing Program Management Fee	8
Early Submission Cut-off	5
Reconciliation Services	7,588,984
Return Item Handling	371,875
System / Database Maintenance	8
Investigations	61,033
Marketing Direct Mail Packages	265,913
Cust Service Exception Handling	189,498
ACH Enrollment	13,744
Marketing Brochures & Inserts	13,550
Development Change Order	71

# **Supplement 1**

**W-9 Form**

# Request for Taxpayer Identification Number and Certification

**Give form to the  
requester. Do not  
send to the IRS.**

<b>Please print or type</b>	Name (See <b>Specific Instructions</b> on page 2.)	
	Business name, if different from above. (See <b>Specific Instructions</b> on page 2.)	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ .....	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		

<b>Part I Taxpayer Identification Number (TIN)</b>	List account number(s) here (optional)																																				
<p>Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). <b>However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 2.</b> For other entities, it is your employer identification number (EIN). If you do not have a number, see <b>How to get a TIN</b> on page 2.</p> <p><b>Note:</b> <i>If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.</i></p> <div style="text-align: center;"> <table border="1" style="margin: 0 auto; border-collapse: collapse;"> <tr><td colspan="9" style="text-align: center;">Social security number</td></tr> <tr><td style="width: 20px; height: 20px;"> </td><td style="width: 20px; height: 20px;"> </td><td style="width: 20px; height: 20px;"> </td><td style="width: 20px; height: 20px;">+</td><td style="width: 20px; height: 20px;"> </td><td style="width: 20px; height: 20px;"> </td></tr> </table> <p style="margin: 5px 0;">or</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"> <tr><td colspan="9" style="text-align: center;">Employer identification number</td></tr> <tr><td style="width: 20px; height: 20px;"> </td><td style="width: 20px; height: 20px;">+</td><td style="width: 20px; height: 20px;"> </td><td style="width: 20px; height: 20px;"> </td></tr> </table> </div>	Social security number												+						Employer identification number										+								<p><b>Part II For U.S. Payees Exempt From Backup Withholding</b> (See the instructions on page 2.)</p>
Social security number																																					
			+																																		
Employer identification number																																					
	+																																				

**Part III Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
- I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)

<b>Sign Here</b>	<b>Signature of U.S. person</b> ▶	<b>Date</b> ▶
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**Purpose of Form**

A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**Use Form W-9 only if you are a U.S. person** (including a resident alien), to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

**If you are a foreign person, use the appropriate Form W-8.** See **Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.**

**Note:** *If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.*

**What is backup withholding?** Persons making certain payments to you must withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, payments you receive will not be subject to backup withholding. **Payments you receive will be subject to backup withholding if:**

- You do not furnish your TIN to the requester, or
- You do not certify your TIN when required (see the Part III instructions on page 2 for details), or
- The IRS tells the requester that you furnished an incorrect TIN, or
- The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

- You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the Part II instructions and the separate **Instructions for the Requester of Form W-9.**

**Penalties**

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

**Name.** If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first and then circle the name of the person or entity whose number you enter in Part I of the form.

**Sole proprietor.** Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

**Other entities.** Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

### Part I—Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box.

If you are a **resident alien** and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are an **LLC** that is **disregarded as an entity** separate from its owner (see **Limited liability company (LLC)** above), and are owned by an individual, enter your SSN (or "pre-LLC" EIN, if desired). If the owner of a disregarded LLC is a corporation, partnership, etc., enter the owner's EIN.

**Note:** See the chart on this page for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office. Get **Form W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS's Internet Web Site at [www.irs.gov](http://www.irs.gov).

If you do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all

such payments until you provide your TIN to the requester.

**Note:** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

### Part II—For U.S. Payees Exempt From Backup Withholding

Individuals (including sole proprietors) are **not** exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the separate Instructions for the Requester of Form W-9.

If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in Part I, write "Exempt" in Part II, and sign and date the form.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

### Part III—Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required).

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified state tuition program payments, IRA or MSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

### Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to give your correct TIN to persons who must file information returns with the IRS to

report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

## What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship	The owner <sup>3</sup>
For this type of account:	Give name and EIN of:
6. Sole proprietorship	The owner <sup>3</sup>
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

<sup>4</sup> List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.



# **Supplement 2**

## **Copybook Information**

**QWSA036A**

```
*****
* QWSA036A   CSPC - MONTHLY UNIDENTIFIED PAYMENTS DETAIL           *
*                                                    *
* THIS FILE IS CREATED BY CSS FROM THEIR TRANSACTION REPOSITORY.   *
* THIS FILE IS TO BE SENT FROM CSS MONTHLY FOR INPUT INTO THE     *
* ODHS4289 PAGE 2 REPORT EXTRACT/BUILD PROCESSING (QSA0360).      *
*                                                    *
*****
01 QWSA036A-RECORD.
  05 QWSA036A-SORT-KEY.
    10 QWSA036A-DTE-CURRENT           PIC 9(08).
    10 QWSA036A-NBR-FILE-SEQ         PIC 9(03).
    10 QWSA036A-CDE-RECORD           PIC X.
      88 QWSA036A-HEADER-RCD         VALUE '0'.
      88 QWSA036A-DETAIL-RCD        VALUE '6'.
      88 QWSA036A-TRAILER-RCD       VALUE '9'.
    10 FILLER                        PIC X(08).
  05 QWSA036A-DATA                   PIC X(100).
  05 QWSA036A-HEADER REDEFINES QWSA036A-DATA.
    10 QWSA036A-CDE-FILE-ID         PIC X(20).
    10 FILLER                       PIC X(80).
  05 QWSA036A-DETAIL REDEFINES QWSA036A-DATA.
    10 QWSA036A-DTE-RECPT           PIC 9(08).
    10 QWSA036A-AMT-PAYMT           PIC 9(07)V99.
    10 QWSA036A-CDE-PAYMT-SOURCE    PIC X(04).
    10 QWSA036A-NBR-OWL-TRACKING    PIC X(27).
    10 QWSA036A-NBR-CSS-TRACKING    PIC 9(10).
    10 QWSA036A-GRP-NBR-ORDER.
      15 QWSA036A-NBR-ORDER         PIC X(12).
      15 QWSA036A-CDE-STATE         PIC X(02).
      15 QWSA036A-CDE-COUNTY-SETS  PIC X(03).
    10 QWSA036A-NBR-CASE            PIC 9(10).
    10 QWSA036A-SW-INTRSTE          PIC X.
    10 QWSA036A-SW-OFFSET           PIC X.
    10 FILLER                       PIC X(13).
  05 QWSA036A-TRAILER REDEFINES QWSA036A-DATA.
    10 QWSA036A-NBR-ITEM-CNT       PIC 9(09).
    10 FILLER                       PIC X(91).
*
*****
* END OF COPYBOOK QWSA036A (120) BYTES
*
*****
```

## QWBL020A

```
* START OF COPYBOOK QWBL020A
*
*****
* QWBL020A INDIVIDUAL OBLIGOR BILLING FILE - CATEGORY 1
*****
*
* FUNCTION: MONTHLY FILE CREATED IN QBL020 AND QBL023
*           CONTAINING OBLIGOR BILLING STATEMENT INFORMATION
*           TO BE SENT TO BANK ONE.
*
* PROGRAM: QBL020 BILLING EXTRACT PROGRAM
* INPUT:   CASE AND ORDER FINANCIAL OBLIGATIONS
* OUTPUT:  WLF6.QBL020FA.PROD - OBLIGOR BILLING EXTRACT
*
* PROGRAM: QBL023 INDIVIDUAL OBLIGOR BILLING PROGRAM
* INPUT:   WLF6.QBL020FA.PROD - OBLIGOR BILLING EXTRACT
* OUTPUT:  WLF6.QBL023FA.PROD - OBLIGOR BILLING FILE
*
* OUTPUT FILE: WLF6.QBL023FA.PROD
* GSAM:       WQDBJMG0
* OUTPUT LAYOUT: QWBL020A-EXT-BILLING-OBLIGOR
*
* RECORD LENGTH IS 1000 BYTES.
*
*****
```

01 QWBL020A-EXT-BILLING-OBLIGOR.

```
05 QWBL020A-SRT-FIELDS.
10 QWBL020A-SRT-CDE-COUNTY-SETS PIC X(03).
10 QWBL020A-SRT-TYP-RECORD     PIC X(01).
   88 QWBL020A-FILE-HEADER     VALUE 'A'.
   88 QWBL020A-COUNTY-HEADER   VALUE 'B'.
   88 QWBL020A-BILLING-DETAIL   VALUE 'C'.
   88 QWBL020A-FILE-TRAILER    VALUE 'D'.
10 QWBL020A-SRT-NBR-CASE      PIC 9(10).
10 QWBL020A-SRT-GRP-NBR-ORDER.
   15 QWBL020A-SRT-NBR-ORDER   PIC X(12).
   15 QWBL020A-SRT-CDE-STATE   PIC X(02).
   15 QWBL020A-SRT-CDE-COUNTY  PIC X(03).
```

\* FILE HEADER/TRAILER AND SUMMARY TOTAL INFORMATION LAYOUT

```
05 QWBL020A-HDR-FILE-HEADER-REC.
10 QWBL020A-HDR-DTE-PROCESS   PIC 9(08).
10 QWBL020A-HDR-NAM-FILE      PIC X(30).
10 QWBL020A-HDR-NBR-CUST-ID   PIC X(10).
10 QWBL020A-HDR-NBR-ACCOUNT   PIC X(15).
10 QWBL020A-HDR-DTE-STATEMENT PIC 9(08).
10 QWBL020A-HDR-DTE-ARREARS   PIC 9(08).
10 QWBL020A-HDR-NBR-SETS-VRU  PIC 9(10).
10 QWBL020A-HDR-TXT-WEB-SIGHT PIC X(30).
10 QWBL020A-HDR-NBR-TOT-RECS  PIC 9(07).
10 QWBL020A-HDR-AMT-TOT-BILLED PIC S9(10)V99.
10 FILLER                     PIC X(831).
```

\* COUNTY HEADER AND INFORMATION LAYOUT

```
05 QWBL020A-CTY-FILE-HEADER-REC
   REDEFINES QWBL020A-HDR-FILE-HEADER-REC.
10 QWBL020A-CTY-NAM-COUNTY    PIC X(15).
10 QWBL020A-CTY-ADR-CSEA-LINE1 PIC X(30).
10 QWBL020A-CTY-ADR-CSEA-LINE2 PIC X(30).
10 QWBL020A-CTY-ADR-CSEA-APART PIC X(05).
10 QWBL020A-CTY-ADR-CSEA-CITY  PIC X(15).
10 QWBL020A-CTY-ADR-CSEA-STATE PIC X(02).
```

10	QWBL020A-CTY-ADR-CUST-ZIP	PIC X(09).
10	QWBL020A-CTY-NBR-CSEA-PHONE	PIC 9(10).
10	QWBL020A-CTY-NBR-RECS	PIC 9(07).
10	QWBL020A-CTY-AMT-BILLED	PIC S9(10)V99.
10	FILLER	PIC X(834).

\* INDIVIDUAL OBLIGOR DETAIL BILLING INFORMATION LAYOUT

05	QWBL020A-BLG-DETAIL-REC	
	REDEFINES QWBL020A-HDR-FILE-HEADER-REC.	
10	QWBL020A-BLG-NBR-PART-OBLIGOR	PIC 9(12).
10	QWBL020A-BLG-NBR-SSN-OBLIGOR	PIC 9(09).
10	QWBL020A-BLG-NAM-LAST	PIC X(15).
10	QWBL020A-BLG-NAM-FIRST	PIC X(15).
10	QWBL020A-BLG-NAM-MI	PIC X(01).
10	QWBL020A-BLG-ADR-LINE1	PIC X(30).
10	QWBL020A-BLG-ADR-LINE2	PIC X(30).
10	QWBL020A-BLG-ADR-APARTMENT	PIC X(05).
10	QWBL020A-BLG-ADR-CITY	PIC X(15).
10	QWBL020A-BLG-ADR-STATE	PIC X(02).
10	QWBL020A-BLG-ADR-ZIP	PIC X(09).
10	QWBL020A-BLG-ADR-CDE-COUNTRY	PIC X(03).
10	QWBL020A-BLG-AMT-OBLG-MONTH	PIC S9(07)V99.
10	QWBL020A-BLG-AMT-ARREARS	PIC S9(07)V99.
10	QWBL020A-BLG-NBR-COUPONS	PIC 9(01).
10	QWBL020A-BLG-ACCOUNT-INFO	OCCURS 7 TIMES.
15	QWBL020A-BLG-CDE-ACCT	PIC X(04).
15	QWBL020A-BLG-NAM-ACCT	PIC X(35).
15	QWBL020A-BLG-CDE-FREQ	PIC X(02).
15	QWBL020A-BLG-TXT-FREQ	PIC X(15).
15	QWBL020A-BLG-AMT-ACCT	PIC S9(07)V99.
15	QWBL020A-BLG-AMT-MTHLY	PIC S9(07)V99.
10	FILLER	PIC X(286).

\*\*\*\*\*  
 \* END OF COPYBOOK QWBL020A INDIVIDUAL OBLIGOR BILLING FILE  
 \*\*\*\*\*

## QWBL020B

\* START OF COPYBOOK QWBL020B  
\*  
\*\*\*\*\*  
\* QWBL020B EMPLOYER BILLING EXTRACT FILE - CATEGORY II & III  
\*\*\*\*\*  
\*  
\* FUNCTION: MONTHLY FILES CREATED IN QBL020 AND QBL024  
\* CONTAINING EMPLOYER BILLING STATEMENT INFORMATION  
\* TO BE SENT TO BANK ONE. THE BILLING INFORMATION  
\* WILL BE SEPERATED BY SMALL EMPLOYERS (5 OR LESS  
\* BILLED OBLIGORS) AND LARGE EMPLOYERS (MORE THAN  
\* 5 BILLED OBLIGORS).  
\*  
\* PROGRAM: QBL020 BILLING EXTRACT PROGRAM  
\* INPUT: CASE AND ORDER FINANCIAL OBLIGATIONS  
\* OUTPUT: WLF6.QBL020FB.PROD - EMPLOYER BILLING EXTRACT  
\*  
\* PROGRAM: QBL024 EMPLOYER BILLING PROGRAM  
\* INPUT: WLF6.QBL020FB.PROD - EMPLOYER BILLING EXTRACT  
\* OUTPUT 1: GSAM FILE WQDBJNG0  
\* WLF6.QBL024FA.PROD - EMPLOYER BILLING FILE 1  
\* CATEGORY I - SMALL EMPLOYERS  
\* OUTPUT 2: GSAM FILE WQDBJOG0  
\* WLF6.QBL024FB.PROD - EMPLOYER BILLING FILE 2  
\* CATEGORY II - LARGE EMPLOYERS  
\*  
\* OUTPUT LAYOUT FOR BOTH FILES: QWBL020B-EXT-BILLING-EMPLOYER  
\*  
\* RECORD LENGTH IS 300 BYTES.  
\*  
\* TIR 31716 WHNK 08/01/00 CHANGED TO X(15) FOR HDR-NBR-ACCOUNT  
\*\*\*\*\*

01 QWBL020B-EXT-BILLING-EMPLOYER.

05 QWBL020B-SRT-FIELDS.

10	QWBL020B-SRT-GRP-TPN.	
15	QWBL020B-SRT-NBR-TPN	PIC 9(09).
15	QWBL020B-SRT-NBR-TPN-LOC	PIC 9(03).
10	QWBL020B-SRT-TYP-RECORD	PIC X(01).
88	QWBL020B-FILE-HEADER	VALUE 'A'.
88	QWBL020B-EMPLOYER-HEADER	VALUE 'B'.
88	QWBL020B-EMPLOYEE-DETAIL	VALUE 'C'.
88	QWBL020B-FILE-TRAILER	VALUE 'D'.
10	QWBL020B-SRT-NAM-EMPLOYEE.	
15	QWBL020B-SRT-NAM-LAST	PIC X(15).
15	QWBL020B-SRT-NAM-FIRST	PIC X(15).
15	QWBL020B-SRT-NAM-MI	PIC X(01).

\* FILE HEADER/TRAILER AND SUMMARY TOTAL INFORMATION LAYOUT

05	QWBL020B-HDR-FILE-HEADER-REC.	
10	QWBL020B-HDR-DTE-PROCESS	PIC 9(08).
10	QWBL020B-HDR-NBR-CUST-ID	PIC X(10).
10	QWBL020B-HDR-NBR-ACCOUNT	PIC X(15).
10	QWBL020B-HDR-NBR-PHONE-CSPC	PIC 9(10).
10	QWBL020B-HDR-TXT-WEB-SITE	PIC X(30).
10	QWBL020B-HDR-DTE-STATEMENT	PIC 9(08).
10	QWBL020B-HDR-NBR-TOT-RECS	PIC 9(07).
10	QWBL020B-HDR-NBR-TOT-EMPL	PIC 9(07).
10	QWBL020B-HDR-NBR-TOT-OBLG	PIC 9(07).
10	QWBL020B-HDR-AMT-TOT-BILLED	PIC S9(12)V99.
10	FILLER	PIC X(140).

\* EMPLOYER HEADER BILLING INFORMATION LAYOUT

```

05 QWBL020B-BLG-EMPLOYER-REC
   REDEFINES QWBL020B-HDR-FILE-HEADER-REC.
    10 QWBL020B-EMP-NAM-EMPLOYER      PIC X(30).
    10 QWBL020B-EMP-NBR-FEIN          PIC X(12).
    10 QWBL020B-EMP-ADR-LINE1-EMPL    PIC X(30).
    10 QWBL020B-EMP-ADR-LINE2        PIC X(30).
    10 QWBL020B-EMP-ADR-APARTMENT     PIC X(05).
    10 QWBL020B-EMP-ADR-CITY          PIC X(15).
    10 QWBL020B-EMP-ADR-STATE        PIC X(02).
    10 QWBL020B-EMP-ADR-ZIP          PIC X(09).
    10 QWBL020B-EMP-ADR-CDE-COUNTRY  PIC X(03).
    10 QWBL020B-EMP-AMT-OBLG-MONTH   PIC S9(09)V99.
    10 FILLER                          PIC X(109).

```

\* EMPLOYEE DETAIL BILLING INFORMATION LAYOUT

```

05 QWBL020B-BLG-EMPLOYEE-REC
   REDEFINES QWBL020B-HDR-FILE-HEADER-REC.
    10 QWBL020B-BLG-CDE-COUNTY-SETS  PIC X(03).
    10 QWBL020B-BLG-NBR-CASE         PIC 9(10).
    10 QWBL020B-BLG-GRP-NBR-ORDER.
       15 QWBL020B-BLG-NBR-ORDER     PIC X(12).
       15 QWBL020B-BLG-CDE-STATE     PIC X(02).
       15 QWBL020B-BLG-CDE-COUNTY   PIC X(03).
    10 QWBL020B-BLG-NBR-PART-OBLIGOR PIC 9(12).
    10 QWBL020B-BLG-NBR-SSN-OBLIGOR  PIC 9(09).
    10 QWBL020B-BLG-NBR-COUPONS      PIC 9(01).
    10 QWBL020B-BLG-AMT-PER-COUPON   PIC S9(07)V99.
    10 QWBL020B-BLG-AMT-OBLG-MONTH   PIC S9(07)V99.
    10 FILLER                          PIC X(186).

```

```

*****
* END OF COPYBOOK QWBL020B - EMPLOYER BILLING EXTRACT FILE
*****

```

**QWBL023C**

\* START OF COPYBOOK QWBL023C  
\*  
\*\*\*\*\*  
\* QWBL023C BILLING EXTRACT TOTALS CONFIRMATION FILE  
\*\*\*\*\*  
\*  
\* FUNCTION: CREATED IN QBL023 AND QBL024 AS A MATCHED SET TO  
\* EACH OUTPUT BILLING FILE. CONTAINS ONE RECORD  
\* WITH TOTALS INFORMATION THAT MATCHES TO IT'S  
\* ASSOCIATED BILLING FILE.  
\*  
\* PROGRAM: QBL023 INDIVIDUAL OBLIGOR BILLING PROGRAM  
\* OUTPUT: WLF6.QBL023XB.PROD.BOC - OBLIGOR BILLING TOTALS  
\*  
\* PROGRAM: QBL024 EMPLOYER BILLING PROGRAM  
\* OUTPUT: WLF6.QBL024XC.PROD.BOC - EMPLOYER CAT II TOTALS  
\* OUTPUT: WLF6.QBL024XD.PROD.BOC - EMPLOYER CAT III TOTALS  
\*  
\* RECORD LENGTH IS 80 BYTES.  
\*  
\* TIR 32434 08/01/00 WHNK CHANGED NUM FIELDS TO ALPHA-NUM  
\*  
\*\*\*\*\*

01 QWBL023C-TOTALS-FILE.  
05 QWBL023C-TOTALS-REC.  
10 QWBL023C-TXT-TYPE-REC PIC X(01).  
10 QWBL023C-NBR-CUST-ID PIC X(10).  
10 FILLER PIC X(23).  
10 QWBL023C-NBR-TOT-RECS PIC X(06).  
10 FILLER PIC X(02).  
10 QWBL023C-NBR-TOT-BILLS PIC X(07).  
10 QWBL023C-AMT-TOT-BILLED PIC X(13).  
10 FILLER PIC X(18).

\*\*\*\*\*  
\* END OF COPYBOOK QWBL023C BILL EXTRACT TOTALS CONFIRMATION  
\*\*\*\*\*



## QWDR043A

```
*****  
** WLF6.QDR043FE.PROD - FORMAT DISBURSEMENT FILE FOR CCS *  
** QWDR043A *  
** *  
** TIR 30834 WRBM ADD TRAILER REDEFINES *  
** *  
** TIR 35746 WLXC ADD QWDR043A-IVE-NBR-CASE TO THE CHECK *  
** DETAIL SECTION. *  
** *  
** TIR 35746 WLXC ADD QWDR043A-IVE-NBR-CASE TO THE CHECK *  
** DETAIL SECTION. *  
** *  
*****
```

### 01 QWDR043A-DATA.

```
05 QWDR043A-TYP-REC PIC 9(01).  
05 QWDR043A-CHECK-BATCH PIC X(694).  
05 QWDR043A-CHECK-BATCH-HDR REDEFINES  
QWDR043A-CHECK-BATCH.  
10 QWDR043A-NAM-PROGRAM PIC X(08).  
10 QWDR043A-NBR-BATCH-ID PIC 9(06).  
10 QWDR043A-DTE-PROCESS PIC 9(08).  
10 QWDR043A-TME-PROCESS PIC 9(06).  
10 QWDR043A-NAM-PROG-PRT PIC X(08).  
10 QWDR043A-DTE-SENT-TO-PRT PIC 9(08).  
10 QWDR043A-TME-SENT-TO-PRT PIC 9(06).  
10 QWDR043A-DTE-PRINTED PIC 9(08).  
10 QWDR043A-TME-PRINTED PIC 9(06).  
10 QWDR043A-PARMS PIC X(80).  
10 QWDR043A-PARMS-QDR043 PIC X(80).  
10 QWDR043A-SW-BATCH-REJ PIC X(01).  
10 FILLER PIC X(469).  
05 QWDR043A-CHECK-DETAIL REDEFINES  
QWDR043A-CHECK-BATCH.  
10 QWDR043A-NBR-CONTROL PIC 9(08).  
10 QWDR043A-NBR-CASE PIC 9(10).  
10 QWDR043A-GRP-ORDER.  
15 QWDR043A-NBR-ORDER PIC X(12).  
15 QWDR043A-CDE-STATE PIC X(02).  
15 QWDR043A-CDE-CNTY-SETS PIC X(03).  
10 QWDR043A-NBR-CSEA PIC 9(03).  
10 QWDR043A-NAM-CSEA PIC X(31).  
10 QWDR043A-ADR-CSEA-LINE1 PIC X(35).  
10 QWDR043A-ADR-CSEA-LINE2 PIC X(30).  
10 QWDR043A-ADR-CSEA-LINE3 PIC X(30).  
10 QWDR043A-DTE-CHECK PIC X(10).  
10 QWDR043A-DTE-CHECK-VOID PIC X(10).  
10 QWDR043A-NBR-CHECK PIC 9(09).  
10 QWDR043A-AMT-DISBURS PIC 9(9)V99.  
10 QWDR043A-NBR-DISBURS PIC 9(09).  
10 QWDR043A-DTE-COLLECT PIC X(10).  
10 QWDR043A-DTE-RCPT PIC X(10).  
10 QWDR043A-CDE-DISP-STAT PIC X(03).  
10 QWDR043A-DTE-STAT-EFCT PIC X(10).  
10 QWDR043A-RSN-DISP-STAT PIC X(03).  
10 QWDR043A-NAM-AP PIC X(35).  
10 QWDR043A-NAM-CP PIC X(35).  
10 QWDR043A-NAM-ADDR-PAYEE.  
15 QWDR043A-NAM-PAYEE PIC X(35).  
15 QWDR043A-ADR-PAYEE-LINE1 PIC X(40).  
15 QWDR043A-ADR-PAYEE-LINE2 PIC X(35).  
15 QWDR043A-ADR-PAYEE-LINE3 PIC X(35).
```

15 QWDR043A-ADR-PAYEE-ZIPCODE PIC X(12).  
 10 QWDR043A-NAM-ADDRESS-CCD REDEFINES  
 QWDR043A-NAM-ADDR-PAYEE.  
 15 QWDR043A-PAYEE-NAME.  
     20 QWDR043A-NAM-PAYEE-LAST PIC X(15).  
     20 QWDR043A-NAM-PAYEE-FIRST PIC X(15).  
     20 QWDR043A-NAM-PAYEE-MI PIC X(01).  
 15 QWDR043A-ADR-PAYEE-APARTMENT PIC X(05).  
 15 QWDR043A-ADR-PAYEE-LINE1-CCD PIC X(30).  
 15 QWDR043A-ADR-PAYEE-LINE2-CCD PIC X(30).  
 15 QWDR043A-ADR-PAYEE-CITY PIC X(15).  
 15 QWDR043A-ADR-PAYEE-STATE PIC X(02).  
 15 QWDR043A-ADR-PAYEE-ZIP-ALT PIC X(09).  
 15 QWDR043A-CDE-PAYEE-COUNTRY PIC X(03).  
 15 QWDR043A-PAYEE-PART-NBR PIC 9(12).  
 15 QWDR043A-FMT-NAME PIC X(01).  
 15 FILLER PIC X(19).  
 10 QWDR043A-TYP-DISBURS PIC X(01).  
 10 QWDR043A-TRANS-TYPE PIC X(01).  
     88 QWDR043A-FMT-INTERSTATE VALUE 'I'.  
     88 QWDR043A-FMT-EFT VALUE 'E'.  
     88 QWDR043A-FMT-REGULAR VALUE '''.  
 10 QWDR043A-INTERSTATE-LAYOUT.  
     15 QWDR043A-INTERSTATE-NBR PIC X(17).  
     15 FILLER PIC X(01).  
 10 QWDR043A-EFT-LAYOUT REDEFINES  
 QWDR043A-INTERSTATE-LAYOUT.  
     15 QWDR043A-EFT-ACCT-NBR PIC X(15).  
     15 FILLER PIC X(03).  
 10 QWDR043A-CNT-RECORD PIC 9(07).  
 10 QWDR043A-PAYEE-SSN PIC 9(09).  
 10 QWDR043A-TXT-PHONE PIC X(10).  
 10 QWDR043A-800NUMBR PIC X(10).  
 10 QWDR043A-BANK-ACCT-NBR PIC X(15).  
 10 QWDR043A-PAYOR-SSN PIC 9(09).  
 10 QWDR043A-MED-SPT PIC X(01).  
 10 QWDR043A-IVD-CASE-NUMBER PIC X(15).  
 10 QWDR043A-TAX-OFFSET-INDICATOR PIC X(01).  
 10 QWDR043A-RESPONDING-FIPS-CODE PIC X(05).  
 10 QWDR043A-CHECK-AMT-TEXT PIC X(97).  
 10 QWDR043A-IVE-NBR-CASE PIC 9(12).  
 10 QWDR043A-PROGRAM-ID PIC X(07).  
 05 QWDR043A-CHECK-BATCH-TRAILER REDEFINES  
 QWDR043A-CHECK-BATCH.  
     10 QWDR043A-REC-TYPE PIC X(01).  
     10 QWDR043A-FILE-ID PIC X(10).  
     10 FILLER PIC X(23).  
     10 QWDR043A-REC-CNT PIC Z(05)9.  
     10 FILLER PIC X(02).  
     10 QWDR043A-DOC-CNT PIC Z(06)9.  
     10 QWDR043A-DOLLAR-AMT PIC Z(10)99.  
     10 FILLER PIC X(632).

## QWDR043F

```
000100*****
000200** WLF6.QWDR043FF.PROD TOTALS FILE TO SEND TO CCS *
000300** QWDR043F *
000400** LRECL=80 *
000500*****
000600
000700 01 QWDR043F-DATA.
020700 05 QWDR043F-REC-TYPE PIC X(01).
020710 05 QWDR043F-FILE-ID PIC X(10).
020800 05 QWDR043F-ACCT-NBR PIC X(18).
020900 05 QWDR043F-DOC-TYPE PIC X(02).
020901 05 FILLER PIC X(03).
020910 05 QWDR043F-REC-CNT PIC Z(05)9.
020920 05 FILLER PIC X(02).
021000 05 QWDR043F-DOC-CNT PIC Z(06)9.
021100 05 QWDR043F-DOLLAR-AMT PIC Z(10).99.
021200 05 FILLER PIC X(18).
```

## QWDR047A

```
*****
* QWDR047A   CC&D - DISBURSEMENT DISPOSITION STATUS UPDATE   *
*                                                    *
* THIS IS A 300 BYTE FIXED BLOCK RECORD.                    *
*                                                    *
* THIS FILE CONTAINS A 30 BYTE SORT KEY THAT MUST BE POPULATED *
* IN EVERY RECORD. IN THE HEADER RECORD, THE SORT KEY SHOULD *
* CONTAIN THE CURRENT DATE AND FILE SEQUENCE NUMBER AND THEN *
* ALL ZEROS IN THE REMAINDER OF THE SORT KEY. IN THE TRAILER *
* RECORD, THE SORT KEY SHOULD CONTAIN THE CURRENT DATE AND THE *
* FILE SEQUENCE NUMBER AND THEN ALL NINES IN THE REMAINDER OF *
* THE SORT KEY                                              *
*                                                    *
*****
```

### 01 QWDR047A-RECORD.

```
05 QWDR047A-SORT-KEY.
  10 QWDR047A-DTE-CURRENT          PIC 9(08).
  10 QWDR047A-NBR-FILE-SEQ         PIC 9(03).
  10 QWDR047A-NBR-DISBURSEMENT     PIC 9(09).
  10 QWDR047A-CDE-RECORD           PIC X.
     88 QWDR047A-HEADER-RCD        VALUE '0'.
     88 QWDR047A-DETAIL-RCD        VALUE '6'.
     88 QWDR047A-TRAILER-RCD       VALUE '9'.
  10 FILLER                        PIC X(09).

05 QWDR047A-DATA                  PIC X(270).

05 QWDR047A-HEADER REDEFINES QWDR047A-DATA.
  10 QWDR047A-CDE-FILE-ID          PIC X(20).
  10 FILLER                        PIC X(250).

05 QWDR047A-DETAIL REDEFINES QWDR047A-DATA.
  10 QWDR047A-NBR-EFT-CHECK        PIC 9(09).
  10 QWDR047A-AMT-DISBURSEMENT     PIC 9(07)V99.
  10 QWDR047A-CDE-COUNTY-RESP      PIC 9(03).
  10 QWDR047A-CDE-DISB-STATUS      PIC X(03).
  10 QWDR047A-CDE-REASON           PIC X(03).
  10 QWDR047A-CDE-RELEASE-RSN      PIC X(03).
  10 QWDR047A-NBR-CASE             PIC X(10).
  10 QWDR047A-NBR-ORDER            PIC X(17).
  10 QWDR047A-NBR-REQUESTOR-ID     PIC X(06).
  10 QWDR047A-NBR-REF-TRACE        PIC 9(15).
  10 QWDR047A-DTE-TRANSACTION      PIC 9(08).
  10 QWDR047A-TXT-COMMENTS.
     15 QWDR047A-TXT-COMMENTS1     PIC X(12).
     15 QWDR047A-TXT-COMMENTS2     PIC X(32).
     15 QWDR047A-TXT-COMMENTS3     PIC X(12).
     15 QWDR047A-TXT-COMMENTS4     PIC X(32).
     15 QWDR047A-TXT-COMMENTS5     PIC X(56).
     15 FILLER                     PIC X(16).
  10 FILLER                        PIC X(24).

05 QWDR047A-TRAILER REDEFINES QWDR047A-DATA.
  10 QWDR047A-NBR-ITEM-CNT         PIC 9(09).
  10 FILLER                        PIC X(261).
```

## QWDR047B

```
*****
* QWDR047B   CC&D - ADDRESS UPDATE FILE                               *
*                                                    *
* THIS IS A 220 BYTE FIXED BLOCK RECORD.                               *
*                                                    *
* THIS FILE CONTAINS A 40 BYTE SORT KEY THAT MUST BE POPULATED       *
* IN EVERY RECORD. IN THE HEADER RECORD, THE SORT KEY SHOULD         *
* CONTAIN THE CURRENT DATE AND FILE SEQUENCE NUMBER AND THEN        *
* ALL ZEROS IN THE REMAINDER OF THE SORT KEY. IN THE TRAILER        *
* RECORD, THE SORT KEY SHOULD CONTAIN THE CURRENT DATE AND THE      *
* FILE SEQUENCE NUMBER AND THEN ALL NINES IN THE REMAINDER OF      *
* THE SORT KEY                                                       *
*                                                    *
*****
```

### 01 QWDR047B-RECORD.

```
05 QWDR047B-SORT-KEY.
  10 QWDR047B-DTE-CURRENT          PIC 9(08).
  10 QWDR047B-NBR-FILE-SEQ        PIC 9(03).
  10 QWDR047B-NBR-PARTIC          PIC 9(12).
  10 QWDR047B-NBR-DISBURSEMENT    PIC 9(09).
  10 QWDR047B-CDE-RECORD         PIC X.
    88 QWDR047B-HEADER-RCD       VALUE '0'.
    88 QWDR047B-DETAIL-RCD       VALUE '6'.
    88 QWDR047B-TRAILER-RCD      VALUE '9'.
  10 FILLER                       PIC X(07).

05 QWDR047B-DATA                  PIC X(180).

05 QWDR047B-HEADER REDEFINES QWDR047B-DATA.
  10 QWDR047B-CDE-FILE-ID        PIC X(20).
  10 FILLER                      PIC X(160).

05 QWDR047B-DETAIL REDEFINES QWDR047B-DATA.
  10 QWDR047B-DTE-ADDRESS-CHANGE PIC 9(08).
  10 QWDR047B-NAM-LAST           PIC X(15).
  10 QWDR047B-NAM-FIRST         PIC X(15).
  10 QWDR047B-NAM-MIDDLE        PIC X.
  10 QWDR047B-ADR-LINE1         PIC X(30).
  10 QWDR047B-ADR-LINE2         PIC X(30).
  10 QWDR047B-ADR-APT           PIC X(05).
  10 QWDR047B-ADR-CITY          PIC X(15).
  10 QWDR047B-ADR-STATE         PIC X(02).
  10 QWDR047B-ADR-ZIP           PIC X(09).
  10 QWDR047B-CDE-COUNTRY       PIC X(03).
  10 QWDR047B-NBR-SSN          PIC 9(09).
  10 FILLER                     PIC X(38).

05 QWDR047B-TRAILER REDEFINES QWDR047B-DATA.
  10 QWDR047B-NBR-ITEM-CNT      PIC 9(09).
  10 FILLER                    PIC X(171).
```



## QWRT020D

```
* START OF COPYBOOK QWRT020D
*
*****
* QWRT020D DEPOSIT TRANSACTION DATAFILE DESCRIPTION
*****
*
* FUNCTION: DAILY FILE FROM QRT020 CONTAINING PAYMENTS
*           ORIGINATED IN SETS TO BE SENT TO BANK ONE.
*
* PROGRAM: QRT020 STARDARD RECEIPT BATCH EXTRACT
* INPUT:   RECEIPTS DATABASE SEGMENTS QS16BTCH AND QS16PAYT
*
* OUTPUT LAYOUT: QWRT020D-EXT-TRANS-DATAFILE
* GSAM:         WQDBBBG0
* OUTPUT FILE:  WLF6.QRT020FD.PROD
*
*****
```

01 QWRT020D-EXT-TRANS-DATAFILE.

```
* SORT FIELDS NEEDED TO REALIGN PAYMENTS INTO COUNTY ORDER
* AND MOVE FILE AND COUNTY HEADERS TO THE CORRECT POSITION
```

```
05 QWRT020D-SRT-FIELDS.
   10 QWRT020D-SRT-CDE-COUNTY-SETS PIC X(03).
   10 QWRT020D-SRT-DTE-BATCH      PIC 9(08).
   10 QWRT020D-SRT-NBR-BATCH     PIC 9(05).
   10 QWRT020D-SRT-NBR-INSTR     PIC 9(10).
   10 QWRT020D-SRT-TYP-RECORD    PIC 9(01).
   88 QWRT020D-FILE-HEADER       VALUE 1.
   88 QWRT020D-COUNTY-HEADER     VALUE 2.
   88 QWRT020D-BATCH-HEADER      VALUE 3.
   88 QWRT020D-INSTRUMENT-DETAIL VALUE 4.
   88 QWRT020D-PAYMENT-DETAIL   VALUE 5.
   10 QWRT020D-SRT-NBR-SEQ-PYMT  PIC 9(05).
```

```
* FILE HEADER AND SUMMARY TOTAL INFORMATION LAYOUT
```

```
05 QWRT020D-F-FILE-HEADER-REC.
   10 QWRT020D-F-DTE-PROCESS     PIC 9(08).
   10 QWRT020D-F-AMT-TOTAL       PIC 9(12)V99.
   10 QWRT020D-F-AMT-CASH-PAYMTS PIC 9(12)V99.
   10 QWRT020D-F-NBR-INSTR-TOTAL PIC 9(07).
   10 QWRT020D-F-NBR-INSTR-CASH  PIC 9(07).
   10 QWRT020D-F-NBR-ITEMS-TOTAL PIC 9(07).
   10 FILLER                     PIC X(111).
```

```
* COUNTY HEADER AND SUMMARY TOTAL INFORMATION LAYOUT
```

```
05 QWRT020D-C-COUNTY-HEADER-REC
   REDEFINES QWRT020D-F-FILE-HEADER-REC.
   10 QWRT020D-C-DTE-PROCESS     PIC 9(08).
   10 QWRT020D-C-AMT-TOTAL       PIC 9(12)V99.
   10 QWRT020D-C-AMT-CASH-PAYMTS PIC 9(12)V99.
   10 QWRT020D-C-NBR-INSTR-TOTAL PIC 9(07).
   10 QWRT020D-C-NBR-INSTR-CASH  PIC 9(07).
   10 QWRT020D-C-NBR-ITEMS-TOTAL PIC 9(07).
   10 FILLER                     PIC X(111).
```

```
* BATCH HEADER INFORMATION LAYOUT
```

```
05 QWRT020D-B-BATCH-HEADER-REC
   REDEFINES QWRT020D-F-FILE-HEADER-REC.
   10 QWRT020D-B-NBR-WORKER      PIC X(06).
   10 QWRT020D-B-DTE-BATCH-ORIG  PIC 9(08).
   10 QWRT020D-B-CDE-TYPE-BATCH  PIC X(01).
   88 QWRT020D-INDIVIDUAL-BATCH  VALUE '1'.
   88 QWRT020D-EMPLOYER-BATCH   VALUE '2'.
```

88	QWRT020D-NON-EMPLOYER-BATCH	VALUE '3'.
10	QWRT020D-B-NBR-SRCE-TPARTY	PIC 9(09).
10	QWRT020D-B-NBR-SRCE-LOC	PIC 9(03).
10	QWRT020D-B-AMT-TOT-BATCH	PIC 9(07)V99.
10	QWRT020D-B-AMT-CASH-BATCH	PIC 9(07)V99.
10	QWRT020D-B-NBR-TOT-INSTR	PIC 9(03).
10	QWRT020D-B-NBR-CASH-INSTR	PIC 9(03).
10	QWRT020D-B-NBR-TOT-ITEMS	PIC 9(03).
10	FILLER	PIC X(114).

\* INSTRUMENT DETAIL INFORMATION

05	QWRT020D-I-INSTR-DETAIL-REC	
	REDEFINES QWRT020D-F-FILE-HEADER-REC.	
10	QWRT020D-I-NBR-RECEIPT-INSTR	PIC 9(10).
10	QWRT020D-I-CDE-TYPE-PYMT	PIC X(02).
88	QWRT020D-PYMT-ORIGINAL	VALUE 'OR'.
88	QWRT020D-PYMT-RECOUPMENT	VALUE 'RC' 'RN'.
10	QWRT020D-I-NBR-RECOUPMENT	PIC 9(10).
10	QWRT020D-I-CDE-SOURCE-PYMT	PIC X(04).
88	QWRT020D-BOND	VALUE 'BOND'.
88	QWRT020D-EMPLOYER	VALUE 'EMPL'.
88	QWRT020D-IRS-FULL-COLLECT	VALUE 'IRSF'.
88	QWRT020D-IRS-OFFSET	VALUE 'IRSO'.
88	QWRT020D-LIEN	VALUE 'LIEN'.
88	QWRT020D-LOTTERY	VALUE 'LOTT'.
88	QWRT020D-ACT-MILITARY	VALUE 'MLTA'.
88	QWRT020D-RET-MILITARY	VALUE 'MLTR'.
88	QWRT020D-NON-EMPLOYER	VALUE 'NEMP'.
88	QWRT020D-OBES	VALUE 'OBES'.
88	QWRT020D-OBLIGOR	VALUE 'OBLG'.
88	QWRT020D-ODT-OFFSET	VALUE 'ODTO'.
88	QWRT020D-OSTATE-NTAX	VALUE 'OTNT'.
88	QWRT020D-OSTATE-TAX	VALUE 'OTTX'.
88	QWRT020D-WRK-COMP	VALUE 'WKCP'.
10	QWRT020D-I-CDE-PAYMT-METHOD	PIC X(02).
88	QWRT020D-CASH	VALUE 'CA'.
88	QWRT020D-CHECK	VALUE 'CH'.
88	QWRT020D-CERTIFIED-CHECK	VALUE 'CE'.
88	QWRT020D-DEBIT-CARD	VALUE 'DC'.
88	QWRT020D-EFT	VALUE 'EF'.
88	QWRT020D-MASTERCARD	VALUE 'MC'.
88	QWRT020D-MONEY-ORDER	VALUE 'MO'.
88	QWRT020D-TRAVELLERS-CHECK	VALUE 'TC'.
88	QWRT020D-VISA	VALUE 'VI'.
10	QWRT020D-I-AMT-PAYMT-FULL	PIC 9(07)V99.
10	QWRT020D-I-NBR-CHECK-IDENT	PIC X(16).
10	QWRT020D-I-GRP-THIRD-PARTY.	
15	QWRT020D-I-NBR-TPARTY	PIC 9(09).
15	QWRT020D-I-NBR-TPARTY-LOC	PIC 9(03).
10	QWRT020D-I-NAM-EMPL-SOURCE	PIC X(30).
10	QWRT020D-I-NBR-INSTR-ITEMS	PIC 9(03).
10	FILLER	PIC X(70).

\* PAYMENT DETAIL INFORMATION

05	QWRT020D-P-PAYMENT-DETAIL-REC	
	REDEFINES QWRT020D-F-FILE-HEADER-REC.	
10	QWRT020D-P-NBR-RECEIPT	PIC 9(17).
10	QWRT020D-P-DTE-RECEIVED	PIC 9(08).
10	QWRT020D-P-DTE-COLLECT	PIC 9(08).
10	QWRT020D-P-AMT-PAYMENT	PIC 9(07)V99.
10	QWRT020D-P-CDE-CNTY-JURSDCT	PIC X(03).
10	QWRT020D-P-GRP-NBR-ORDER.	
15	QWRT020D-P-NBR-ORDER	PIC X(12).
15	QWRT020D-P-CDE-STATE	PIC X(02).
15	QWRT020D-P-CDE-COUNTY	PIC X(03).
10	QWRT020D-P-NBR-CASE	PIC 9(10).
10	QWRT020D-P-CDE-TYPE-CASE	PIC X(04).

10 QWRT020D-P-NBR-PARTIC-OBLIGOR PIC 9(12).  
10 QWRT020D-P-NBR-SSN-OBLIGOR PIC X(20).  
10 QWRT020D-P-NBR-PARTIC-OBLIGEE PIC 9(12).  
10 QWRT020D-P-GRP-CARE-TAKER.  
15 QWRT020D-P-NBR-CARE-TAKER PIC 9(09).  
15 QWRT020D-P-NBR-CARE-TAKER-LOC PIC 9(03).  
10 QWRT020D-P-NAM-LAST-OBLIGOR PIC X(15).  
10 QWRT020D-P-NAM-FIRST-OBLIGOR PIC X(15).  
10 QWRT020D-P-NAM-MI-OBLIGOR PIC X(01).  
10 FILLER PIC X(05).

\*\*\*\*\*  
\* END OF COPYBOOK QWRT020D DEPOSIT TRANSACTION DATAFILE EXTRACT  
\*\*\*\*\*

## QWRT050A

```
*****
* QWRT050A   CC&D - PAYMENT POSTING FILE (VERSION 6)           *
*                                                    *
* THIS IS A 375 BYTE FIXED BLOCK RECORD. THE FILE IS PROCESSED *
* AS A GSAM FILE BY QRT050 (EFT-EDI PAYMENT PROCESSING).      *
*                                                    *
* THIS FILE CONTAINS A 60 BYTE SORT KEY THAT MUST BE POPULATED *
* IN EVERY RECORD.                                           *
*                                                    *
* THE AREA THAT CONTAINS THE PORTION OF THE FILE BEYOND THE SORT *
* KEY IS REDEFINED TO CONTAIN HEADER, DETAIL AND TRAILER DATA. *
*                                                    *
*****
```

```
01 QWRT050A-RECORD.
  05 FILLER PIC X(375).

01 FILLER REDEFINES QWRT050A-RECORD.
  05 QWRT050A-SORT-KEY.
    10 QWRT050A-DTE-SETTLEMENT PIC 9(08).
    10 QWRT050A-CDE-SDU-SOURCE PIC X.
    10 QWRT050A-NBR-FILE-SEQ PIC 9(03).
    10 QWRT050A-CDE-TYPE-RECORD PIC 9.
    88 QWRT050-HEADER-TYPE VALUE 0.
    88 QWRT050-DETAIL-TYPE VALUE 6.
    88 QWRT050-TRAILER-TYPE VALUE 9.
    10 QWRT050A-CDE-STATE PIC X(02).
    10 QWRT050A-CDE-COUNTY-SETS PIC X(03).
    10 QWRT050A-NBR-EMPL-FEIN PIC X(12).
    10 QWRT050A-NBR-CASE PIC 9(10).
    10 QWRT050A-NBR-ORDER PIC X(12).
    10 FILLER PIC X(08).

  05 QWRT050A-DATA PIC X(315).

05 QWRT050A-HEADER REDEFINES QWRT050A-DATA.
  10 QWRT050A-CDE-FILE-ID PIC X(20).
  10 FILLER PIC X(295).

05 QWRT050A-DETAIL REDEFINES QWRT050A-DATA.
  10 QWRT050A-NAM-PYMT-SOURCE PIC X(30).
  10 QWRT050A-DTE-COLLECTION PIC 9(08).
  10 QWRT050A-NBR-OBLIGOR-PARTC PIC 9(12).
  10 QWRT050A-NBR-OBLIGOR-SSN PIC 9(09).
  10 FILLER PIC X.
  10 QWRT050A-CDE-MED-SUPP PIC X.
  10 QWRT050A-CDE-EMPL-TERM PIC X.
  10 QWRT050A-AMT-PAYMENT PIC 9(09)V99.
  10 QWRT050A-CDE-UNIDENTIFIED PIC X.
  10 QWRT050A-CDE-EDIT PIC X(03).
  10 QWRT050A-NBR-OWL-TRACKING PIC X(27).
  10 QWRT050A-NBR-CSS-TRACKING PIC 9(10).
  10 QWRT050A-NBR-WORKER PIC X(06).
  10 QWRT050A-DTE-RECEIVED PIC 9(08).
  10 QWRT050A-DTE-DEPOSITED PIC 9(08).
  10 QWRT050A-NBR-PAYEE-PARTC PIC 9(12).
  10 QWRT050A-CDE-NO-ORDER-SW PIC X.
  10 QWRT050A-CDE-PYMT-METHOD PIC X(02).
  10 QWRT050A-CDE-PYMT-SOURCE PIC X(04).
  10 QWRT050A-AMT-TOTAL-INSTR PIC 9(09)V99.
  10 QWRT050A-CDE-PYMT-ID PIC X(16).
  10 QWRT050A-CDE-CC-AUTH PIC X(06).
  10 QWRT050A-DTE-CC-EXPIRE PIC 9(08).
  10 QWRT050A-NBR-TPN PIC X(12).
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10	QWRT050A-NBR-PAYOR-ID	PIC X(20).
10	QWRT050A-NBR-ACCT	PIC X(18).
10	QWRT050A-NBR-ROUT-TRANS	PIC X(09).
10	QWRT050A-CDE-PYMT-COLL-ID	PIC X.
10	FILLER	PIC X(04).
10	QWRT050A-CDE-JOINT-RTRN-SW	PIC X.
10	QWRT050A-CDE-LUMP-SUM-SW	PIC X.
10	QWRT050A-CDE-VAC-NOPAY	PIC X.
10	QWRT050A-CDE-HELD	PIC X.
10	QWRT050A-CDE-COST-RECOVERY	PIC X.
10	QWRT050A-AMT-COST-RECOVERY	PIC 9(07)V99.
10	QWRT050A-CDE-CORRESPONDENCE	PIC X.
10	QWRT050A-CDE-ADDRESS-CHANGE	PIC X.
10	FILLER	PIC X(39).

05	QWRT050A-TRAILER REDEFINES QWRT050A-DATA.	
10	QWRT050A-NBR-ITEM-CNT	PIC 9(09).
10	QWRT050A-AMT-ITEM-TOT	PIC 9(11)V99.
10	FILLER	PIC X(293).

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* END OF COPYBOOK QWRT050A (375 BYTES) *
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# QWRT050B

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*****
* QWRT050B   CC&D - CSS / SETS RECEIPT NUMBER CROSS-REFERENCE *
*
* THIS FILE IS CREATED BY SETS OUT OF DAILY PAYMENT POSTING *
* IN QRT050. THIS FILE IS TO BE SENT TO CSS DAILY FOR UPDATING *
* A CROSS-REFERENCE DATABASE THAT LINKS SETS RECEIPT NUMBERS TO *
* LOCKBOX AND CSS DATA. *
*
*****
01 QWRT050B-RECORD.
  05 FILLER PIC X(100).
01 FILLER REDEFINES QWRT050B-RECORD.
  05 QWRT050B-SORT-KEY.
    10 QWRT050B-DTE-SETS-PROCESS PIC 9(08).
    10 QWRT050B-NBR-FILE-SEQ PIC 9(03).
    10 QWRT050B-CDE-TYPE-RECORD PIC 9.
      88 QWRT050B-HEADER-TYPE VALUE 0.
      88 QWRT050B-DETAIL-TYPE VALUE 6.
      88 QWRT050B-TRAILER-TYPE VALUE 9.
    10 FILLER PIC X(08).
  05 QWRT050B-DATA PIC X(80).
  05 QWRT050B-HEADER REDEFINES QWRT050B-DATA.
    10 QWRT050B-CDE-FILE-ID PIC X(20).
    10 FILLER PIC X(60).
  05 QWRT050B-DETAIL REDEFINES QWRT050B-DATA.
    10 QWRT050B-NBR-OWL-TRACKING PIC X(27).
    10 QWRT050B-NBR-CSS-TRACKING PIC 9(10).
    10 QWRT050B-NBR-SETS-RECEIPT PIC 9(17).
    10 QWRT050B-AMT-PAYMENT PIC 9(09)V99.
    10 QWRT050B-CDE-EDIT PIC 9(03).
    10 FILLER PIC X(12).
  05 QWRT050B-TRAILER REDEFINES QWRT050B-DATA.
    10 QWRT050B-NBR-ITEM-CNT PIC 9(09).
    10 FILLER PIC X(71).
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* END OF COPYBOOK QWRT050B (100 BYTES) *
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**I. Summary of all files exchanged between ODJFS and Vendor:**

File Short Desc	Diagram No.	SETS Daily Job Name	SETS Weekly Job Name	SETS Monthly Job Name	File/Dataset Name	Trigger	CONNECT:Direct (Out) / Receiving (In) Job Name	SETS Program Name	Inbound/Outbound	Source	Target	Delivery By:	Days of Activity
<b>Current Production Files</b>													
SETS Monthly Masterfile Extract	A14	n/a	n/a	WQEX400P -WQEX419P  WQEX464P WQEX470P	WLF6.QEX064XA.PROD.ANX Copybook : QWEX062A	WQEX464P-ENDED-OK	WQFXA01P	QEX062 QEX063 QEX064 QEX070	Outbound	SETS	Vendor	7:00AM EST	3rd Friday of Month
SETS Master Daily SSN Update File	A12	WQEX165P WQEX169P	n/a	n/a	WLF6.QEX065XA.PROD.ANX Copybook : QWEX062A	WQEX169P-ENDED-OK	WQFXA02P	QEX065 QEX069	Outbound	SETS	Vendor	7:00AM EST	Tues - Sat
Deposit Transaction File	A15	WQRT100P	n/a	n/a	WLF6.QRT020XD.PROD.ANX Copybook : QWRT020D	WQRT100P-ENDED-OK	WQFXA03P	QRT020	Outbound	SETS	Vendor	7:00AM EST	Tues - Sat
SETS Master Daily Order & Recoupment Update File	A12	WQDE144P	n/a	n/a	WLF6.QDE044XA.PROD.ANX Copybook : QWEX062A	WQDE144P-ENDED-OK	WQFXA04P	QDE044 QEX070	Outbound	SETS	Vendor	7:00AM EST	Tues - Sat
Instrument/Receipt Cross-reference	A25	WQRT150P	n/a	n/a	WLF6.QRT050XD.PROD.ANX Copybook : QWRT050B	WQRT150P-ENDED-OK	WQFXA05P	QRT050	Outbound	SETS	Vendor	7:00AM EST	Tues-Sat
Outstanding Checks Extract File	n/a	n/a	n/a	WQEX429P	WLF6.QEX929XA.PROD.ANX Copybook : N/A	WQEX429P-ENDED-OK	WQFXA06P	QEX929	Outbound	SETS	Vendor	7:00AM EST	Tues-Sat
Check Register Report File	n/a	n/a	WQFR224P	n/a	WLF6.QFR024XA.PROD.ANX Copybook : N/A	WQFR224P-ENDED-OK	WQFXA07P	QFR024	Outbound	SETS	Vendor	7:00AM EST	Friday
SETS Disbursements File	G1	WQDR143P	WQDR243P	WQDR343P	WLF6.QDR043XE.PROD.BOC Copybook : QWDR043A	WQDR143P-ENDED-### WQDR243P-ENDED-### WQDR343P-ENDED-###	WQFXB01P	QDR043	Outbound	SETS	Vendor	7:00AM EST	Tues - Sat
Disbursement Balancing File	G1a	WQDR143P	WQDR243P	WQDR343P	WLF6.QDR043XF.PROD.BOC Copybook : QWDR043F	WQDR143P-ENDED-### WQDR243P-ENDED-### WQDR343P-ENDED-###	WQFXB02P	QDR043	Outbound	SETS	Vendor	7:00AM EST	Tues - Sat
Obligor Category I Billing Extract	G3a	n/a	n/a	WQBL423P	WLF6.QBL023XA.PROD.BOC Copybook : QWBL020A	WQBL423P-ENDED-OK	WQFXB03P	QBL023	Outbound	SETS	Vendor	7:00AM EST	3rd Friday of Month

File Short Desc	Diagram No.	SETS Daily Job Name	SETS Weekly Job Name	SETS Monthly Job Name	File/Dataset Name	Trigger	CONNECT:Direct (Out) / Receiving (In) Job Name	SETS Program Name	Inbound/ Outbound	Source	Target	Delivery By:	Days of Activity
Obligor Category I Billing - Totals	G5a	n/a	n/a	WQBL423P	WLF6.QBL023XB.PROD.BOC Copybook : QWBL023C	WQBL423P-ENDED-OK	WQFXB04P	QBL023	Outbound	SETS	Vendor	7:00AM EST	3rd Friday of Month

Employer Category II Billing Extract	G3b	n/a	n/a	WQBL424P	WLF6.QBL024XA.PROD.BOC Copybook : QWBL020B	WQBL424P-ENDED-OK	WQFXB05P	QBL024	Outbound	SETS	Vendor	7:00AM EST	3rd Friday of Month
Employer Category III Billing Extract	G3c	n/a	n/a	WQBL424P	WLF6.QBL024XB.PROD.BOC Copybook : QWBL020B	WQBL424P-ENDED-OK	WQFXB06P	QBL024	Outbound	SETS	Vendor	7:00AM EST	3rd Friday of Month
Employer Category II Billing - Totals	G5b	n/a	n/a	WQBL424P	WLF6.QBL024XC.PROD.BOC Copybook : QWBL023C	WQBL424P-ENDED-OK	WQFXB07P	QBL024	Outbound	SETS	Vendor	7:00AM EST	3rd Friday of Month
Employer Category III Billing - Totals	G5c	n/a	n/a	WQBL424P	WLF6.QBL024XD.PROD.BOC Copybook : QWBL023C	WQBL424P-ENDED-OK	WQFXB08P	QBL024	Outbound	SETS	Vendor	7:00AM EST	3rd Friday of Month
Disbursements (Checks) Issued File	A5	WQDR147P	n/a	n/a	WLF6.QDR047XA.PROD.ANX Copybook : QWDR047A	QDR047XA	WQUTA01P	QDR047	Inbound	Vendor	SETS	5:00PM EST	Mon - Fri
Checks Paid File	A6	WQDR147P	n/a	n/a	WLF6.QDR047XB.PROD.ANX Copybook : QWDR047A	QDR047XB	WQUTA02P	QDR047	Inbound	Vendor	SETS	5:00PM EST	Mon - Fri
Void/Stop/Pull/Returns File	A8	WQDR147P	n/a	n/a	WLF6.QDR047XC.PROD.ANX Copybook : QWDR047A	QDR047XC	WQUTA03P	QDR047	Inbound	Vendor	SETS	5:00PM EST	Mon - Fri
Address Change File	A9	WQDR147P	n/a	n/a	WLF6.QDR047XD.PROD.ANX Copybook : QWDR047B	QDR047XD	WQUTA04P	QDR047	Inbound	Vendor	SETS	5:00PM EST	Mon - Fri
ACH Enrollments File	A7	WQDE145P	n/a	n/a	WLF6.QDE045XA.PROD.ANX Copybook : QWDE045A	QDR045XA	WQUTA05P	QDE045	Inbound	Vendor	SETS	5:00PM EST	Mon - Fri
EFT / EDI Payment Posting	A1	WQRT150P	n/a	n/a	WLF6.QRT050XA.PROD.ANX Copybook : QWRT050A	QRT050XA	WQUTA06P	QRT050	Inbound	Vendor	SETS	5:00PM EST	Mon - Fri
CSS Payment Posting	A23	WQRT150P	n/a	n/a	WLF6.QRT050XB.PROD.ANX Copybook : QWRT050A	QRT050XB	WQUTA07P	QRT050	Inbound	Vendor	SETS	5:00PM EST	Mon-Fri
Undistributed Collections	A24	n/a	n/a	WQSA336P	WLF6.QSA036XA.PROD.ANX Copybook : QWSA036A	QSA036XA	WQUTA08P	QSA036	Inbound	Vendor	SETS	5:00PME ST	Month-End
Receipt/Ackldgmt (for Disbursements File G1)	G2	WQSS100P	n/a	n/a	WLF6.QSS001.PROD.BOC Copybook : N/A	QSS001XA	WQUTB01P	QSS001	Inbound	Vendor	SETS	8:00AM EST	Tues - Sat
OWL Payment Posting	G4	WQRT150P	n/a	n/a	WLF6.QRT050XC.PROD.BOC Copybook : QWRT050A	QRT050XC	WQUTB02P	QRT050	Inbound	Vendor	SETS	5:00PM EST	Mon-Fri

# SUPPLEMENTAL INFORMATION TRAILER

This page is the last page of supplemental information for this competitive document. If you received this trailer page, all supplemental information has been received.

Note: portions of the supplemental information provided may or may not contain page numbers. The total number of pages indicated on the cover page does not include the pages contained in this supplement.

# **Supplement 3**

## **Current CSPC Contract**

**Includes:**

**Addendum #11 To Bank Agreement, Amended**  
**(24 consecutively numbered pages and signature page)**  
**July 1, 2001**

**Exhibit I: Statement of Work**  
**(137 consecutively numbered pages)**  
**Version 8.0**

**Exhibit II: Transaction Pricing**  
**Required Services (2 pages)**  
**Optional Services (1 page)**  
**July 1, 2001**

**Addendum #11 To Bank Agreement**  
**(25 consecutively numbered pages)**

**Exhibit II: Transaction Pricing**  
**Required Services (2 pages)**

**ADDENDUM # 11 TO BANK AGREEMENT  
AMENDED AND RESTATED AS OF JULY 1, 2001**

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**ADDENDUM # 11 TO BANK AGREEMENT  
AMENDED AND RESTATED AS OF JULY 1, 2001**

This addendum ("Addendum") to the Bank Agreement (the "Agreement") is hereby made effective July 1, 2001 (the "Effective Date") by and between the Treasurer of the State of Ohio ("Treasurer"), the Ohio Department of Job & Family Services ("ODJFS"), (hereinafter collectively referred to as "State") and Bank One, N.A. ("Bank") (all three are collectively referred to as the "Parties").

**BACKGROUND AND OBJECTIVES**

In response to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, ("PRWORA") which mandates that the State of Ohio centralize the collection and disbursement of child support payments, the State desires to secure on behalf of ODJFS a comprehensive and sophisticated set of integrated banking and project management services which include, but are not limited to:

- A. Solution Development and Project Management
- B. Account Management
- C. Electronic and Paper-Based Collection Services
- D. Support Services for Reconciliation, Research and Resolution
- E. Check Issuance and Reconciliation
- F. Electronic Disbursements
- G. Marketing and Training
- H. Program Management
- I. Other Related Services

(hereafter "Services" and/or the "Project").

Based on Bank's experience working with other state governments to fulfill the requirements of PRWORA, the Treasurer approached Bank for assistance after ODJFS was unsuccessful in securing a contract for services through the Request for Proposal process. The Treasurer and Bank determined that all Services are integral to the performance of banking functions and are within the scope of the Agreement. A full description of the required Services is provided in the Statement of Work (Exhibit I).

**STATEMENT OF AGREEMENT OF THE PARTIES**

The State and the Bank hereby acknowledge the accuracy of the above Background and Objectives and agree to the following provisions and amendments to the Agreement. All capitalized terms used and not defined herein shall have the same meaning as set forth in the Agreement. As used herein, the term "State" shall also include the ODJFS, it being the intention of the Treasurer of the State of Ohio and Bank that the provisions of the Bank Agreement between the Treasurer and Bank as amended, and this Addendum inure equally to the benefit of and bind the ODJFS. As between the Treasurer and ODJFS, the Treasurer is custodian of the account for the monies collected and disbursed on behalf of ODJFS for child support payments as described in Exhibit I.

I. **Section III. S** of the Agreement is hereby amended and restated as follows:

S. Undefined Services shall include, but are not limited to, the provision of Centralized Collection and Disbursement Services, as set forth below.

#### **1.0 APPLICABLE DOCUMENTS**

Exhibits I, II and III are attached to and incorporated by reference to form a part of this Addendum. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, service, or other work, or otherwise, between the Agreement and the body of this Addendum and the Exhibits thereto, or between such documents, such conflict or inconsistency shall be resolved by giving precedence according to the following priority:

- A. The body of this Addendum
- B. Exhibit I - Statement of Work
- C. Exhibit II - Transaction Pricing
- D. Exhibit III - Change Control Form
- E. Bank Agreement

#### **2.0 TERM**

The term of this Addendum shall commence as of the date of the completion of the Certification of Funds in Section 3.0 of this Addendum or July 1, 2001 whichever is later and shall end June 30, 2002, unless earlier terminated in accordance with the provisions of this Addendum. This Addendum may be renewed for one successive one year term ("Renewal Term"), upon mutual agreement of State and Bank as to terms, conditions, and pricing applicable to such Renewal Term and subject to applicable statutory requirements. No termination hereunder or the expiration of this Addendum shall affect the rights of either party which may have arisen prior to such termination or expiration.

#### **3.0 CERTIFICATION OF FUNDS**

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

- A. All statutory provisions under the Ohio Revised Code (the "Code"), including Section 126.07 are met.
- B. All necessary funds are made available by the appropriate state agencies.
- C. Approval of this Agreement is given by the Controlling Board of Ohio.
- D. The State gives the Bank written notice that the funds have been made available by delivery of the State of Ohio purchase order ("the Purchase Order") for this Addendum.

#### 4.0 COMPENSATION

4.1 In consideration of Bank providing the Services, ODJFS will pay the Bank a projected cost of Forty-Six Million, Four Hundred Fifty-Eight Thousand, Two Hundred Thirty-One and 98/100 Dollars (\$46,458,231.98) (the "Fees") over the term of this Addendum which Fees are based on projected transaction volumes and processing assumptions provided by the State and a schedule of prices specified in Exhibit II. Significant variances in these volumes may result in pricing adjustments which may increase or decrease the Fees identified. Any variances which result in an increase of the projected costs must be approved by the Controlling Board of the State of Ohio in accordance with Section 127.16 of the Code.

4.2 The Bank will provide earnings credits, defined as the simple average of the 91 day U.S. Treasury Bill coupon equivalent yield based on the number of weekly auctions during the month being analyzed, for available balances maintained in the State's main concentration account, to offset a portion of the monthly transaction fees. The number of auctions is determined by the auction settlement date.

4.3 Bank shall provide ODJFS with a detailed invoice in triplicate for the actual cost of work no later than the twenty-eighth (28<sup>th</sup>) day of each month for the Fees incurred during the preceding month. Unless specifically stated otherwise, charges for Fees during the partial month commencing on the Effective Date and for any other partial month hereunder shall be prorated. ODJFS shall pay the invoice within thirty (30) days after ODJFS' receipt of such invoice. Payments shall be made electronically whenever possible. All invoices shall be sent to: Ohio Department of Job & Family Services, Office of Child Support, Attention Diana Redman, 50 West Broad Street, 4<sup>th</sup> Floor, Columbus, Ohio 43215, and such invoices shall contain: 1) Bank name and address; 2) amount of billing; 3) date; 4) detailed accounting of costs being billed; 5) Purchase Order number; 6) federal tax identification number of Bank.

4.4 In the event Bank has not received any invoice payment within ten (10) business days following its due date, ODJFS will pay the Bank interest on any late payment as provided in Section 126.30 of the Code. If an invoice submitted to ODJFS contains a defect or impropriety, ODJFS shall send written notification to the Bank within fifteen (15) business days after receipt of that invoice. The notification shall contain a description of the defect or impropriety and any additional information necessary to correct the defect or impropriety. If ODJFS sends such written notification to the Bank, the required payment date shall be thirty days after the date ODJFS receives a proper invoice.

4.5 It is expressly understood by both the State and Bank that this Addendum will not be valid and enforceable until the Director of the Office of Budget and Management first certifies, pursuant to Section 126.07 of the Code, that there is a balance in the appropriation not already obligated to pay existing obligations. Bank hereby expressly agrees to neither perform work nor submit an invoice for payment for work performed under this Addendum for any time period prior to State notifying Bank that the requirements of Section 126.07 of the Code have been met. Bank further agrees to neither perform work nor submit an invoice for payment for work performed under this Addendum for any time period after the termination date set forth in Section 2.0 above.

4.6 Subject to the provisions of Sections 126.07 and 131.33 of the Code, which shall at all times govern this Addendum, State represents: (1) that it has adequate funds to meet its obligations under this Addendum; (2) that it intends to maintain this Addendum for the full period set forth herein and has no reason to believe that it will not have sufficient funds to enable it to make all payments due hereunder during such period; and (3) that it will use its best effort to obtain the appropriation of any necessary funds during the term of this Addendum. However, it is understood by Bank that availability of funds is contingent on appropriations made by the Ohio General Assembly. If the Ohio General Assembly fails at any time to continue funding State for the payments due hereunder, this Addendum is terminated as of the date funding expires without further obligation of the State, except that State will be responsible for payment of all amounts incurred by Bank for which State has received funding.

## **5.0 NEW SERVICES AND CHANGES TO SERVICES**

5.1 Throughout the Term, Bank shall provide to State the Services, as may be modified or adjusted from time to time pursuant to the Change Control Process (defined below), and as supplemented by any New Services requested by the State in the future that are agreed upon by the Parties in accordance with this section. "New Services" shall be defined as additional services requested by the State that are an additional function, responsibility, or task that is not within the scope of the Services and are not included in the Fees and are not charged separately under another methodology ("New Services"). The State's request for a New Service may include a request for Bank to correspondingly reduce or eliminate one or more existing elements of the Services. In such event, Bank shall determine the resources and expenses related to the element or elements of the Services being reduced or eliminated and those required for the New Services being added. Within twenty (20) business days after receiving each request for New Services, Bank will provide a written quote for such New Services to State setting forth the net increase or decrease in the Fees and/or other charging methodologies, if any. If the State elects to have Bank perform the New Services, Bank shall provide the State with an additional Statement of Work to be agreed upon by both parties and appended to this Addendum that includes a description of the services to be provided by Bank, the Parties' responsibilities with respect to such services, and a schedule of Bank's charges for such services. The State and Bank agree that changes during the Term to functions, responsibilities and tasks that are within the scope of the Services will not be deemed to be New Services, if such functions, responsibilities and tasks evolved or were supplemented and enhanced during the Term by Bank with notice to the State or pursuant to the provisions of this Addendum, including, without limitation, the Change Control Process as described below.

5.2 The Bank and the State recognize that either of them may want to implement changes in the types and levels of the activities, processes, provisions and operations under this Addendum and the Statement of Work and to evolve the Services agreed to in the Statement of Work under this Addendum. State and Bank agree to document and maintain a written process for controlling all such changes (the "Change Control Process"). The party proposing a change will document it in writing on the Change Control Form attached hereto as Exhibit III (a "Change Order") that provides technical and cost justification for the change and that specifies a desired implementation date. Each party will review a Change Order received from the other within twenty (20) business days after receipt of each Change Order to determine at a minimum whether such change is: (a) appropriate, and (b) within the scope of the Services or constitutes a New Service. State and Bank will assess the impact of the Change Order, considering resources required and other planned and in-process changes. No Change Order will be implemented without the written approval of all Parties and shall set forth applicable specifications, schedules,

pricing adjustments, resources to be utilized, responsibilities of all Parties and definition of successful completion.

5.3 Requests for, negotiations and approval concerning New Services, Change Control Process, or Change Orders shall only be authorized by certain individuals within each entity. These individuals are: for the Bank, the Engagement Manager (currently Robert A. Carson) or the Government Financial Services Contract Manager (currently John H. Heller, Jr.); for ODJFS, the Project Manager (currently Diana Redman) or the Deputy Director for Child Support (currently China Widener); and for the Treasurer of State, the Deputy Treasurer of State (currently James W. Harper) or the Director of Operations (currently Kevin Talty).

## 6.0 EXCUSABLE DELAY

No 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 will notify the other promptly of any material delay in performance and will 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 must also 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.

## 7.0 NOTICES

All notices or demands required or permitted to be given or made to "the State" under this Addendum, shall be delivered to both the Treasurer and ODJFS as indicated in this Section. All notices or demands required or permitted to be given or made under this Addendum shall be in writing and shall be deemed to have been validly served, given or delivered:

- A. upon receipt if deposited in the United States mails, first class mail, with proper postage prepaid,
- B. upon receipt of confirmation or answerback if sent by telecopy, or other similar facsimile transmission,
- C. one business day after deposit with a reputable overnight courier with all charges prepaid, or
- D. when delivered, if hand-delivered by messenger, all of which shall be properly addressed to the party to be notified and sent to the address or number indicated below. Addresses may be changed by either party giving ten days prior written notice thereof to the other party.

If to the Bank:

If by messenger or physical delivery:  
Bank One, NA  
100 East Broad Street, 7<sup>th</sup> Floor  
Columbus, OH 43215  
Attention: Wendy Kephart, First Vice President

If to Anexsys:

Anexsys, LLC  
150 E. Gay Street  
21<sup>st</sup> Floor  
Columbus, OH 43215  
Attention: Pamela Blank  
Facsimile: 614/744-6550

If by mail:  
Bank One, NA  
P.O. Box 710170  
Columbus, OH 43271-0170  
Attention: Wendy Kephart, First President  
Facsimile: 614/248-5518

With a copy to Bank's attorney:

Bank One, NA  
1 Bank One Plaza; IL1-0286  
Chicago, IL 60670  
Attention: Dale R. Granchalek, Counsel  
Facsimile: 312/732-3596

If to the Treasurer:

State of Ohio-Office of the Treasurer  
30 East Broad Street, 9<sup>th</sup> Floor  
Columbus, OH 43266 0421  
Attention: Kevin J. Talty  
Facsimile: 614/644-7313

If to ODJFS:

Ohio Department of Job & Family Services  
Office of Child Support  
50 West Broad Street, 4<sup>th</sup> Floor  
Columbus, OH 43215  
Attention: Diana Redman  
Facsimile: 614/752-9760

## **8.0 TERMINATION**

8.1 The State may terminate the Addendum for the following reasons:

- A. A material breach of this Addendum by the Bank that remains uncured for sixty (60) days after receipt of written notice thereof. However, if a material breach of this Addendum (other than a breach of Section 17, hereof) occurs that by its nature cannot be cured by Bank within such sixty (60) day period, but the Bank submits a written plan to the State within such period to cure such breach after the sixty (60) day period and the plan (including the timing of the cure set forth in the plan) is accepted by the State in writing, which consent shall not be unreasonably withheld, the cure period for such breach shall be extended to the date set forth in the plan. Notwithstanding, State shall still be responsible for payment of all Fees due and payable through the termination date.
- B. As long as the State terminates in order to transfer the Services to either the State or a subdivision or agency of the state of Ohio and not to a third party competitor of Bank, State may terminate this Addendum for convenience upon ninety (90) days prior written notice to Bank.
- C. The State may terminate this Addendum immediately upon delivery of written notice to Bank if the State has discovered any illegal conduct on the part of Bank or upon loss of funding as set forth in paragraph 4.6 of this Addendum.

D. The parties acknowledge the State's intention to release a Request for Proposals (RFP) for the competitive selection of a vendor to fill the role of the Bank under this Addendum. Upon selection of a new vendor from such RFP, the State may terminate this Addendum with at least ninety (90) days prior written notice.

8.2 Bank may terminate this Addendum in the event of a material breach by the State, including, but not limited to non-payment of any Fees, that remains uncured for a period of sixty (60) days after State's receipt of written notice from Bank. This Agreement shall terminate immediately without notice upon the Ohio General Assembly providing no more funding as provided in Section 4.6.

8.3 Costs of Termination. In the event of termination by the State or by Bank pursuant to Sections 8.1 or 8.2, the State shall be responsible for payment of all Fees due and payable through the termination date.

8.4 Transition Period. The expiration of or the termination for any reason of this Addendum shall be managed in such a manner as to minimize, to the greatest extent possible, interruption or compromised operation of the Child Support Payment Central. As such, the Bank agrees to use reasonable efforts to cooperate with the State and/or successor vendor(s) to ensure a smooth transition of services upon expiration or termination of this Addendum. This "Transition Period" shall be established by the State and the Bank, but shall not exceed one year unless agreed to in writing by all Parties hereto. Upon notice of intent to terminate this Addendum as provided in Section 8.1 or 8.2 and prior to expiration of this Addendum, the parties shall formulate a "Transition Plan" which shall be reduced to writing and signed by all Parties. The "Transition Plan" shall set forth the rights and responsibilities of all Parties, including the successor(s) to the Bank, to effectuate the orderly transition of the services under this Addendum to the successor(s). The Parties shall use best efforts to complete and sign the Transition Plan within thirty days of the notice of intent to terminate the Addendum. The Bank shall be entitled to payment for continued operations pursuant to Exhibits I and II through such Transition Period, plus such reasonable transition costs as shall be agreed to between the Parties in the Transition Plan. The Transition Plan shall be an amendment to this Addendum and shall be subject to the provisions of R.C. 126.07, 127.16 and 131.33.

## 9.0 RESOLUTION OF DISPUTES

9.1 Dispute Resolution Process. All disputes, controversies or claims arising under this Addendum (including disputes as to State's right to terminate under Section 8.1.A, or Bank's right to terminate under Section 8.2 (each, a "Dispute") shall be resolved in accordance with this Section. State and Bank agree to utilize the following procedures to resolve any Dispute:

A. Level One. If Bank identifies a Dispute that requires formal resolution, it will give Ms. Diana Redman and Mr. Kevin Talty or their successor (collectively the "State Managers"), at the address specified for State in Section 7.0., prompt written notice thereof, and if State identifies a Dispute that requires formal resolution, it will give Ms. Wendy Kephart or her successor (the "Bank Manager"), at the address specified for Bank in Section 7.0., prompt written notice thereof. The State Managers and the Bank Manager (together, the "Managers") will then negotiate in good faith on a regular and frequent basis to resolve the Dispute as expeditiously as feasible. If the Managers are unable to resolve the Dispute within ten (10) business days of the date written notice of the Dispute is sent, or such longer period as the State Managers and the Bank Manager

shall mutually agree, any Manager may state in writing to the others that they will not be able to resolve the Dispute through continued negotiation. Promptly thereafter, the Managers will refer the Dispute to a senior executive of Bank having management responsibility for the State relationship and a senior executive of State having management responsibility for the Bank relationship (collectively, the "Senior Executives"), and each Manager will provide to both Senior Executives a written statement (a "Dispute Statement") describing in detail his or her position related to the Dispute.

B. Level Two. Promptly after receiving the Dispute Statements, the Senior Executives will negotiate in good faith on a regular basis to resolve the Dispute as expeditiously as feasible. If the Senior Executives are unable to resolve the Dispute within twenty (20) business days after the date the original notice of Dispute is sent, or such longer period as the Senior Executives shall mutually agree, any Senior Executive may state in writing to the other that they will not be able to resolve the remaining Dispute through continued negotiation. Thereafter, the Senior Executives will submit a joint written recommendation for any issue(s) of the Dispute upon which the Senior Executives disagreed upon or which remain unresolved. Any party may propose to submit any issues that remain unresolved to arbitration pursuant to Section 9.2 hereof.

C. General Resolution Procedures.

1. Bank and State agree that they will refrain from referring the Dispute to arbitration pursuant to Section 9.2, and no court or arbitrator shall be competent to address any Dispute properly addressed in this fashion, until either party's Senior Executive provides a written notice to the other that he/she has concluded in good faith that amicable resolution through continued negotiation of the Dispute does not appear likely after the conclusion of the Level Two resolution process described above.

2. The purpose of preparing and submitting the Dispute Statements described above is to facilitate the resolution process. However, the Dispute Statements will not limit either party from identifying any additional relevant issues during the resolution process, including any arbitration pursuant to Section 9.2, nor will the Dispute Statements constitute a waiver of, or prejudice or limit either party's rights or remedies with respect to, the issue(s) addressed therein. The Parties agree to the extent allowed by Ohio and federal public records law, not to discuss or disclose the existence or content of any dispute with any third party or entity.

## 9.2 Arbitration.

A. If a Dispute has not been resolved through the resolution process set forth in Section 9.1 hereof, then at any time after completion of such resolution process, regardless of the magnitude thereof or the amount in controversy or whether such Dispute would otherwise be considered justiciable or ripe for resolution by a court or arbitral tribunal, either party may propose, subject to the consent of the other party, that such Dispute be submitted for final determination by mandatory arbitration before a sole arbitrator in accordance with the rules of the American Arbitration Association.

Arbitration shall only be entered into upon consent of all Parties, and shall not prejudice the legal, equitable or other remedies of the Parties.

B. Any such arbitration shall be governed by the United States Arbitration Act, (provided, however, that in the event of conflict between such Act and the terms of this Addendum, the terms of this Addendum shall govern) and the Federal Rules of Evidence. The arbitrator shall determine issues of arbitrability but may not limit, expand or otherwise modify the terms of the Addendum nor have authority to award punitive, consequential, incidental, or other damages in excess of Direct Damages as defined here below. The arbitration shall be conducted in such location as the Parties may designate by mutual written consent; provided, however, that the arbitrator may from time to time convene, carry on hearings, inspect property or documents, and take evidence at any location which the arbitrator deems appropriate. If the Parties are unable to agree on a location within twenty (20) days, the arbitrator shall select the location and the arbitrator's selection shall be binding upon the Parties. The award shall be made within six (6) months after selection of the arbitrator. Each Party shall bear its own expenses but those related to the compensation of the arbitrator and applicable filing fees shall be borne equally.

9.3 Further Rules for Arbitration. With respect to any arbitration conducted pursuant to this Section 9:

A. Judgment upon the award rendered in any such arbitration may be entered in any court of competent jurisdiction, or application may be made to such court for a judicial acceptance of the award and an enforcement, as the law of such jurisdiction may require or allow upon the consent of all Parties.

B. The Parties, their representatives and/or the arbitrators and any other participants shall hold the existence, content and result of arbitration in confidence to the extent allowed by Ohio or federal public records law.

C. The arbitrator's award shall be in writing setting forth the legal and factual basis therefor, except with request to the validity, infringement or misappropriation of any patents or other intellectual property rights of any Party, with respect to which such award shall be without findings or any statement of legal or factual basis.

D. Any arbitrator selected hereunder shall be well-versed in any technology relating to the subject of the dispute.

E. The arbitrator's award may in appropriate circumstances (other than in disputes concerning patents or other intellectual property rights) provide for injunctive relief.

F. The Parties agree that the arbitrator shall be bound by all of the limitations on liability contained in Section 19.

## **10.0 ASSIGNMENTS AND DELEGATION**

This Addendum, or any interest therein, including, but not limited to, any claim for monies due or to become due with respect thereto, unless agreed to in writing by the State, shall not be assigned or

delegated, or both, by the Bank, and any assignment or delegation shall be null and void, except that Bank may assign this Addendum, or any interest therein, to an Affiliate or successor of Bank without the written consent of the State. As used herein, the term "Affiliate" shall be defined as any bank or corporation which Bank wholly owns and controls or which wholly owns and controls Bank or which is wholly owned and controlled by a bank or corporation which wholly owns and controls Bank. However, any attempted assignment or delegation to an Affiliate or successor Bank is null and void unless such Affiliate or successor has an agreement with the Treasurer pursuant to Section 113.051 of the Code and is a public depository in compliance with Section 135.18 of the Code.

## **11.0 SUBCONTRACTING**

11.1 The State authorizes the use of Anexsys, LLC, to perform certain activities detailed in the Statement of Work. Bank shall not enter into any other subcontracts for the Project without written approval from the State, which approval shall not be unreasonably withheld. Notwithstanding anything to the contrary herein, Bank may subcontract for the purchase of commercial goods that are required for the satisfactory completion of the Project without the State's consent.

11.2 The Bank will be solely responsible for payment of its subcontractors and any claims of subcontractors for any failure of the Bank or any of its other subcontractors to meet the performance schedule or performance specifications for the Project in a timely and professional manner.

11.3 The Bank will assume responsibility for all Services whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the State will consider the Bank to be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Agreement.

11.4 Each subcontractor utilized by Bank must have a written agreement with the Bank that must incorporate this Addendum by reference.

## **12.0 PERSONNEL**

12.1 Each of the Parties will be solely responsible for reporting, withholding and/or paying all employment related taxes, payments and/or withholdings for its own personnel, including, but not limited to, Federal, state and local income taxes, social security, unemployment or disability deductions, withholdings, and/or payments (together with any interest and penalties not disputed with the appropriate taxing authority).

12.2 The Parties understand and agree that all persons performing work under this Addendum by or on behalf of that party, are for purposes of workers' compensation liability, the sole employees of that party and not employees of any other party. Each party shall be solely liable and responsible for any and all workers' compensation benefits to any person as a result of injuries arising from or connected with any work performed by or on behalf of that party pursuant to this Addendum.

12.3 Each of the Parties shall timely appoint and provide personnel with suitable skills to provide, facilitate, and ensure the timely and proper definition, provision, performance, and delivery of the Services in accordance with this Addendum.

## **13.0 PROPRIETARY RIGHTS**

13.1 Bank Proprietary Software. All software and related documentation (a) owned by Bank prior to the Effective Date, (b) of which Bank acquires ownership without the use of monies paid pursuant to this Addendum after the Effective Date, and (c) developed by or on behalf of Bank after the Effective Date without the use of monies paid pursuant to this Addendum in each case which is used by Bank in providing the Services ((a), (b), and (c) collectively are referred to herein as the "Bank Proprietary Software") shall be and shall remain the exclusive property of Bank and State shall have no rights, title or interests in the Bank Proprietary Software except as described in this section. During the Term, Bank hereby grants to State a royalty-free, non-exclusive, non-transferable right to (x) use, (y) copy for archival purposes or as may otherwise be required by this Addendum, and (z) to the extent permitted by the licenses or leases (the "Bank Third Party Licenses") in respect of the Bank Third Party Software (as hereinafter defined), modify as required by this Addendum (i) any Bank Proprietary Software, (ii) Bank Third Party Software, and (iii) any related documentation in Bank's possession on or after the Effective Date, the use of all of which is necessary for Bank to provide the Services and for State to use the Services. However, State may not decompile or reverse engineer the Bank Proprietary Software or Bank Third Party Software. As part of the Services, Bank shall, during the Term (i) use the Bank Proprietary Software and such other software as Bank and State may agree upon from time to time, as may be required to provide the Services, and (ii) make available such Bank Proprietary Software to State for use by State for its internal purposes solely in connection with the Services. Upon expiration or termination of this Addendum, if State desires to continue to use all or any portion of the Bank Proprietary Software, the Parties agree to negotiate in good faith the terms and conditions and a reasonable license fee for such use. Upon such State request and the mutual agreement of the Parties, Bank shall grant to State an irrevocable, non-exclusive, non-transferable license to use for its internal purposes the Bank Proprietary Software then being used by Bank in connection with the Services in the form being used by Bank in connection with the Services as of the effective date of such expiration or termination. If the Parties do not reach a mutual agreement regarding State's use of the Bank Proprietary Software upon expiration or termination of this Addendum for any reason, the rights granted to State in this section shall immediately revert to Bank and State shall, at no cost to Bank,

- A. deliver to Bank a copy of all the Bank Proprietary Software (including any related source code in State's possession) in the form in use as of the date of such expiration or termination of this Addendum; and
- B. return, destroy, or erase (as instructed by Bank) all other copies of the Bank Proprietary Software in State's possession or the possession of State's subcontractors, agents or employees.

13.2 Bank Third Party Software. All software and related documentation licensed or leased from a third party by Bank (a) prior to the Effective Date which will be used in connection with the Services and (b) after the Effective Date which will be used in connection with the Services ((a) and (b) collectively are referred to herein as "Bank Third Party Software") shall be and shall remain the exclusive property of such third party licensors and State shall have no rights or interests in the Bank Third Party Software except as described in this section. As part of the Services, Bank shall during the Term (i) use the Bank Third Party Software, and such other software as State and Bank may agree upon from time to time, as may be required to provide the Services, and (ii) to the extent permitted by applicable contracts with respect to such Bank Third Party Software, make available to State such Bank Third Party Software for use by State for its internal purposes solely in connection with the Services.

13.3 Software Escrow. A copy of all copyrightable specifications, source code, object code,

test data, and documentation necessary for maintenance or modification of any software, modifications, and associated documentation (hereinafter "Application") developed with State funds under this Addendum will be provided to the State to be held in escrow. During the Term of this Addendum, the State will not make any use of the Application document, which it holds in escrow, except upon written consent of Bank. Throughout the Term of this Addendum and at expiration or cancellation of this Addendum, the State will own and the Bank will be granted a perpetual license, at no cost, to modify the Application, incorporate all or portions of it in other applications, or otherwise make use of the code, including, but not limited to the right to relicense, or to resell or transfer the license, except that Bank may not secure proprietary rights to such Application or code. The State hereby warrants that it has the authority to transfer and/or grant the license specified herein to Bank under this subsection. Upon the expiration or termination of this Addendum, any Application developed by Bank with funds pursuant to this Addendum may be used by and/or given to any agent or contractor of State only for the continuing operations of the State of Ohio's centralized collections and disbursement program (or any successor program). Provided, however, that any agency agreement or contract between the State and any such agent or contractor specifically confirms the State's ownership rights to such Application and prohibits any agent or contractor from using such Application, except for the State of Ohio's centralized collections and disbursement or successor program. It is further understood that in the event the State enters into any such contract or agency agreement which does not contain such prohibition, the Bank will suffer irreparable injury for which it would have no adequate remedy at law and Bank shall be entitled to preliminary and any other injunctive relief in addition to any other remedies to which Bank may be entitled at law or in equity. The provisions of this Subsection 13.3 shall survive the termination, cancellation or expiration of the Addendum. Nothing in this Section 13 shall restrict State's rights to share such Application with the federal government nor shall this Section be read to restrict the federal government's rights to use and distribute the Application for purposes related to any federal program.

#### **14.0 SPECIAL CERTIFICATIONS OF BANK**

By executing this Addendum, Bank certifies and affirms current compliance and agrees to continued compliance with each condition listed in Sections 14.0-14.10. The Bank's certification and affirmation of compliance with each of these conditions is considered to be a material representation of fact upon which State relied in entering this Addendum:

14.1 Bank, along with its officers, members, employees, have no interest, personal or otherwise, direct or indirect, which is incompatible or in conflict with or would compromise in any manner or degree with the discharge and fulfillment of his or her functions and responsibilities under this Addendum. Bank agrees to periodically inquire of its officers, members, and employees concerning such interests. Any person who acquires an incompatible, compromising, or conflicting personal or business interest shall immediately disclose his or her interest to State in writing. Thereafter, he or she shall not participate in any action affecting the work under this Addendum, unless State shall determine that, in the light of the personal interest disclosed, his or her participation in any such action would not be contrary to the public interest. The written disclosure of such interest shall be made to: Chief Legal Counsel, Ohio Department of Job & Family Services, 30 East Broad Street, 31<sup>st</sup> Floor, Columbus, Ohio 43266-0423.

14.2 Bank agrees to refrain from promising or giving to any State employee anything of value that is of such a character as to manifest a substantial and improper influence upon the employee with respect to his or her duties. Bank also agrees that it will not solicit a State employee to violate any State rule or policy relating to the conduct of contracting parties or to violate sections

102.03, 102.04, or 2921.42 of the Code. Bank, its officers, members and employees are in compliance with section 102.04 of the Code and that if it is required to file a statement pursuant to 102.04(D)(2) of the Code, Bank has filed the statement with the ODJFS Chief Legal Counsel in addition to any other required filings.

14.3 No federal funds paid to Bank through this or any other agreement with State will be or have been used to lobby Congress or any federal agency in connection with a particular contract, grant, cooperative agreement, or loan. Bank further certifies compliance with the lobbying restrictions contained in Section 1352, Title 31 of the U.S. Code, Section 319 of Public Law 101-121, and federal regulations issued pursuant thereto and contained in 45 C.F.R. Part 93, Federal Register, Vol.55, No.38, February 26, 1990, pages 6735-6756. If this Addendum exceeds \$100,000.00, Bank has executed the Disclosure of Lobbying Activities, Standard Form LLL, if required by federal regulations. This certification is a material representation of fact upon which reliance was placed when this Addendum was entered into.

14.4 Neither Bank nor any principals of Bank is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions by the United States Department of Health and Human Services or any other Federal department or agency as set forth in 45 C.F.R. Part 76. This certification is a material representation of fact upon which reliance was placed when this Addendum was entered into. If it is ever determined that Bank knowingly executed this certification erroneously, then in addition to any other remedies, this Addendum will be terminated pursuant to Section 8.1, and State may advise the appropriate Federal agency of the knowingly erroneous certification.

14.5 Bank is in compliance with the executive agency lobbying requirements of sections 121.60 to 121.69 of the Code.

14.6 Bank is not on the most recent list established by the Secretary of State, pursuant to section 121.23 of the Code, which identifies Bank as having more than one unfair labor practice contempt of court finding.

14.7 Bank agrees to cooperate with ODJFS and any Child Support Enforcement Agency (CSEA) in ensuring Bank or the employees of Bank meet child support obligations under state or federal law. Further, by executing this Addendum Bank certifies present and future compliance with any court or valid administrative order for the withholding of support which is issued pursuant to Chapter 3113 of the Code.

14.8 Bank is in compliance with section 4141.044 of the Code. This requirement does not apply when the Bank is filling the vacancy from within the organization or pursuant to a customary and traditional employer-union hiring arrangement.

14.9 Bank agrees not to discriminate against individuals who have or are participating in any work program administered by a county department of job & family services under Chapters 5101 or 5107 of the Revised Code.

14.10 As applicable to the Bank, no party listed in Division(I) or (J) of section 3517.13 of the Code or spouse of such party has made as an individual, within the two previous calendar years, one or more contributions in excess of \$1,000.00 to the Governor or to his campaign committees.

## **15.0 INSURANCE**

15.1 The Bank will provide the following insurance coverage at its own expense throughout the term of this Addendum:

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

B. Personal injury, bodily injury, and property damage liability insurance, including automobile coverage, with personal injury and bodily injury of not less than \$1,000,000 combined single limit, and property damage of at least \$500,000 for any one occurrence.

15.2 The Bank will also furnish a certificate of insurance to the State for the required coverage evidencing insurance from an insurance carrier, or carriers, authorized to do business in the State of Ohio. The certificate 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. The certificate must also:

A. Provide 30 days' notice to the State before cancellation.

B. Provide that the insurance is primary insurance and over any coverage held by the State.

C. List ODJFS and Treasurer as an additional insured.

#### **16.0 RECORD KEEPING AND AUDITS**

16.1 The Bank will keep all financial records in accordance with generally accepted accounting procedures consistently applied.

16.2 All records relating to costs, work performed and supporting documentation for invoices submitted to State by Bank along with copies of all Services submitted to State pursuant to this Addendum will be retained and made available by Bank for audit by the State of Ohio (including but not limited to ODJFS, the Auditor of the State of Ohio, the Inspector General of Ohio, or any duly authorized law enforcement officials) and by agencies of the United States government for a minimum of three years after payment for work performed under this Addendum. If an audit, litigation, or other action is initiated during this time period, Bank shall retain such records until the action is concluded and all issues resolved or the three years end, whichever is later. If appropriate, Bank must meet the requirements of the federal OMB Circular A-133. Bank acknowledges, in accordance with section 149.431 of the Code, that certain financial records related to the performance of services under this Addendum may be deemed to be public records.

#### **17.0 CONFIDENTIAL INFORMATION**

17.1 All ODJFS information which, under the laws of the State of Ohio or under federal law, is classified as public or private, will be treated as such by the Parties. Where there is a question as to whether information is public or private, ODJFS shall make the final determination.

17.2 Bank and State each acknowledge that the other Party and/or its Affiliates, as applicable, possesses and will continue to possess information, which has commercial value in such other party's functional activity and is not in the public domain. Such information has been created, discovered, developed by such other party or provided to it by a third party, and such other party holds property rights in such information by assignment, license or otherwise.

17.3 Definitions:

A. "Entity Information" means collectively the Confidential Information and Trade Secrets. Entity Information also includes information which has been disclosed to either party by a third party, which such party is obligated to treat as confidential or secret.

B. "Confidential Information" means with respect to a party, any and all proprietary business information of the disclosing party and/or of third parties in the possession of the disclosing party treated as secret by the disclosing party (that is, it is the subject of efforts by the disclosing party that are reasonable under the circumstances to maintain its secrecy) that does not constitute a Trade Secret, including, without limitation, any and all proprietary information in the possession of such disclosing party of which the receiving party becomes aware as a result of its access to and presence at the other party's facilities, including with respect to State, and without limitation, the identity of and information related to individual child support obligors and obligees, and obligors' employers.

C. "Trade Secrets" mean with respect to a party, information related to the services and/or functional activity of the disclosing party and/or of a third party which (a) derives economic value, actual or potential, from not being generally known to or readily ascertainable by other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts by the disclosing party that are reasonable under the circumstances to maintain its secrecy, including without limitation (i) marking any information clearly and conspicuously with a legend identifying its confidential or proprietary nature; (ii) identifying any oral presentation or communication as confidential immediately before, during or after such oral presentation or communication; or (iii) otherwise, treating such information as confidential or secret. Assuming the criteria in sections (a) and (b) above are met, Trade Secrets include, but are not limited to, technical and non-technical data, formulas, patterns, compilations, computer programs and software, devices, drawings, processes, data models, process models, methods, techniques, designs, programs, financial plans, product plans, lists of actual or potential customers and suppliers, and with regard to the State, lists of child support obligors, obligees and obligors' employers and all information contained therein.

17.4 Obligations

A. State and Bank will each refrain from disclosing, will hold as confidential and will use the same level of care to prevent disclosing to third parties, the Entity Information of the other party as it employs to avoid disclosure, publication or dissemination of its own Entity Information of a similar nature, but in no event less than a reasonable standard of care. Notwithstanding the foregoing, the Parties may disclose Entity Information to the authorized contractors and subcontractors, employees, agents, and officers involved in providing and using the Services under the Addendum where: (i) such disclosure is necessary to permit the contractor or subcontractor, employee, agent, or officer to perform its duties hereunder or use the Services; (ii) the contractor or subcontractor, employee, agent, and officer agree to observe the confidentiality and restricted use and disclosure covenants and standards of care set forth in this Section 16 and State and Bank are each third party beneficiaries for all purposes; and (iii) Bank in the case of State Entity Information received by Bank and disclosed as permitted herein, or State in the case of Bank Entity Information received by State and disclosed as permitted herein, assumes full responsibility for the acts or omissions of its contractors

and subcontractors, employees, agents, and officers no less than if the acts or omissions were those of Bank and State respectively.

B. Neither State nor Bank shall use the Entity Information of the other party except in the case of the Bank's contractors and subcontractors, employees, agents, and officers, (i) in connection with the performance of the Services and (ii) as otherwise specifically permitted in the Addendum, and in the case of the State, its contractors and subcontractors, employees, agents, and officers (a) as specifically permitted in the Addendum and (b) in connection with the use of the Services. Bank shall be responsible to ensure that its subcontractors, employees, agents, and officers comply with this Section 16.2.B and State shall be responsible to ensure that it and its contractors, subcontractors, employees, agents, and officers comply with this Section 16.2.B.

C. Without limiting the generality of the foregoing, neither party will publicly disclose the terms of the Addendum, except to the extent permitted by this Section 16 and to enforce the terms of the Addendum without the prior written consent of the other. Furthermore except as contemplated by the Addendum, neither State nor Bank will make any use of the Entity Information of the other party; acquire any right in or assert any lien against the other party's Entity Information except as contemplated by the Addendum; or refuse to promptly return, provide a copy of or destroy such Entity Information upon the request of the disclosing party. Notwithstanding any other provision of the Addendum, neither party will be restricted in using, in the development, manufacturing and marketing of its products and services and in its operations, any data processing, system operations, applications development or network management ideas, concepts, know-how and techniques which are retained in the minds of employees who have had access to the other party's Entity Information (without reference to any physical or electronic embodiment of such information), unless such use shall infringe any of such party's patent rights, copyrights, mask works rights or Trade Secrets.

17.5 Exclusions. Notwithstanding the foregoing, this Section 16 will not apply to any information which State or Bank can demonstrate was: (a) at the time of disclosure to it, in the public domain or was a public record pursuant to the laws of the State of Ohio; (b) after disclosure to it, published or otherwise becomes part of the public domain through no fault of the receiving party; (c) without a breach of duty owed to the disclosing party, is in the possession of the receiving party at the time of disclosure to it; (d) received after disclosure to it from a third party who had a lawful right to and, without a breach of duty owed to the disclosing party, did disclose such information to it; or (e) independently developed by the receiving party without reference to Entity Information of the disclosing party. Further, either party may disclose the other party's Entity Information to the extent required by law or order of a court or governmental agency. However, the recipient of such Entity Information must (if permitted by applicable law) give the other party prompt notice and make a reasonable effort to obtain a protective order or otherwise protect the confidentiality of such information, all at the discloser's cost and expense. It is understood that the receipt of Entity Information under the Agreement will not limit or restrict assignment or reassignment of employees of State and of Bank within or between the respective parties and their Affiliates, as applicable.

17.6 Loss of Entity Information. The receiving party will immediately notify the disclosing party, orally or in writing in the event of any disclosure, loss, or use in violation of the Addendum of a disclosing party's Entity Information known to the receiving party.

17.7 Limitation. The covenants of confidentiality set forth herein (a) will apply after the Effective Date to any Entity Information disclosed to the receiving party before and after the Effective Date and (b) will continue and must be maintained from the Effective Date through the termination of the relationship between the parties and (i) with respect to Trade Secrets, until such Trade Secrets no longer qualify as trade secrets under applicable law, and (ii) with respect to Confidential Information for a period equal to the shorter of two (2) years after termination of the parties' relationship under the Addendum, or until such Confidential Information no longer qualifies as confidential under applicable law or this Addendum. No party will be responsible for the security of the Entity Information of the other party during transmission via public communications facilities, except to the extent that such breach of security is caused by the failure of such party to perform its obligations under the Addendum or the negligent acts or omissions of such party, its contractors, subcontractors, Affiliates, employees, agents or officers.

17.8 Data. Each party's Entity Information is the exclusive property of the disclosing party and the furnishing of such information, data, records and reports to, or access to such items by, the disclosing party and/or its subcontractors will not grant any express or implied license to or interest in the receiving party and/or its subcontractors relating to such information, data, records and reports except as required to perform the Services pursuant to the Addendum. Upon request by the disclosing party at any time and from time to time and without regard to the default status of the parties under the Agreement, the receiving party and/or its subcontractors shall promptly deliver to the disclosing party its Entity Information in electronic format and in such hard copy as existing on the date of the request by the disclosing party.

17.9 Bank agrees to coordinate all access to the ODJFS network through the ODJFS Office of Management Information Services. If such access is granted, Bank further agrees that no software or files will be downloaded from or loaded onto the ODJFS network without prior, express consent of the Office of Management Information Services.

## **18.0 REPRESENTATIONS, WARRANTIES AND COVENANTS**

18.1 Each of the Parties warrants, represents and covenants that (a) it has, and during the Term will have, and each of its employees and subcontractors that it will use to provide and perform the Services has and during the Term will have, the necessary knowledge, skills, experience, qualifications, rights and resources to provide and perform the Services in accordance with the Addendum; and (b) the Services will be performed in a diligent, workmanlike manner in accordance with generally accepted industry standards applicable to the performance of such services.

18.2 Each of the Parties represents, warrants and covenants that it will perform its responsibilities under the Addendum in a manner that does not infringe, or constitute an infringement or misappropriation of any patent, Trade Secret, copyright or other proprietary or confidentiality right of any third party.

18.3 Each of the Parties represents, warrants and covenants subject to limitations within this Addendum that: (a) it has all requisite power and authority to enter into, and fully perform pursuant to, this Addendum and the consummation of the transactions contemplated hereby have been duly and properly authorized by all requisite action on its part; and (b) the Addendum has been duly executed and delivered by such party.

18.4 Bank does not warrant the accuracy of any advice, report, data or other product delivered to State to the extent any inaccuracies are caused by data/software provided by the State. Services based on State-provided material are delivered "AS IS", and Bank shall not be liable for any inaccuracy therein. Bank will promptly notify the State of any such inaccuracies of which Bank becomes aware and the cause therefore if known by Bank. Bank will provide reasonable assistance to State to remedy such problems.

18.5 Each of the Parties agrees at its cost and expense to obtain all necessary regulatory approvals applicable to its business, to obtain any necessary permits for its business, and to comply with all laws and regulatory requirements applicable to the performance of its obligations under the Addendum.

18.6 Each of the Parties covenants to timely and diligently cooperate to effect the goals, objectives and purposes of the Addendum and to facilitate the performance of their respective duties and obligations under the Addendum in a commercially reasonable manner. Further, each of the Parties agrees to deal and negotiate with each other and their respective Affiliates in good faith in the execution and implementation of their duties and obligations under the Addendum.

18.6 The State represents, warrants, and covenants that the Support Enforcement Tracking System will be fully operational and functioning by the Effective Date.

## **19.0 LIABILITY**

19.1 The liability of Bank arising out of or resulting from the performance or non-performance of its obligations under this Addendum shall be limited to Direct Damages for any events, acts, or omissions, in an amount not to exceed in the aggregate the prior six (6) months of Fees paid to Bank by the State hereunder.

19.2 The liability of State arising out of or resulting from the performance or non-performance of its obligations under this Addendum shall be limited to Direct Damages for any events, acts, or omissions, in an amount not to exceed in the aggregate the prior six (6) months of Fees paid to Bank by the State hereunder.

19.3 Unless specifically provided to the contrary in the Addendum, neither party shall have any liability whether based on contract, tort (including without limitation, negligence), warranty, guarantee or any other legal or equitable grounds to the other party for any damages other than Direct Damages, or to any third party or entity that is not a party to this Addendum. "Direct Damages" mean actual, direct damages incurred by the claiming party which include, by way of example but without limitation, (a) the reasonable costs incurred by the State to obtain services which are the same as or substantially similar to the Services, (b) the reasonable costs to correct any deficiencies in the Services rendered by Bank, and (c) similar reasonable damages, but Direct Damages shall not include (i) loss of profit or revenue of the claiming party or (ii) incidental, consequential, special, exemplary, punitive, multiple or indirect damages suffered by the claiming party (except as the damages described in (i) and (ii) are included as part of Fees specified for herein or as otherwise provided in the Addendum) and shall not include punitive or exemplary damages suffered by the claiming party arising from or related to the Addendum, even if such party has been advised of the possibility of such losses or damages.

19.4 The limitations or exculpation of liability set forth in Section 19.1 and 19.2 are not applicable to losses, liabilities, damages, penalties, and claims and related costs, expenses and other charges arising from a violation of the confidentiality provisions of Section 16. Nothing in this Addendum shall limit in any manner either party's right to seek injunctive relief. In no event will either party be liable for any damages to the other party if and to the extent caused directly or indirectly by such other party's negligence, willful misconduct, or failure to perform its responsibilities under this Addendum or any other Agreement.

19.5 The State and Bank agree to provide the other party with written notice of any claim or action giving rise to a claim for damages hereunder as promptly as practicable.

## **20.0 COMPLIANCE WITH APPLICABLE LAW**

20.1 The Bank and the State shall comply with all applicable federal, state, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Addendum are hereby incorporated herein by reference.

20.2 All Bank or State personnel providing services under this Addendum which require specific federal, state or local governmental licenses or credentials shall maintain such licenses or credentials current and valid throughout the period of Addendum performance. Any Bank or State agent or employee who drives a vehicle in performance of Addendum operations shall have a valid operator's license for that vehicle class; evidence of vehicle insurance coverage for the driver will be required prior to assignment to such duties.

## **21.0 FAIR LABOR STANDARDS**

The Bank and State shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and Bank shall indemnify, defend, and hold harmless the State, its officers, employees and agents, where not prohibited by law, from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorney's fees arising under any wage and hour law, including but not limited to, the Federal Fair Labor Standards Act, 1937 Public Act 278, as amended, for work performed by the Bank's or State's employees, respectively, for which the other may be found jointly or solely liable.

## **22.0 NONDISCRIMINATION**

In the performance of this Agreement, the Bank and State agree not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability or Vietnam-era veteran status unrelated to the individual's ability to perform the duties of the particular job or position. Notices of Bank's compliance with these nondiscrimination laws shall be conspicuously posted and available for employees and applicants for employment. The Bank and State further agree that every subcontract entered into for the performance of this Agreement will contain a provision requiring non-discrimination in employment and notice of same, as herein specified, binding upon each subcontractor.

### **23.0 DRUG FREE ENVIRONMENT**

The Bank and State will comply with all applicable state and federal laws regarding keeping a drug-free workplace. The Bank and State will make a good faith effort to ensure that all their employees, while working on State or Bank property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way. The Parties further agree that every subcontract entered into for the performance of this Agreement will contain a provision requiring a drug-free workplace, as herein specified, bonding upon each subcontractor.

### **24.0 INDEPENDENT CONTRACTOR**

Bank agrees that no agency, employment, joint venture, or partnership has been or will be created between the parties hereto pursuant to the terms and conditions of this Addendum. Bank also agrees that, as an independent contractor, Bank assumes all responsibility for any federal, state, municipal, or other tax liabilities along with workers compensation, unemployment compensation, and insurance premiums which may accrue as a result of compensation received for Services rendered hereunder. Bank certifies that all approvals, licenses, or other qualifications necessary to conduct business in Ohio have been obtained and are operative. If at any time during the contractual period Bank becomes disqualified from conducting business in Ohio, for whatever reason, Bank must immediately notify State of the disqualification and Bank will immediately cease performance of its obligation hereunder.

### **25.0 CAPTIONS AND PARAGRAPH HEADINGS**

Captions and paragraph headings used in this Addendum are for convenience only and are not part of this Addendum and shall not be used in construing this Addendum.

### **26.0 WAIVER**

No waiver of any breach of any provision of this Addendum shall constitute a waiver of any other breach or of such provision. Failure of any party to enforce at any time, or from time to time, any provision of this Addendum shall not be construed as a waiver thereof. The specific rights and remedies set forth in this Addendum shall not be exclusive and are in addition to any other rights and remedies provided by law.

### **27.0 GOVERNING LAW**

This Addendum shall be governed by, and construed in accordance with, the laws of the State of Ohio.

### **28.0 SEVERABILITY**

If any provision of this Addendum or the application thereof to any person or circumstance is held invalid, the remainder of this Addendum and the application of such provision to other persons or circumstances shall not be affected thereby provided, however, the absence of the illegal provision does not render the performance of the remainder of the Addendum impossible.

## **29.0 AUTHORIZATION**

The Bank and State represent and warrant that the person executing this Addendum is an authorized agent who has actual authority to bind that party to each and every term, condition, and obligation of this Addendum and that all requirements of the Bank and State, respectively, have been fulfilled to provide such actual authority.

## **30.0 YEAR 2000 READINESS DISCLOSURE**

30.1 The Bank represents and warrants that it has met its Year 2000 goals, it has met all the Year 2000 guidelines set forth by its federal regulators and it is ready for the century date change. Being ready means that the Bank has fixed and tested its software, systems and applications (collectively, "Systems") including testing with customers, put those systems back into production and completed back up plans and plans for the weekend of January 1, 2000. The Systems that support the Services being offered in this Addendum were part of that effort. The State should not experience invalid and/or incorrect results related to the Year 2000 century date change from any Systems utilized in performing the Services. The Systems should work properly and reliably relating to the Year 2000 century date change which shall include date data century recognition, calculations which accommodate same century and multi-century formulas and date values including Leap Year, and date data interface values which interpret the correct century.

30.2 In the event that any Systems over which the Bank exercises direct control are found not to be Year 2000 ready, the Bank shall use commercially reasonable means to repair the Systems over which it has direct control to make them Year 2000 ready at no charge to the State within a commercially reasonable period of time after it becomes aware of the non Year 2000 ready status of such Systems. Systems over which the Bank exercises direct control does not include those provided by third parties including utilities and telecommunications providers. Repair of the Systems over which it has direct control as specified in this section shall be the State's sole and exclusive remedy with respect to the Systems supporting the Services which are not Year 2000 ready notwithstanding any other remedies which might be available pursuant to this Agreement or available generally under the law.

30.3 State warrants that the software, systems and applications (collectively, "State Systems") over which it has direct control and which impact the Bank pursuant to this Addendum shall be Year 2000 ready. State Systems over which State exercises direct control do not include those provided by third parties including utilities and telecommunications providers. In the event that any such State Systems are found not to be Year 2000 ready, State shall use commercially reasonable means to repair those State Systems in a commercially reasonable period of time after it becomes aware of the non-Year 2000 ready status of such State Systems.

## **31.0 ENTIRE AGREEMENT, AMENDMENTS**

This Addendum, the Statement of Work and any other Exhibits and attachment hereto which are incorporated by reference into this Addendum is the entire agreement between the Parties with regard to its subject matter, and there are no other representations, understandings or agreements between the Parties relative to such subject matter. No amendments to, or change, waiver or discharge of, any provision of this Addendum shall be valid unless in writing and signed by an authorized representative of the party against which such amendment, change, waiver or discharge is sought to be enforced.

**32.0 COVENANT OF FURTHER ASSURANCES**

Bank and State covenant and agree that, subsequent to the execution and delivery of this Addendum and without any additional consideration, each of the State and the Bank will execute and deliver any further legal instruments and perform any acts which are or may become necessary to effectuate the intent and purposes of this Addendum.

**II.** Section IV. F of the Agreement is hereby amended and restated as follows:

The terms contained in this Agreement shall supersede any and all conflicting terms contained in any addendum hereto, except as stated in Addendum #5 - Agreed upon Bank Changes to Standard Treasurer of State Bank Contract and except as contained in Addendum #11 to Bank Agreement.

**III.** Except as specifically set forth herein, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Treasurer, Bank and ODJFS agree to the amendment of the Agreement as set forth herein, as evidenced by the signature of their duly authorized representatives below.

Bank One, N.A.

By: Wendy M. Kephart  
Wendy M. Kephart  
First Vice President

Date 5/4/01

Treasurer of the State of Ohio

By: Joseph J. Deters  
Joseph J. Deters  
Treasurer of the State of Ohio

Date 6/6/01

Ohio Department of Job & Family Services

By: Gregory L. Moody  
Gregory L. Moody  
Director

Date 6/04/01

EXHIBIT I  
STATEMENT OF WORK

ODHS/CC&D  
SCOPE OF WORK DEFINITION – VERSION 8.1

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**EXECUTIVE SUMMARY**

**Mission Statement for CC&D Effort**

The Ohio Department of Human Services (ODHS), in partnership with the Treasurer of the State (TOS) and Bank One, NA, is spearheading the Centralized Collections and Disbursement (CC&D) initiative to further enhance the delivery of child support services to obligors, employers, custodial parents, and most importantly, the children of Ohio and other states. Through the development and implementation of highly automated, “next-generation” CC&D services, ODHS, the TOS and Bank One anticipate:

- providing consolidated payment collection services to obligors and the employer community responsible for processing income withholding obligations, including the incorporation of comprehensive electronic remittance solutions such as corporate EFT/EDI and Internet-based billing and payment;
- enhancing the efficiency of payment processing to expedite “throughput” and “turnaround time” associated with the federal requirement for ODHS to process all child support payments;
- expanding the options and speed of disbursement of funds to custodial parents through Automated Clearing House (ACH) direct deposit functions, similar to standard employment compensation direct deposit functions; and,
- comprehensive audit and oversight functions, including stringent State of Ohio Board of Deposit governance procedures.

As a result of the joint CC&D initiative, the State of Ohio anticipates compliance with State Disbursement Unit (SDU) provisions in the *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* (PRWORA96) - key welfare reform legislation designed to enhance the delivery of services to citizens and taxpayers in the State of Ohio and other states.

**Background**

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PRWORA96 requires that all states implement and operate a State Disbursement Unit (SDU) for the purpose of collecting IV-D child support payments. The current statutory interpretation by the Federal Office of Child Support Enforcement (OCSE) in Action Transmittals 97-13 and 98-23 indicates that all child support payments received from employers as well as individuals must be directed to a single physical location. The associated disbursements must also be generated from a single location. Additionally, the statute dictates that the SDU must integrate with the statewide-automated child support system, ensure a two day turnaround for collections, and use automation to the maximum extent feasible.

**Identification of Stakeholder Roles and Responsibilities**

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## Contracting and Scope of Work

- *State Board of Deposit (SBD)* - The SBD under its bank designation procedures will select a financial institution currently under the Board contract to perform CC&D related services. Initial indications are that Bank One will be the financial institution selected by the Board due to their unique understanding of CC&D in Ohio, and the existing designation as eligible depository under SBD. The SBD will seek Controlling Board approval of the scope of work to be performed by the designated state depository, outlined in the interagency agreement between ODHS and the TOS, and the CC&D project plan as outlined in the scope of work documentation.
- *ODHS/TOS Interagency Agreement* - The TOS will be the effective owner of the contract between the State and the financial institution, assumed at this time to be Bank One. In order to develop a formal understanding of the relationship of ODHS as the primary customer of the CC&D services, ODHS and the TOS will jointly develop an interagency agreement which outlines the lines of responsibility during all phases of the CC&D project. The agreement will be used to define interaction between the TOS and ODHS, reporting structure for the vendor under the contract, and the mechanics of payment for CC&D services.

## Primary Organizational Roles and Responsibilities

- *Ohio Department of Human Services (ODHS)* - ODHS has responsibility for the State's IV-D program. Ohio's operating child support structure is one in which IV-D services are state supervised, but county administered. The primary role of ODHS is to act as an advisor to all 88 counties on policy and technical issues. ODHS will maintain control and oversight functions of all aspects regarding the CC&D initiative.
- *Ohio Treasurer of State (TOS)* - The role of the TOS is to collect, invest, and protect state funds. The Treasurer's Office serves as custodian of the public's money; manages the states investment portfolio; and collects taxes, court fees, and professional licensing fees. For the CC&D initiative, the TOS will provide oversight of the summary transactions from the custodial accounts that will be used for the CC&D system. The TOS will facilitate the use of the existing banking agreements under the State Board of Deposit designation to procure the CC&D related services.
- *Bank One Corporation* - Bank One, a full-service provider of financial services and designated depository for the State of Ohio, will provide all services to the State of Ohio to meet the processing goals and objectives of the CC&D initiative. Bank One will be responsible for designing, implementing and operating the mutually agreed upon CC&D account structure and process. Additionally, Bank One will work with the Treasurer's Office to actively manage the state deposits and information reporting system.
- *Anexsys* - Anexsys, a partially owned subsidiary of Bank One Corporation, will serve in a systems integration and vendor project management role for the CC&D initiative. In addition, Anexsys staff will provide central processing and Central Support Services functions associated with CC&D ongoing operations, and provide Marketing and Training support for county CSEAs. Specific responsibilities of the Central Support Services function include: 1) account reconciliation; 2) information reporting; 3) exception handling; 4) general intermediary services among ODHS, the TOS, all 88 counties and Bank One; and 5) county customer service.



## Key Stakeholder Identification and Analysis

- *Governor Bob Taft* - Governor of Ohio responsible for high level oversight and compliance of the CC&D initiative.
- *Federal Administration for Children and Families (ACF)* - The ACF is responsible for federal programs which promote the economic and social well-being of families, children, individuals, and communities.
- *Support Enforcement Tracking System (SETS) Project Staff* - SETS project staff support the full spectrum of child support activities at the State and County levels; this includes aid in the location, establishment, enforcement, collection, disbursement, tracking, and reporting of child, spousal and medical support cases. SETS project staff will play a critical role in the CC&D initiative by integrating CC&D into all facets of the existing child support structure and also helping the child support community transition over to the new system.
- *State Board of Deposit (SBD)* - The role of the SBD is to designate the depositories of the public moneys of the state and implement the Uniform Depository Act as it applies to the State. In regard to the CC&D project, the SBD will have two primary responsibilities: 1) validate eligibility of CC&D services to fall under the existing SBD banking agreements, and 2) designate a financial institution to function as public depository. The TOS will have the oversight, the SBD gives them the permission to have the oversight.
- *Ohio Controlling Board* - The Ohio Controlling Board provides legislative oversight over certain capital and operating expenditures by state agencies and has approval authority over various other state fiscal activities. In a CC&D capacity, the Controlling Board will approve the final contracting arrangement and authorize the release of funds for CC&D services.
- *Office of the Auditor* - The Office of the Auditor provides auditing oversight over certain ODHS agencies and functions. The TOS will work with the Office of the Auditor to identify and integrate an auditing procedure for the CC&D system. This procedure will largely focus on the proper protocol for information reporting and the approval process.
- *Ohio CSEA Director's Association (OCDA)* - The OCDA represents 82 of the 88 county directors throughout the State. This group is an extremely beneficial organization as it serves as a vehicle to reach consensus among the majority of counties on issues relating to child support delivery in the State. ODHS, through the OCDA/ODHS Joint Committee on SETS Issues, has been working diligently with OCDA members throughout the CC&D planning phase to ensure that the proposed solution satisfies the county needs as well as the Federal statutes.
- *Ohio County Directors (each county)* - Ohio's 88 counties each have a county director who will be responsible for integrating the new CC&D account structure and system into the existing child support process unique to their county environment

## Scope of Work

### Overview



The scope of work documentation included as a part of this document represents high-level Scope of Work developed jointly by ODHS, the TOS and Bank One/Anexsys. The purpose of the one-pager documentation is to communicate a high-level consensus view of the work to be done as a part of the CC&D initiative. Subsequent working sessions will define the details of the work to be performed, performance criteria, interdependent tasks between the ODHS and Bank One/Anexsys, and specific deadlines for each of these items.

## Functions

- *Training* - Training activities associated with CC&D will be designed to assist State and county staff with the transition from current operations to the centralized structure. Training will be delivered to county staff impacted by CC&D changes and will be structured to assist them with the tasks necessary during both transition and ongoing activities. Additionally, CC&D training will be integrated into SETS existing training and communications structure which is comprised of five regional training centers throughout the state of Ohio and the SETS InnerWeb site.
- *Account Management* - The CC&D account structure will be established and maintained by Bank One with oversight from the TOS and ODHS. The account management function will primarily focus on the following areas of responsibility:
  - Establishment and implementation of the CC&D account structure
  - Transfer of funds from Ohio's existing decentralized structure to the new centralized system
  - Ongoing maintenance of accounts and structure
  - Coordination with state-mandated oversight departments (e.g. the TOS)
  - Maximization of earnings credit to offset CC&D service charges
- *Federal Management* -
  - Approach and planning approval - to be determined
  - Funding approval - Federal funding at the 80% enhanced rate is available for the costs associated with the development and implementation of a State Disbursement Unit (SDU). All other costs (e.g. maintenance and operations costs) are eligible for reimbursement at the regular (66%) match rate only.
- *Marketing/Outreach Initiatives* - Marketing and Outreach activities regarding the CC&D project will primarily focus on the marketing and education of both the employer community and the individual child support obligor on electronic and paper based collections.
- *Collections* - Under the CC&D system, collections processing of child support payments from both the employer community and individual obligors will be accomplished in three critical phases by September 30, 2000:
  - Phase I: Bank One County deposit packages and employer EFT/EDI for all statewide cases
  - Phase II: Internet/Electronic Bill Presentment and Payment (EBPP) - Bank One host Internet-based payment posting site
  - Phase III: Centralized lockbox
- *Disbursement* - The disbursement function of the CC&D project will ensure the timely flow of funds from the State's custodial account to the designated payees as determined by SETS. As indicated in the scope of work documentation, Bank One will be responsible for printing and mailing paper checks written against the central



account and initiating ACH Direct Deposit to payees that request electronic transfers. All checks and ACH Direct Deposit transfers will be authorized by a daily SETS disbursement datafile and mailed/ACH Direct Deposit initiated the same day the information is received by the Vendor.

- *Bank Account Reconciliation* - As indicated in the scope of work documentation, account reconciliation tasks will be removed from the county level and added to the responsibilities of the Central Support Services function to be performed by Anexsys. Reconciliation at the Central Support Services level will focus on three primary areas, with the exception of SETS allocation "Black Box":
  - *Deposit Transaction Verification* - reconciliation between the deposit ticket submitted by all 88 counties and the actual physical instruments and electronic transmission records
  - *Disbursement Transaction Verification* - reconciliation of disbursements generated by Bank One and the SETS datafile
  - *Exception Handling* - pull/stop payments/void/undeliverable mail processing
- *Information Reporting* - The Bank One/Anexsys team will be responsible for providing the necessary information reporting to support the CC&D effort. This will include reporting at daily and monthly intervals to stakeholders from ODHS and the TOS. The mechanisms, frequency, and audience for the individual reporting pieces will be determined during the detailed requirements development stage of the project.



## Assumptions

1. SETS conversion will be completed by 9/1/00.
2. Bank One will not be responsible for unreconciled items at county local banks.
3. Bank One reconciliation does not include items not disbursed from SETs. (i.e. collections to SETs which are held).
4. Bank One will contact employers with incomplete listing sent to lockbox.
5. New SETs development will coincide with jointly defined project delivery schedules.
6. The beginning balance for the new deposit accounts should start at zero with the first day of deposits being the beginning balance.
7. State Treasurer Office is responsible for proper funding of accounts. Any overdrafts will be funded same day.
8. Data center functions not visible to the constituents can occur outside of Ohio.
9. Disaster Recovery of all functions can occur outside of Ohio.
10. ODHS, Bank One and Anexsys will provide knowledgeable and adequate resources for all phases of delivery, requirements through acceptance test.



## Function 1.0 Establish Account Structure

### Description

All funds on deposit in the Ohio CC&D structure will be centralized into a single, Master Account. By eliminating cash balances in the local accounts, the State will be able to put the balances to more productive use. In order to maintain data integrity and the required audit trail, 178 individual Zero Balance Accounts (ZBA) will be established for deposits and disbursements to accommodate the 88 counties in the State. Funds will move automatically between the CC&D Master Account and the subaccounts, eliminating the need for manual transfers.

Bank One recommends the following account structure to support the CC&D effort:

- One Master Account
- 88 County Package ZBAs
- 88 Disbursement ZBAs
- One EFT ZBA
- One Lockbox ZBA

### Account Structure Definition

- Core requirements
  - County collection transactions (items and amounts) and disbursement transactions (items and amounts) must be able to be tied to the county of origin
  - All exception and adjustment transactions (items and amounts) must be tied to the county of origin
- Number of accounts
- Types of accounts
- Availability Schedule
- Collateralization of funds
- Reporting requirements
  - Bank account reporting
  - Account analysis
  - Information reporting

### Account Reconciliation

- Bank Account reconciliation reporting – cash position of ODHS on a monthly basis (within 5 business day of the end of the business month)
- Deposit Reporting
- Reports must be available daily by 7:30 am for the previous day's deposit activity
  - Settlement transactions by account
  - Returned deposit items, by county
  - Disbursement transactions by county
  - Checks paid by county
  - Stop Payments by county
  - Void checks by county



### **Monthly Bank Account Statements**

- All transaction line items previously reported on the daily transaction reports (within 5 business day of the end of the business month)

### **Monthly Account Analysis Statement**

- Calculation of average daily balance for reporting period (within 10 business days of the end of the business month)
- Group and account level statement of earnings (within 10 business days of the end of the business month)
- Group and account level statement of banking service fees (within 10 business days of the end of the business month)



## Function 1.1

## Account Transition

### Description

There are logistical concerns inherent in the process of transitioning each of the 88 local bank accounts maintained by the CSEAs to the CC&D structure. Account transition functions include providing each of the 88 CSEAs in the State with the appropriate level of preparation, training and ongoing support. County Services and ODHS will provide transition workflows, training and ongoing support as CC&D moves forward.

It is expected that counties will maintain their existing local accounts until such time that all checks that have been written on the account have been cleared. Counties will be responsible for the maintenance of their local accounts until such time that the accounts are closed, including the reconciliation of the local account in SETS.

### ODHS Requirements

None

### Treasurer Requirements

None

### County Requirements

- Adequate training to perform the required SETS reconciliation tasks for the local account during transition
- Training on the Bank One procedures and protocol
- Assistance in determining the amount of monies to be transferred to Bank One at the time of cutover
- Ongoing support from ODHS for SETS-based activities
- Ongoing support from County Services on the CC&D account

### Bank One Requirements

- Individual CSEAs will retain reconciliation responsibilities for local bank accounts
- Assistance from ODHS in determining the appropriate county contacts

### Constraints/Operational Cutoff Times

- Conversion to CC&D accounts is expected on March 31, 1999

### Inputs/Outputs

None

### Product Features/Approach

- Bank One will establish a deposit structure for all 88 counties, and subsequently aid in the transition from existing county accounts to the new Bank One accounts
- County workers will be trained on the new workflow and account structure
- County Services will provide deposit procedures and supplies
- Information reporting and reconciliation services will be established by Bank One for ODHS access
- Corresponding training will be provided on the daily and month-end reconciliation processes

### Gap Analysis

N/A



## Function 1.1.1 Master Account

### Description

The Master Account is a Single Concentration account that houses all CC&D balances. Concentrating balances in one single account enables the State to consolidate funds from multiple sub-accounts into one single account, allowing balance to be more efficiently managed and earnings credits optimized to offset bank service charges. Funds from all 88 counties will remain in this account accruing earning earnings credits. At the end of each business day, settlement transactions will occur in each sub-account for the net amount of the transactions, effectively centralizing all balances into the Master Account.

The only transactions that will occur in the Master Account are settlement transfers from other accounts. This account is considered the "group" account for the ODHS monthly Account Analysis statement. Account Analysis is a detailed monthly summary of the CC&D average balances and service charges.

The requirements outlined below are inclusive of all accounts tied to the Master. Specific account descriptions are outlined in Sections 1.1.1 through 1.1.4 of this document.

### ODHS Requirements

#### Implementation:

- Approval of collateral arrangement used to support deposits in the Master Account
- Approval of transaction reporting format for the Master Account
- Banking Services
  - Settlement Transaction protocol.
  - Securing, processing, and tracking of all settlement transactions
  - Establish internal controls on the Master Account.
  - Identify, utilize and validate the calculation algorithm to be used in determining the average daily balance of the Master Account.

#### Steady State:

- Oversight of the custodial accounts used for the Master Account



- On-going maintenance and management of all aspects of the Master Account
- Accurate and comprehensive auditing records for each component of the Master Account
- Transaction Reporting
  - Daily Transaction Report
    - Settlement Transactions
  - Monthly Bank Account Statements
  - Monthly Account Analysis Statements
    - Calculation of average daily balance for reporting period
    - Itemized and summary statement of earnings
    - Itemized and summary statement of banking service fees

#### **Treasurer Requirements**

- BAI2 Detail Activity reports for the Master Account to ODHS
- BAI2 Summary reports for the Master Account to State Treasurer's Office
- Custodial Deposit Form (CDF) will delivered or faxed before NOON. On the day revenue posts to the Master Account, information on the CDF will be a summary total of all revenue flowing through Master Account on each day.
- Collateralization Requirements :
  - All accounts will be located within the boundaries of the State of Ohio
  - Manage funds in excess of \$2 billion annually
  - Securities, held by a third party, to secure the available funds on deposit that exceed FDIC limits for the Master Account
  - Collateralize all active deposits pursuant to section 135.181 of Ohio Revised Code or, upon approval of the Treasurer of State
  - Compliance with ORC sections 1109.03 and 1109.04
  - Provide account collateral updates to ODHS
- 95% Next Day Availability of Deposited Items
  - Periodic end point analysis as required
- Funds transferred and reconciled in accordance with Generally Accepted Accounting Principles

#### **County Requirements**

None

#### **Bank One Requirements**

None

#### **Constraints/Operational Cutoff Times**

- Prior day account activity must be available by 9:30am ET.
- Maintain 180 days of audit records on-line.
- Minimum of seven years of audited records available off-line.



## **Inputs/Outputs**

### **Inputs**

- Support collections from all 88 counties
- ODHS authorization of disbursement
- Third party-held collateral

### **Outputs**

- Daily Settlement transactions to or from ZBAs.
- Summary/balances on Master Account available via the One Connection daily.

### **Product Features/Approach**

- Bank One will comply with ODHS and Treasurer Requirements.
- Bank One will provide ODHS will access to the One Connection in order to provide the Custodial Deposit Form to the Treasurer by noon daily.

## **Gap Analysis**



## Function 1.1.2 County Deposit Package Accounts

### Description

Function 1.1.2, represents 88 Zero Balance Accounts (ZBA) maintained for the purpose of posting daily County Deposit Packages. Unique county accounts enable the State to maintain an audit trail for 88 distinct counties. Each of these accounts maintains a zero balance, funds posting to the account are automatically transferred to the Master Concentration account on a daily basis to take full advantage of earnings credits. The anticipated annual deposit item volume is 6.2 million deposit instruments (i.e. Checks) based on 9.1 million payment postings at county level.

### ODHS Requirements

#### Implementation:

- Banking Services
  - Establishing the custodial bank account structure
    - Training
    - Local county CSEA receipt and processing
    - County verification of negotiability
  - Settlement transaction protocol
  - Receiving, processing, tracking, all deposit
  - Converting foreign currency to US dollars

#### Steady State:

- Oversight of the custodial accounts under Master Account
- On-going maintenance and management of all aspects Master Account
- Accurate and comprehensive auditing records for Master Account
  - Posting of deposits
  - Settlement Transactions
  - Account adjustment transactions and return deposit items settle to each individual county account.
- Transaction Reporting
  - Daily Transaction Report – BAI2 customer file with transaction detail on all county package accounts transmitted daily to SETS.
    - Deposits
    - Settlement Transactions
      - Deposit date
      - Deposit ticket number



## **Treasurer Requirements**

### **County Requirements**

#### **Bank One Requirements**

- Daily SETS deposit file.

#### **Constraints/Operational Cutoff Times**

- Ensure that support collections deposited at Bank One are swept that night to the Master Account for ledger credit the next business day.
- Prior day BAI2 file will be available, daily, by 9:30am ET the business day following the day of deposit (e.g. For deposits made at the CSEA on Monday, the BAI2 file will be available on Wednesday.).
- All items received in county packages must be processed on the same business day.
  - For non-out of balance deposit packages, all deposit instruments must be posted on the same business day as receipt.
  - For out-of-balance conditions, Bank One is responsible for identifying out-of-balance conditions to the appropriate county and correcting on the same business day.

### **Inputs/Outputs**

#### **Inputs**

- County Packs from all 88 counties

#### **Outputs**

- Segmented and posted funds from all 88 counties via daily upload of BAI2 to SETS.

#### **Product Features/Approach**

- Bank One will comply with all ODHS requirements as outlined above and in Section 1.1.1 Master Account

### **Gap Analysis**



### **Function 1.1.3 Disbursement Account Description**

SETS will create and transmit a daily disbursement file. All checks will then be printed and disbursed from 88 separate zero balance accounts. Only have debits will be included in these individual county accounts, making exception items easier to identify. Check issuance from this account will trigger daily settlement transactions from the Master Account. Central Support Services will have access to images of disbursements and positive pay items to facilitate accurate and timely research and resolution process.

#### **ODHS Requirements**

- Bank One accepts and honors all issues from the SETS check file
- All checks presented for payment will be subject to Positive Pay review.
- SETS Disbursement Number printed on checks as the check number

#### **Treasurer Requirements**

#### **County Requirements**

None

#### **Bank One Requirements**

- Checks must be in readable condition, and pass MICR quality standards to satisfy ARP and image quality requirements.

#### **Constraints/Operational Cutoff Times**

- Mutilated items requiring MICR repair, including strips and carriers may not be image ready.
  - Bank One/Anexsys to ensure that all redeemed disbursement checks (i.e. both "good MICR" and "mutilated MICR" checks) are processed to SETS by the original SETS disbursement/check number.
- Positive Pay review does not identify alterations to the payee line.

#### **Input/Outputs**

##### **Inputs**

- Settlement transactions from Master Account

##### **Outputs**

- Check printing/Disbursements
- Images of disbursed items
- ARP and Positive Pay Reports

#### **Product Features/Approach**

- Bank One will establish the account structure as specified under Sections 1.0 through 1.1.1 of this document.
- Bank One will provide monthly ARP reporting (full ARP) – sorted by check number and available within five business days from the end of the business month.
- Reports will be generated per individual county account and contain county designation.



- Checks paid
- Stop payments
- Void checks
- Outstanding disbursements

### **Gap Analysis**



## **Function 1.1.4            ACH/EDI Account**

All ACH /EDI transactions will post to this zero balance account. Each night Bank One will track all daily electronic transactions then initiates settlement transactions to or from the Master account for the net amount of the daily EFT transactions. This settlement transaction will bring the ACH/EDI account back to a zero balance, and concentrates all balances in to the Master Account. Bank One and Central Support Services will receive EDI 820 reports from employers submitting support payments. Central Support Services will transmit a SETS formatted file of consolidated employer EDI payments and the corresponding county, including case and order information.

### **ODHS Requirements**

#### **Treasurer Requirements**

None

#### **County Requirements**

None

### **Bank One Requirements**

#### **Constraints/Operational Cutoff Times**

- EDI 820 data will be transmitted to SETS daily.

### **Inputs/Outputs**

#### **Inputs**

- EFT/EDI payments

#### **Outputs**

- SETS datafile from Central Support Services

### **Product Features/Approach**

- ODHS and the STO have no requirements relating to this function.

### **Gap Analysis**



## Phase 1.2 County Packages

### Function 1.2.1 County Deposit Package

#### Description

County Packages provide a mechanism for all counties to deposit collection items with Bank One without making an in-person deposit at a banking center. This includes overnight deposit packages and established courier routes.

The CSEA will enter case data into SETS, create a receipt, prepare a Bank One MICR encoded deposit slip and package the deposit for courier pick up.

#### ODHS Requirements

- Statewide implementation of comprehensive County Pack workflow training program
- Updated SETS training materials/InnerWeb to reflect changes in posting process
- Comprehensive rollout from pilot to statewide implementation

#### Steady State:

- Central Support Services support for counties as they transition to new county deposit workflow
- Accurate posting to the SETS system and to the County Deposit Package Account
- In-Balance position between SETS- Demand Deposit Account (DDA)
- Prompt efficient service in response to supply orders and transaction inquiries.
- Performance reporting to stakeholders

#### Treasurer Requirements

#### County Requirements

##### Implementation:

- Implementation Schedule and cut-over date.
- Workflow of county deposit package processing.
- Full documentation and training on depository procedures, supply ordering, courier pickup and endorsement.
  - County Pack workflow and daily deposit file to Central Support Services
    - Collections posting information log format
    - Supplies, deposit tickets, instrument endorsement pieces provided by Bank One
    - Sealed overnight envelopes
    - Security sign-off for clear transfer of liability.
- Create County Pack Training Materials.
- Initial inventory and supplies necessary to support County Deposit Package process.

##### Steady State:

- Procedures for ordering supplies and timely delivery
- Overnight Courier
- Overall management of County Deposit Package workflow
- Training materials.



## **Bank One Requirements**

None

### **Constraints/Operational Cutoff Times**

- Bank One/Anexsys must identify the county-specific cutoff for “pickup” of the county deposit package
  - “Pickup” definition must be provided for each county (e.g., UPS pickup in County A vs. UPS drop-off in County B)
  - All missed “pickup” times are a county responsibility

### **Inputs/Outputs**

#### **Inputs**

- County Deposit Packages
- Completed workflow design

#### **Outputs**

- Training documentation.
- County Account with Bank One

### **Product Features/Approach**

- Bank One will develop an implementation plan to ensure a smooth transition from the old locally managed deposit and reconciliation procedures.
- Bank One will establish a rollout plan that minimizes risk, dual processing, and cost. Dual processing will continue for ODHS and the county CSEAs for a period of six months after cutover, to allow all previous disbursements to clear.

### **Gap Analysis**



## **Function 1.2.2 County Posts into SETS**

### **Description**

The county payment posting process is an existing function in which the county receives and applies support payments to the appropriate obligee accounts using the Support Enforcement Tracking System (SETS). This process will not need to be modified for this phase of CC&D.

### **ODHS Requirements**

- The ongoing support and maintenance of SETS
- Continuity of county procedures
  - County must continue to receive and organize collections
  - Regular posting procedures must be adhered to
  - County must batch deposits with deposit slip and place in County Pack for pickup by courier
  - Ensuring security of payments received until courier picks up County Pack.

### **Treasury Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- Individual county staff are responsible for ensuring balance condition between printed SETS Deposit Listing and individual deposit instruments
  - For out-of-balance conditions, individual counties are responsible for timely resolution to out-of-balance conditions identified by County Services
  - All payments posted to SETS by county staff must have corresponding deposit instruments in the county deposit package
- Local county staff are required to stamp the back of each check with the county endorsement stamps (provided to county staff by Bank One)



### **Constraints/Operational Cutoff Times**

- County pack must be submitted via overnight courier to be received by Bank One the following business day.

### **Inputs/Outputs**

#### **Inputs**

- Collections
- County Pack
- Deposit Slip
- Deposit Reporting mechanism

#### **Outputs**

- Completed Pack to Bank One by Courier
- Deposit posted to County Deposit Package account
- SETS Deposit List File transmitted to Central Support Services

### **Product Features/Approach**

- The SETS posting will not be reconciled against the bank account until the day after the posting of the deposit. The workflow is as follows:

Day One: CSEA takes in deposits, posts to SETS and bundles the County Package.  
Courier picks up County Package and delivers to Bank One Proof in Columbus.

Day Two: Proof receives County Packages by 8:30 a.m. and processes items.  
Deposits post to county accounts during batch processing that night.

Day Three: Central Support Services has access to posted deposits and reconciles bank account to SETS.

### **Gap Analysis**



## Function 1.2.3 County Pack Deposit

### Description

The County Deposit Package function enables all 88 counties to deposit county support collections into the centralized account at Bank One. The Deposit Packages will be balanced daily to the CSEAs deposit report and submitted using specially prepared MICR encoded deposit tickets that uniquely identify each county. Coin and currency deposits must be converted to one check per deposit received. All deposits will be delivered via an overnight courier to the Bank for posting to each individual county ZBA.

### ODHS Requirements

- Site security documentation
- County Deposit Packages must be “picked up” every business day for next-day/overnight delivery to central site.
- Same day as receipt time for processing County Deposit Packages. Reporting “tie-out” for comprehensiveness of processing.

### Treasurer Requirements

None

### County Requirements

- Overnight couriers to pick up and deliver County Deposit Packages
- Reconciliation of deposits with deposit listing
- Procedures for ordering County Deposit Package supplies
- Fulfillment on Deposit Supplies by Central Support Services

### Bank One Requirements

#### Implementation:

- Counties verify negotiability of items (i.e. verification that CAR box reflects written line).
- Bank One will process all deposit instruments (i.e. still deposit unsigned checks)
- Itemized deposit list (MICR encoded deposit slips for each county).
- Counties will not send cash in the county packages. Counties will deposit cash into their administrative fund daily, and issue checks from the administrative account to reimburse the cash items.

#### Steady State:

- Itemized deposit list including MICR encoded deposit slips for each county
- Supply ordering process
- County Pack Workflow



### **Constraints/Operational Cutoff Times**

- Deposits will be posted to county account the day of County Pack receipt by Bank One. The deadline for same day processing is 1:00 p.m.
- Deposits will be given ledger credit on the date that the County Deposit Package is received. Individual items will be granted availability based upon the availability schedule.

### **Inputs/Outputs**

#### **Inputs**

- Completed County Pack
- Deposit Reporting mechanism (see 1.2.2)

#### **Outputs**

- Deposited Collections

### **Product Features/Approach**

- Bank One Proof Department will receive County Package Deposits the business day following the day of receipt at the county office.
- Bank One will provide MICR encoded deposit tickets.
- Bank One requires that the county packages are prepared as follows:
  - Deposits should be grouped in bundles of not more than 300 items;
  - Paper clips and staples removed;
  - A list tape for each bundle which corresponds item per item with the checks in the bundle. The order of the list tape is to match the order of the items in the bundle.
  - Bundle totals are to be listed individually on the deposit ticket.
- County Office Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
  - Supply collateral material (deposit tickets, endorsement stamps, etc.) for distribution to OCCD clients in branch
  - On-going communications through semi-annual newsletter distributed by mail and electronically

### **Gap Analysis**

- SETS currently does not produce an itemized detail of collection items when one deposit covers multiple cases. The Proof department at Bank One requires that the list tape match the items included in the deposit. This will need to be addressed for balancing and reconciliation purposes.



## Function 1.2.4      BAI2 Deposit Reporting Datafile

### Description

The BAI2 Deposit Reporting Datafile is the electronic file generated and transmitted by Bank One following the posting of the daily County Package deposits. This file communicates back to SETS all prior day balances and activity on the 88 County Deposit Package Account. Returned Deposited Items are presented and reported to each county account to facilitate reconciliation.

### ODHS Requirements

- Create Recon Datafile structure
- SETS-based BAI2 transaction reconciliation: update through "automated bank file update (ABFU) style processing" – tie out of the reconciliation subsystem for printed deposit listing
- Verification of successful receipt of transmitted datafile. Upon unsuccessful transmission, SETS is responsible for notifying Bank One that the transmission was unsuccessful.

### Treasurer Requirements

None

### County Requirements

None

### Bank One Requirements

- Generate Recon datafile
  - Mandatory data elements to be identified during detailed design phase
  - Standard SETS ready file format
- Transmission Processing Management
  - Initiation of the electronic transmission
  - Monitoring of transmission
  - ODHS is responsible for identification of successful receipt
  - Retransmission of datafile in event of transmission error.
  - In the event of repeated unsuccessful electronic submissions, Bank One is responsible for transporting the Recon Datafile to SETS by other means.
- Disaster Recovery
  - Bank One must make backup copies and be available to retransmit as necessary.

### Constraints/Operational Cutoff Times

- File should be available for transmission no later than 5:00 PM ET, and included in all deposit activity for that business day's daily transaction reconciliation.

### Inputs/Outputs

#### Inputs

- Daily Deposits



### **Outputs**

- BAI2 Deposit Reporting File
- Deposit Reconciliation

### **Product Features/Approach**

- The BAI2 deposit reporting datafile will be provided per ODHS requirement.

### **Gap Analysis**

- Procedures will be established for notification of failed transmissions between Bank One and SETS.



## Function 1.2.5

## Deposit Transaction Reconciliation

### Description

Account Reconciliation is the process by which Central Support Services reconciles the deposits the County CSEAs have posted to the County Package Account. Central Support Services will use the Deposit Location (Recon) datafile provided by Bank One to identify relevant county postings. Central Support Services will perform a discrepancy analysis and "close-out" for the individual counties.

### ODHS Requirements

- Central Support Services will process deposit instrument reconciliation, county-specific deposit transaction reconciliation, including the identification of discrepancy amounts
- Central Support Services will manage exception items identified through BAI2 processing

### Treasurer Requirements

None

### County Requirements

- Central Support Services is responsible for reconciliation between the deposit report and the Deposit Location (Recon) datafile.

### Bank One Requirements

- Central Support Services will have a thorough understanding of the ABFU process in SETS and BAI2 processing in order to perform reconciliation.

### Constraints/Operational Cutoff Times

- County Services is responsible for generating the "clean" reconciliation datafile for the prior business day's activity by 5pm that business day (e.g., Central Support Services is responsible for receiving BAI2 reconciliation data from Monday's bank activity and reconciling on Tuesday in order to generate a "clean" datafile to SETS by 5pm Wednesday, for Monday's BAI2 activity)

### Inputs/Outputs

#### Inputs

- BAI2 Customer Recon datafile

#### Outputs

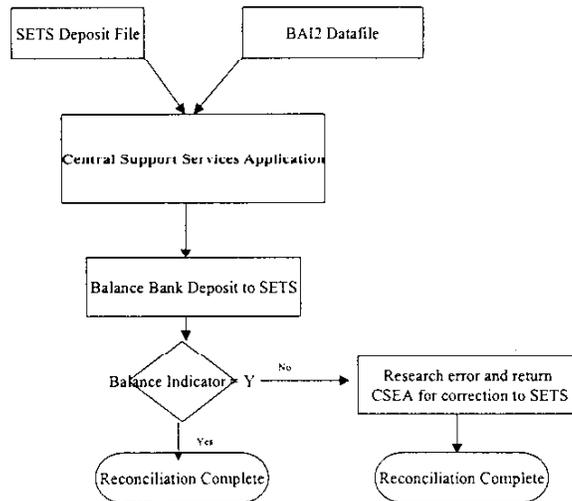
- Reconciled deposit account

### Product Features/Approach

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## High Level Process Flow



### Process Description

1. County CSEAs will receive deposit items, post the items into SETS, balance the deposit items against the SETS log and bundle the Deposit Package for deposit to Bank One Account.
2. SETS will transmit a file to Anexsys for daily upload to the Central Support Services Application (assumes automated deposit instrument datafile generated through SETS on an item by item basis).
3. Bank One will transmit a daily BAI2 file to Anexsys for upload to the Central Support Services Application.
4. The Central Support Services Application will complete an automated compare process of the SETS file and the Bank One file and return a balance indicator of Yes or No.
5. If the balance indicator is Yes, the bank account is in balance with SETS. Central Support Services will produce a recon report for submission to the State of Ohio Treasurer and make the reports available on the Inner Web for access by county CSEAs.
6. If the balance indicator is No, the bank account is not in balance with SETS and Central Support Services will take appropriate actions to research the discrepancy. Possible sources of errors could include
  - Bank One errors (examples)
    - Encoding error
    - Other proof error (e.g., two checks overlaid)
    - Bank One is responsible for resolving the discrepancy prior to generating reconciliation datafile
  - County errors (examples)
    - Item is missing from the deposit



- SETS entry error
- SETS system error
- Bank One is responsible for identifying the county of responsibility, notifying the county for resolution and indicating resolution status in reconciliation datafile (e.g., adjusting entry)

#### **Gap Analysis**

- SETS currently does not generate an item by item daily deposit file, to facilitate the automated balancing process outlined under Product Features and Approach.
- SETS requires a customer BAI2 file for daily upload of transaction data.
- Time requirements for resolution of out-of-balance situations must be determined by ODHS.



## **Function 1.2.6          Returned Deposit Item Identified**

### **Description**

This function is an automated process within the banking industry whereby transactions (primarily checks) are returned to the Bank-of-First Deposit, for exception conditions such as insufficient funds (NSF), lack of endorsement or account closed. This function encompasses both paper checks included in the County Deposit Packages and failed electronic transactions.

### **ODHS Requirements**

- Central Support Services should receive the initial notification of a return deposit item via delivery of the return item itself.
  - Central Support Services will compile a list of NSF items, sorted by county, including date, deposit instrument identification number, name of party, remitter bank account number and amount
  - Central Support Services will fax the list daily and forward source documentation to each county via priority overnight for that business day current returned deposit item activity.

### **Treasurer Requirements**

None

### **County Requirements**

- Receive the instruments, or other required information that returned items identified cannot be despoited.
- Local County staff will perform collection back-out or other financial correction activities against the instruments on SETS if necessary
- Initiation of recoupment activity as necessary.

### **Bank One Requirements**

- Bank One will "redeposit" all instruments according to standard protocol.
- Bank One will return all physical instruments to Central Support Services, which will serve as notification.
- Central Support Services will maintain an accurate record of items that have been returned to counties and their notification activities.

### **Constraints / Operational cutoff times**

- All received deposit items should be processed for deposit the same business day, which means returned items should also be identified the same day as receipt. Information will be provided to the appropriate county of collection no later than the next business day
- Items may take several days to be returned by the obligor bank, in most cases a disbursement will have already been issued and cleared. Current county practice to establish a recoupment account will remain in tact.

### **Inputs/Outputs**

#### **Inputs**

- Structure of deposit & exception processing with current banks (manual or automated)

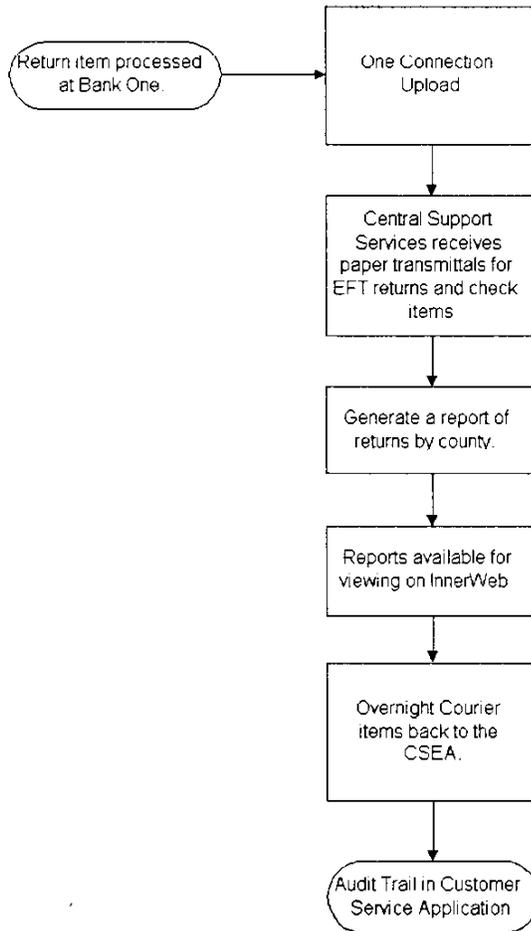


## Outputs

- A structure that efficiently handles the processing of returned deposit items
- A mutual agreement between counties and the vendor on the protocol and process of returned deposit items

## Product Features /Approach

### *High Level Process Flow*



## *Process Description*

### *Assumptions*

- Return NSF items reported back to the county are only those that have been redeposited through standard Bank One deposit protocol. First time NSF items will not be reported back to the CSEA.
- The CSEA will complete SETS update at receipt of the faxed report from Central Support Services.
- Central Support Services is not defining CSEA process for collection or enforcement of return items once the items



are delivered to the CSEA.

- CSEA determine if a stop payment should be placed on the disbursement issued from the returned deposit item.
  1. Bank One delivers return deposit items to Central Support Services
  2. Bank One transmits file of return deposit items for upload to the Customer Service Application.
  3. Central Support Services creates a report, by county, of all return deposit items and makes the report available for county reference on the InnerWeb.
  4. Overnight return deposit items to each CSEA.
  5. The Customer Service Application maintains an audit trail of all items.

#### ***Outstanding Issue***

- The process that ODHS uses to recoup disbursement funds on return deposit items (e.g. the county will cover the cost of the item using float funds), has not yet been defined. This could potentially impact the Central Support Services reconciliation process.

#### **Gap Analysis**

- How do counties currently address deposit exception items that have not been cleared through their bank (i.e. Is existing county practice to issue stop payments for NSF's?)



## **Function 1.2.7          NSF Enforcement**

### **Description**

Counties receive returned deposit item listing and source documentation and are responsible for addressing "next step" processing, including the decision to initiate a financial correction in SETS, establish a recoupment account on any payee and/or utilize any enforcement techniques against the individual/employer who passes a potential NSF deposit item.

### **ODHS Requirements**

N/A

### **Treasurer Requirements**

N/A

### **County Requirements**

- Daily returned item listing with appropriate data elements and source documentation forwarded on a timely basis
- Central Support Services support for additional research in returned deposit items that may have generated a check that may have not cleared (i.e. should a stop payment be placed on outstanding instruments?)

### **Bank One Requirements**

### **Constraints/Operational Cutoff Times**

### **Inputs/Outputs**

### **Product Features/Approach**

- The CSEA will receive reporting and the physical instruments from Central Support Services.
- Central Support Services will provide research support as required to the CSEA, however, the CSEA will make the decision to place a stop payment on any disbursements issued off of the returned deposit item.

### **Gap Analysis**



## Phase 1.3: Employer EDI

### Function 1.3.1 Market Employer EDI

#### Description

Phase 1.3 of the CC&D Initiative incorporates the initiation of EFT/EDI protocol for collection of both SETS and non-SETS cases from employers and payroll processors. Central Support Services will be responsible for establishing and marketing the protocol to employers and payroll processors as well as receiving the collections transmissions. The protocol will have sharply defined input mechanisms to ensure that the employer/payroll processor has included information appropriate to the county of origin of the income withholding.

Central Support Services will then be required to identify SETS cases from the EFT/EDI record and automatically post to SETS through a batch file update. Central Support Services will also be required to identify the county of origin for non-SETS cases and subsequently prepare a list to identify all postings captured each day for each county. To support the individual case/order postings identified as non-SETS payments, County Services will initiate a transfer of funds to the local bank.

#### ODHS Requirements

- Bank One to coordinate marketing and outreach program and plan, including
  - Primary interaction with employer community, including design of materials, enrollment forms and demonstrations
  - Secondary support through county CSEAs, including county-based documentation, forms and information so that county staff can direct employers to the correct point-of-contact within Bank One should they desire to enroll in EFT/EDI collections.
- CSEA understanding of existence and importance of employer EDI/EFT, including cooperation with the marketing effort.
- Regular updates from all parties involved in the marketing outreach effort, including metrics on actual number of employer EDI/EFT established.
- Workflows of SETS handling of employer EFT/EDI functionality.
- Detailed breakdown of new system and operations including features, processing requirements, data requirements, file formats supported, and related costs of participation.

#### Treasurer Requirements

None

#### County Requirements

- Information/documentation of employer EDI/EFT functionality.
- Training on proper input of employer EDI/EFT status in SETS to produce correct billing datafile.
- Detailed breakdown of new system and operations including features, processing requirements, data requirements, file formats supported and related costs of participation.

#### Bank One Requirements

- Comprehensive Marketing Plan to support employer outreach activities



- Detailed breakdown of new system and operations including features, processing requirements, data requirements, file formats supported, and related costs of participation
- County CSEA support in identifying and documenting employer collections patterns
- ODHS support in marketing/outreach plan in identifying employer collections demographics and patterns, to potentially include:
  - Identification of "group models" currently in operation in fully converted counties.
  - Identification of employer third party number (TPN) indicator stored in SETS (datafile exchange).
  - Identification of income withholding provisions currently on file in SETS 9case numbers, participant names, SSNs, etc. to support targeted approach with employer community.

### **Constraints/Operational Cutoff Times**

None

### **Inputs/Outputs**

#### **Inputs**

- Marketing plan, objectives.

#### **Outputs**

- New enrollees into the CC&D Employer withholding EDI transfer program.

### **Product Features/Approach**

- Initial announcement/marketing mailing to all employers in the state (approximately 400,000)
- Employer Direct Mail program (quarterly mailings)
- Employer Information Kit
- Employer Reminder Mailings (targeted to participating employers – Phase III)
- Employer Electronic Newsletter (posted quarterly on the Internet Website)
- Statewide Publicity
- Statewide print advertising in metropolitan business publications
- County Office Information Kit (includes summary of marketing effort to employers and samples of marketing materials and instructions on fulfilling employer program information requests)
- The marketing effort will include all levels of electronic collection capabilities: EDI, EFT, Internet EBPP, or Lockbox.

### **Gap Analysis**

N/A



## **Function 1.3.2            Logistics/Setup**

### **Description**

Once employers decide to participate in the Employer EDI/EFT program, clear procedures for enrollment must be provided. Expectations need to be set with the employers as to when and how EDI/EFT will be received and transmitted. Datafile exchange procedures must be established between SETS and Bank One. Initial intake and ongoing maintenance of employers in the program will have to be addressed.

### **ODHS Requirements**

- Standard operating procedures for enrollment in employer EFT/EDI program.
- Documentation available at local county CSEA for enrollment instructions/information (i.e. brochures, phone numbers).
- Testing of employer EFT/EDI prior to actual billing/collections (system and individual user tests).
- Bank One to develop the EFT/EDI protocol for identifying SETS vs. Non-SETS cases.

### **Treasurer Requirements**

None

### **County Requirements**

- Training, procedures and forms/materials for proper updating of SETS for enabling employer EDI/EFT.

### **Bank One Requirements**

- State approval of standard operating procedures
- Conversion software for converting EDI/EFT-results datafiles into SETS update datafiles

### **Constraints/Operational Cutoff Times**

None

### **Inputs/Outputs**

#### **Inputs**

#### **Outputs**

- Standard operating procedures
- Enrollment materials
- Testing plan

### **Product Features/Approach**

- County Office Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
  - Supply collateral material (deposit tickets, endorsement stamps, etc.) for distribution to OCCD clients in branch
  - On-going communications through semi-annual newsletter distributed by mail and electronically



**Gap Analysis**  
N/A



### **Function 1.3.3            Receive Employer EDI Payment File**

#### **Description**

Employers participating in EDI/EFT will initiate an EFT transaction and/or data set through their bank and/or Value Added Network (VAN) for receipt at Bank One at any time or as scheduled with Bank One during the set-up process. Bank One will validate the transmission and process the EDI/EFT, confirming to the employer that EDI/EFT was received and successfully processed.

#### **ODHS Requirements**

- Employers are able to send EDI/EFT to Bank One and receive appropriate confirmation and receipt information in return.
- EDI/EFT errors are adequately resolved, or appropriate paper measures are initiated

#### **Treasurer Requirements**

None

#### **County Requirements**

None

#### **Bank One Requirements**

- Employers must send readable files in the proper format

#### **Constraints/Operational Cutoff Times**

- All EFT/EDI transmissions received by 12 NOON EST on a business day must appropriately identified and ready to transmit on the same business day:
  - SETS case postings – All SETS case postings on EFT/EDI transmissions received by 10:00AM EST must be sent to ODHS in the SETS payment posting datafile by 5:00 PM that same business day
  - Non-SETS case postings – All non-SETS case postings on EFT/EDI transmissions received by 10:00 AM EST must be identified, documented, sorted to the appropriate county and communicated to the county by 5:00 PM that same business day
  - All financial transactions related to non-SETS case postings must be transferred to the local county bank that same business day

#### **Inputs/Outputs**

##### **Inputs**

- EDI transfer from employers

##### **Outputs**

- Confirmation to employers of successful receipt/processing of EFT/EDI

#### **Product Features/Approach**

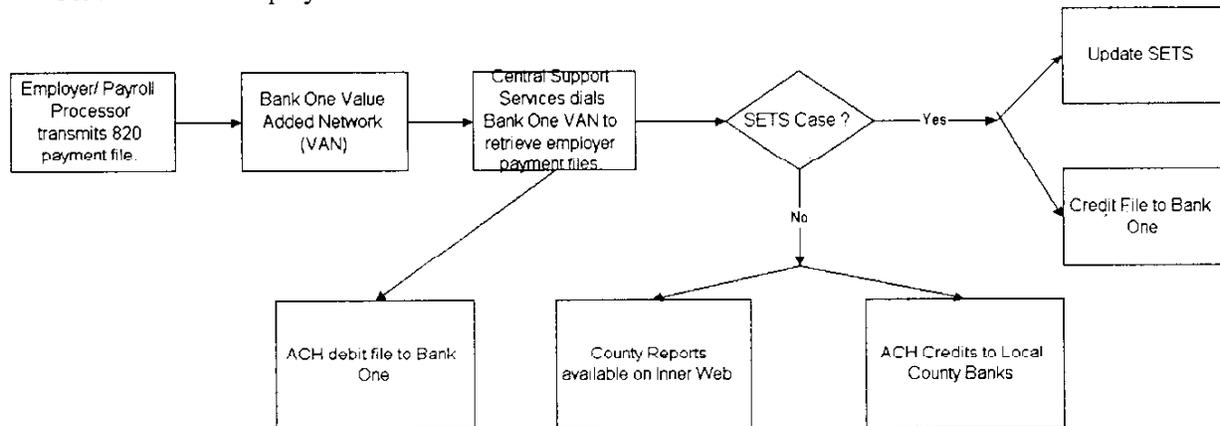
- Bank One will send out an 820 Implementation Guide to each EDI capable employer.



## Process Flow

### Assumptions

- Files are unencrypted
- Bank One Value Added Network (VAN) will provide translation services.
- Bank One VAN will provide electronic mail box for each county.
- Anexsys will dial out to VAN periodically to pick up employer files.
- Confirmation to employer of successful enrollment.



### Gap Analysis

- Development of ongoing protocol to update employer community of new SETS case numbers
  - Periodic datafile transfer to Bank One for communication/marketing/outreach to employers who currently use EFT/EDI – target the lowering of Non-SETS case postings as more county cases are converted.
  - Ongoing protocol for counties to identify payment postings that were not appropriately identified by the employer as a “SETS case” and forwarded to the county as a non-SETS posting (i.e. how do counties interact with County Services and/or employer to ensure that SETS postings are accurately recorded by employer and Bank One).



## Function 1.3.4      SETS Datafile

### Description

SETS must be updated daily with all payment activity that Bank One receives. This should be in the form of an update datafile transmitted from Bank One to SETS.

### ODHS Requirements

- Timely and validated transmission of payment activity update datafile
- Bank One must generate the following data elements on the payment posting datafile
  - Batch number
  - Collection Date
  - Receipt Date
  - Payment method
  - Deposit instrument tracking number
  - Deposit instrument item number
  - For each individual payment
    - Amount
    - SETS case number
    - SETS order number/state code/county code
    - SSN
    - Obligor last, first name
    - Employer TPN
    - Employer name

### Treasurer Requirements

None

### County Requirements

- SETS regularly updated with current income withholding payments (to respond to obligor/payee queries)

### Bank One Requirements

- Timely and validated reception of update datafile.
- Exceptions handling resolved/reported as necessary.
- Required file format for the SETS update datafile.

### Constraints/Operational Cutoff Times

- All EFT/EDI transmissions received by 12NOON EST on a business day must appropriately identified and ready to transmit on the same business day:
- SETS case postings – All SETS case postings on EFT/EDI transmissions received by 10:00AM EST must be sent to ODHS in the SETS payment posting datafile by 5:00PM that same business day

### Inputs/Outputs



**Inputs**

- Employer EDI/EFT payments

**Outputs**

- SETS update datafile

**Product Features/Approach**

- Please see flow chart under Section 2.1.2

**Gap Analysis**

## **Function 1.3.5          Reconciliation Datafile**

### **Description**

Bank One generates and transmits to SETS a daily reconciliation datafile containing all received EFT information for SETS payment posting.

### **ODHS Requirement**

- Timely and validated transmission of reconciliation datafile for the purpose of reconciling SETS and Bank One financial information

### **County Requirements**

None

### **Treasurer Requirements**

None

### **Bank One Requirements**

- Timely and validated reception of reconciliation datafile

### **Constraints/Operational Cutoff Times**

- Reconciliation datafile must be received by SETS in time to run nightly batch

### **Inputs/Outputs**

#### **Inputs**

- Account 6 reconciliation by Bank One

#### **Outputs**

- SETS confirmation of Reconciliation Datafile reception

### **Product Features/Approach**

N/A

### **Gap Analysis**



## Function 1.3.6 EFT/EDI Deposit Reconciliation

### Description

Bank One will conduct a reconciliation of all payments posted to SETS through the batch update process for employer/payroll EFT/EDI. It is assumed that all EFT/EDI payments are "good money" upon initiation because the employer or payroll processor is responsible for generation, therefore reducing or eliminating returned deposit items.

### ODHS Requirements

- Research support from County and Bank One partners as needed.
- Timely and validated reception of daily reconciliation datafile.
- Deposit instrument tracking numbers from the EFT/EDI header record.

### Treasurer Requirements

None

### County Requirements

None

### Bank One Requirements

- Integrity and accuracy of daily reconciliation datafile.
- Anexsys and Bank One must meet to clarify the requirements for deposit reconciliation of EFT/EDI collections posting.

### Constraints/Operational Cutoff Times

- Central Support Services is responsible for generating the "clean" reconciliation datafile for the prior business day's activity by 5pm that business day (e.g., County Services is responsible for receiving "raw" reconciliation data from Monday's bank activity and reconciling on Tuesday in order to generate a "clean" datafile to SETS by 5pm Wednesday for Monday's "raw" activity).
- Central Support Services is responsible for working with individual counties to ensure the reconciliation status of funds transferred from the Master Account to local county accounts to cover non-SETS postings

### Inputs/Outputs

#### Inputs

- Reconciliation Datafile
- Daily Deposit List (by County)

#### Outputs

- SETS reconciliation

### Product Features/Approach

### Gap Analysis



## Phase 1.4: Check Printing Operations

### Function 1.4.1 Establish Check Printing Operations

#### Description

Check printing operations will be established by Bank One with the purpose of accepting the SETS check printing file and creating and mailing checks to designated obligees on a per county basis. This process will encompass the delivery of the SETS check file from SETS to Bank One, the printing and mailing of the physical checks, the delivery of the Disposition Status file from Bank One to SETS, and the delivery of an issue file to Recon and exception handling that occurs at any stage of the process. It must be designed in such a way that all ODHS requirements on file formatting and transmission, report generation, auditability, and security.

#### ODHS Requirements

##### Implementation Requirements

- File compatibility requirements
  - SETS generates and processes transmission files in an IBM MVS mainframe environment. All electronic transmissions received by SETS for the purposes of CC&D must be formatted such that they are ready for immediate use by the SETS system.
  - All file layout conversion that may be necessary to achieve compatibility with the SETS data exchange environment is required by SETS. This including, but not limited to:
    - Conversion from ASCII to EBCDIC
    - Customization of file layouts according to ODHS specifications.
    - File Transmission Requirements.
  - Bank One will select, procure, design, develop, implement and maintain all aspects of a file transmission protocol that ensures the security of the data transfer process, as communication lines capable of handling estimated transaction volumes and performance timeframes.
- Check production requirements:
  - Check Design
    - One check stock for all 88 counties.
    - The vendor is responsible for providing check security measures, such as watermarks, tamper proof stock and/or graphics, holograms, multi-colored signatures, etc.
  - Check Generation
    - The vendor is responsible for selecting, procuring, and maintaining all paper, ink, and other supplies necessary for the daily check run.
    - The vendor is responsible for selecting, procuring, and maintaining all hardware and software necessary to support its proposed check printing solution.
    - The vendor must maintain the ability to reprint checks, in the event the check becomes unusable before leaving the vendor facility. In such a case, the vendor is allowed to reprint the check using the original SETS check number, although the new check must have a new vendor inventory control number.
    - The amounts and totals of checks cut by the process must be validated against the amounts and totals provided by the SETS Check file
- Mailing requirements:



- The vendor will provide all hardware/software/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. The vendor is responsible for liability transfer from the vendor to the U.S. Postal Service.
- The vendor is responsible for providing a mail package that includes one single return address for the State address of the payee for whom the disbursement is intended printed on the outside. The vendor must also include on the outside of the mail package the accepted USPS protocol such that all undeliverable items will be sent to the return address as indicated on the outside of the mail package.

Steady State Requirements

Fraud Prevention:

- Bank One is responsible for all fraud occurring while the disbursement items or datafiles are in the possession of Bank One, including, but not limited to:
  - Onsite prior to printing
  - Onsite after printing
  - In transit to the USPS facility
- Bank One must address fraud occurring once the disbursement item or datafile has left their possession, including, but not limited to:
  - Security of data file transmissions
  - Use of Positive Pay Service
- Bank One is responsible for providing a plan for continuation of services should an event occur that damages either their facility or the transmission lines linking them to SETS.

**Treasurer Requirements**

None

**County Requirements**

None

**Bank One Requirements**

- Receive accurate and processable datafile from SETS. Bank One will not be responsible for inaccurate information from SETS. ODHS is responsible for data integrity of the SETS disbursement file.
- ODHS is ultimately responsible for fraud occurring on their accounts, once out in the mail stream, particularly:
  - Cashing of a physical check by an incorrect individual
  - Alteration of a check by another individual to modify payee, payment amount, or other information.
- The following conditions would require Positive Pay Review:
  - Alteration of a check by another individual to modify the check amount
  - Alteration or modification of any information on the check MICR line. This includes the account number, check number and check amount.
- The following conditions would not be stopped under Positive Pay Review:
  - Alteration or modification of the payee
- Bank One/Anexsys will manage the investigation of the fraud, based on the identification of fraud through ODHS/County resources.



## Constraints/Operational Cutoff Times

N/A

### Inputs

- SETS Checkprinting Datafile

### Outputs

- Check Disbursements
- Returned Mail Items

### Product Features/Approach

Bank One will establish a check printing system and a check printing facility in Ohio to generate ODHS checks. The system will receive datafiles from SETS in an agreed upon format and generate check print images for ODHS payments. Additionally, the system will generate disposition files for SETS and issue files for Recon, which will identify all payments processed. Bank One National Operations will staff the facility and will print and render the ODHS checks. The facility will have adequate staff, printing equipment and rendering capacity to handle anticipated volumes in specified timeframes.

File layouts and check and statement format requirements are still outstanding.

Additional responses to the above mentioned requirements are outlined below.

### File Transmission

- A schedule will be developed of datafile delivery times, item volumes, due out times and allowable postage costs. Proposed schedule is attached.

### Check Design

- One check stock with one signature for all 88 counties.
- One return address for all checks (Central Support Services).
- Checks will be generated on generic check stock, which does not utilize inventory control numbers.
- 

### Mailing Requirements

- Actual postage expense will be charged to ODHS as a "passthrough expense:

### Bank One Requirements

- ODHS will provide Bank One with balancing information for each datafile either by fax or in a separate datafile. Balancing information will include item and dollar amounts for the entire datafile and for each account within the file.

### Inputs

- SETS Balancing information

### Outputs

- Unprocessed and Late Pull Item Lists.



- Disposition File to SETS
- Issue File to Recon

### Gap Analysis



## ODHS Check Printing Time and Volume Schedule

Bank One will process ODHS checks on a same day basis. Payment files of up to 90,000 must be processed, printed, rendered and postmarked on the same day they are received (assuming operational cutoff for receipt at 7:00AM). Additionally, Bank will obtain the best possible postal rates for the work presented consistent with the same day processing guideline.

### For Files Received By 5 AM ET

Volume	Presort Rate*	Full Postage	Next Day Mail
1 - 70,000	Yes	Not required	No
70,000 - 120,000	For 1 <sup>st</sup> 70,000	For items after 70,000	No

### For Files Received Between 5 AM And 7AM ET

Volume	Presort Rate*	Full	Next Day Mail
1 - 35,000	Yes	Not required	No
35,000 - 90,000	For 1 <sup>st</sup> 35,000	For items after 35,000	No

### For Files Received After 7 AM ET

Volume	Presort Rate*	Full Postage	Next Day Mail
1 - ?	As possible	As possible	As required

\* Assuming 10 items to each 5 digit ZIP or 50 to each 3 digit ZIP



## **Function 1.4.2          SETS Check File**

### **Description**

SETS will generate the SETS check printing file and Bank One will be available to receive it within the stated acceptable timeframes, on business days. A schedule will be developed to include datafile delivery times, item volumes, due out times and allowable postage costs. Once received, Bank One must notify SETS that the file was received successfully. Bank One will then translate the file into a format acceptable for their check printing system and provide validation that the translation was successful.

### **ODHS Requirements**

- The SETS Check file must be validated for the following :
  - Incomplete mailing addresses
  - Negative Amounts
- SETS requires vendor receipt of the SETS check file during the timeframes indicated.
- SETS must receive verification of successful check file transmission. If the file has been received with transmission error, SETS must be notified to facilitate retransmission.
- The check printing process must include validation between the SETS check file and any subsequent formats produced for input into the check printing process.

### **Treasurer Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- The SETS check file must have accurate information
- The SETS Check file must be transmitted to the vendor in the time frame indicated. This file will be in the format as specified by ODHS.
- Check files received on a Saturday, Sunday or federal holiday will be processed on the next business day.
- Balancing information either in fax or separate transmission files must be provided by SETS in order to validate each datafile transmitted.

### **Constraints/Operational Cutoff Times**

- SETS will generate and send the disbursement/check file for the previous business night's batch activity by 7:00AM. Bank One will be responsible for generating physical checks for all identified records on the disbursement/check file for mailing the same business day of datafile receipt (i.e. 11:59PM on the same day as 7:00AM receipt)



## Inputs/Outputs

### Inputs

- SETS Check file
- SETS Balance Information

### Outputs

- Successful file transmission indicator

### Product Features/Approach

- The bank can automatically acknowledge each datafile by return transmission. *This acknowledgement cannot replace the requirement for balancing information.*

### Gap Analysis

- While a basic address validity check will be performed by Bank One, other validations such as large check amount, too many checks to an address or complete postal address validation will not be done by Bank One.



### Function 1.4.3 Print and Mail Checks

#### Description

This function of the check printing process include all activities required to produce and mail the physical checks. The vendor will print checks and FBT notices to all payees indicated by SETS Check File with the indicated amount within the acceptable time frame. A schedule will be developed of datafile delivery times, item volumes, due out times and allowable postage costs. Once the vendor has printed the checks, the vendor will mail checks to payees in a secure manner.

#### ODHS Requirements

- Checks must be produced daily, on bank business days, based on data supplied by the SETS Check file. In a manner that will satisfy the requirements outlined in the Establish Check Printing Operations section of this document (1.4.1).
- Bank One will produce a daily report that details the association of SETS generated check numbers with vendor inventory control numbers.
- All disbursement mail pieces must be delivered to an authorized U.S. mail facility by 11:59 PM ET of the day Bank One/Anexsys receives the datafile from ODHS.

#### Treasurer Requirements

None

#### County Requirements

- "Pull" processing
  - Local county staff should be able to call into Central Support Services to request the "pull" of a potential check on the SETS check file sent to Bank One in the previous night SETS batch processing
    - Central Support Services is responsible for processing the request
    - The deadline for requests is 10:00am
  - Central Support Services is responsible for:
    - Voiding the instrument (Bank One systems)
    - Central Support Services will be responsible for capturing the void status of the disbursement and updating SETS through the nightly batch file transmission.
    - Destroying the instrument

#### Bank One Requirements

##### Constraints/Operational Cutoff Times

- Bank One is responsible for printing all checks to a 100% tolerance level from the SETS-generated disbursement datafile each business day.
- The vendor must deliver all disbursement mail pieces to an authorized U.S. mail facility by 11:59 PM EST of the day following collection of the disbursement such that the postmark indicates this date.
- A schedule for delivery will be developed during detailed design discussions and submitted for approval to ODHS.
- Bank One is responsible for generating the disbursement status datafile to reflect all "pull" status checks by 5:00PM EST for all pulls requested on that same business day



## **Inputs/Outputs**

### **Inputs**

- SETS Check file

### **Outputs**

- Printed and mailed checks
- Printed and mailed EFT notices
- Late Pull Items

### **Product Features/Approach**

- The Disposition file will convey issue status information.
- The deadline for pull requests is 10:00 AM in the Check Outsourcing Operations area. Requests received after 10:00 will be serviced on a best effort basis. No request will be accepted after Noon.
- Late Pull items will be included in both the Disposition status file and the Recon file. Central Support Services will manually update both systems with the correct status.
- Late Pulls requests that cannot be found will be stopped.
- Returned Mail items will be handled by Central Support Services not Check Outsourcing Operations.
- A schedule will be developed of datafile delivery times, item volumes, due out times and allowable postage costs.
- Duplicate check numbers will be checked for 60 days in the past.

### **Gap Analysis**

N/A



## Function 1.4.4      Disposition Status

### Description

The purpose of the Disposition Status file is to update the SETS disbursement record with the appropriate status update information regarding checks that have been produced and mailed. This file may also include any updates to SETS necessary as a result of a "pull" request.

### ODHS Requirements

- Once the days check run has been completed, a data file will be generated by Bank One containing an update of check printing status for each disbursement record in the SETS Check file in the format required by SETS.
- The update data file must be transmitted to SETS by 5:00 PM on the day of the printing and mailing of the item. (i.e., checks authorized to be printed during Monday night's SETS batch will be sent to Bank One on Tuesday morning for printing and mailing. SETS will be updated with the printing/ mailing status update during Tuesday night's batch for checks printed on Tuesday)
- A backup of the update file must be maintained in the event of transmission or other types of errors.
- The vendor must be available facilitate retransmission of the update datafile upon SETS contact in the event of a transmission error.

### Treasurer Requirements

None

### County Requirements

- Upon receipt of a validated update file, SETS will update the disbursement status code on the disbursement record with OOT (outstanding) indicating check has been printed and mailed, but not yet cashed.

### Bank One Requirements

- Verification of the timely receipt of the check printing status file without transmission error.

### Constraints/Operational Cutoff Times

- The disposition status update datafile must be transmitted to SETS by 5:00 PM the day following the printing and mailing of the check. (i.e. Wednesday online SETS will verify the printing and mailing of Tuesday's checks from Monday's SETS batch)

### Inputs/Outputs

#### Inputs

- Data file indicating list of all checks printed and mailed for the day

#### Outputs

- Properly updated SETS disbursement records

### Product Features/Approach

- Late Pull items will be included in both the Disposition status file and the Recon file.
- Central Support Services will transmit a datafile to SETS and to Bank One.



**Gap Analysis**  
N/A



## Function 1.4.5 Undeliverable Mail Processing

### Description

All undeliverable mail will be returned to a central location: Central Support Services Central Support Services is responsible for identifying the originating county, and subsequently generating county-specific reports detailing all undeliverable mail for that day. County Services is additionally responsible for voiding the instrument and removing the instruments from the outstanding check file.

The county CSEA is responsible for researching returned instruments due to bad address and authorizing the reissuance of any monies. Once a correct address has been found, the CSEA must reissue the check in the SETS system. The reissued item is processed in the daily checkprinting file.

### ODHS Requirements

- Return address centralized through Central Support Services site
- Central Support Services function is responsible for identifying the “need to void” the disbursement item through the returned mail – Central Support Services will process and resubmit items for the following reasons:
  - Payee address did not appear through the window
  - Improper postage affixed to item
- Central Support Services is responsible for opening the undeliverable item and:
  - Preparing a county-specific listing capturing the check number, date of return and reason for return (reason code).
  - Voiding the instrument (Bank One systems)
- Central Support Services is responsible for returning county-specific listing with all source documentation (i.e. return envelopes) to the appropriate county via second day overnight

### Treasurer Requirements

None

### County Requirements

- Local county staff will retain the responsibilities to make reissuance decisions, either through manual check or validation of the address

### Bank One Requirements

N/A

### Constraints/Operational Cutoff Times

None

### Inputs/Outputs

#### Inputs

- Returned Checks

#### Outputs

- Report of Returned Mail items to CSEA

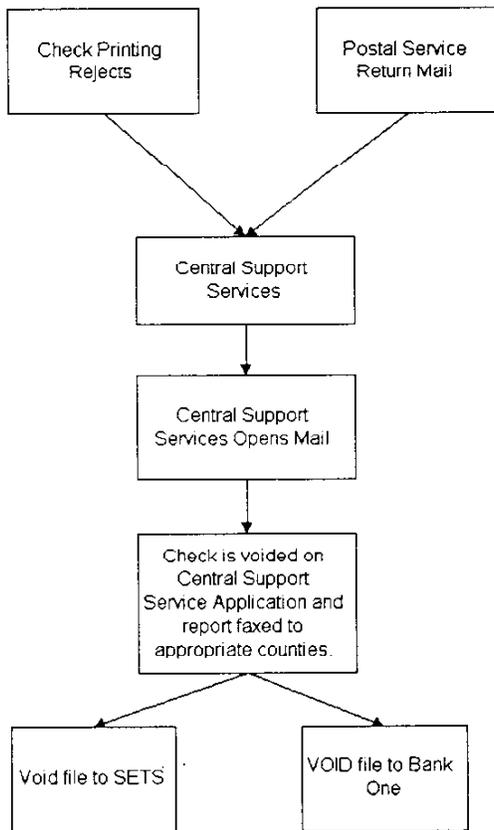


- Reissued Checks

## Product Features/Approach

### High Level Process Flow

#### Undeliverable Mail



#### Process Description

1. All undeliverable mail will be returned to the Central Support Services.
2. Undeliverable mail includes mail that cannot be delivered because of physical defect (the check is mutilated during the printing process) or mail that cannot be delivered because of a bad address.

#### Mutilated Mail



If the check was damaged during the printing process and has not left the Bank One premises, the item will be reprinted.

If the check was damaged during postal delivery, Central Support Services would receive the item in return mail. Central Support Services will initiate a void on the item and report the item back to the CSEA of case responsibility.

*Bad Address*

Bad address information may be obtained two ways: The CSEA is made aware of a bad address from their client, or the post office returns mail to Central Support Services.

If CSEA is made aware of a bad address, CSEA will contact Central Support Services. Central Support Services will initiate a pull and void, or a stop payment on the item. A pull may be requested up to 10:00 a.m.

If the post office returns mail to Central Support Services because of a bad address, Central Support Services will initiate a void on the item and research a new address. If a new address is located it will be included on the report to the CSEA.

3. Central Support Services will log all undeliverable mail into the Central Support Services Application. The Central Support Services Application will produce a daily report of undeliverable mail by county.
4. Central Support Services will fax the report to the CSEA and make the report available on Inner Web.

**Gap Analysis**

None



## Function 1.4.6 Void/Stop Payment Processing

### Description

Local CSEAs are responsible for initiating void/stop payment protocol. Checks may be voided or have a stop-payment placed for a variety of reasons (e.g. mutilated or stolen checks). Proper processing of voids/stop payments is critical to ensure proper allocation and disbursement of child support collections. County Services is responsible for ensuring that void/stop payment items are properly accounted for in both SETS and Bank One systems.

### ODHS Requirements

- Voids
  - A void may only be placed on an item when either the CSEA or Central Support Services is in possession of the instrument.
  - CSEA worker contacts Central Support Services to void the instrument in the Bank One systems.
  - CSEA worker is required to destroy the physical instrument.
  - Central Support Services will initiate void requests for returned mail (see Section 1.4.5).
  - Central Support Services will notify CSEA of stale dated items. CSEA will make a decision to void the item.
- Stop Payments
  - A stop payment must be placed on the item (versus a void), if the physical instrument is in circulation.
  - CSEA worker contacts Central Support Services to inquire on the status of the outstanding disbursement. Central Support Services will verify that the item has not been presented through Bank One systems.
  - County Service will place a stop in Bank One Systems and provide confirmation number to CSEA staff.
  - SETS will be updated with stop payment information through a nightly status update datafile. This information is not included on the daily BAI2.

### Treasurer Requirements

None

### County Requirements

- Confirmation of check status through monthly ARP reporting from Bank One

### Bank One Requirements

- Timely requests for void/stop payment of checks
- Receives and processes nightly check file from SETS
  - Update DDA system for stop payments
  - Update ARP system for voids

### Constraints/Operational Cutoff Times

- Stop Payments are not updated immediately on the ARP system. Rather, stops are placed on DDA and fed to ARP in the nightly batch process, therefore stops are not valid until 24 hours after issuance.

### Inputs/Outputs

#### Inputs

- Void/Stop Payment Request



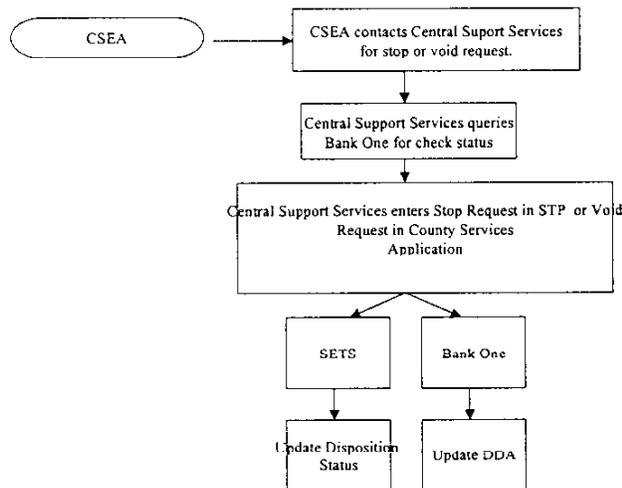
### Outputs

- Nightly check file from Central Support Services
- Nightly file submission from Bank One
- Voided/stopped payment checks

### Product Features/Approach

- A Void transaction is used to remove a check from the outstanding issue file on the ARP system, and should only be used if the check has not been released into circulation. Void transactions are not processed by, recognized by, nor housed on Bank One's DDA system.
- Checks presented for payment on which a Void transaction has been placed (on the ARP system) will be identified as a Positive Pay exception and reported daily for a pay/no pay decision by the customer.
- Voids may be communicated by the CSEA to Central Support Services in an electronic check issue file. Voids that are not included on an electronic transmission may be faxed to ARP Operations for manual addition to the ARP system. Faxing of voids should be used on a limited basis only.
- A Stop Payment is used to prevent a presented check from paying against an account, and should be used if the check has already been released into circulation.
- Stop Payment and Void transactions should not be placed on the same check.
- Stop Payments may be placed by Central Support Services on the Automated Stop Payment (STP) system. STP will place the stop transaction on the Bank One DDA system, which will in turn place the stop on the ARP system.

### High Level Process Flow



### ***Process Description***

1. If the CSEA determines that a void or stop payment is required on a disbursement item, the CSEA will contact Central Support Services.
2. Central Support Services will query Bank One to determine the status of the check.
3. Void Request: If the void request is prior to 10:00 a.m. on the day of issuance, Central Support Services will request a pull at Bank One and void the check on the Central Support Services Application.

Note: Void processing due to returned mail to Central Support Services, is addressed under Section 1.4.5, Undeliverable Mail.

Stop Request: If the CSEA requests a stop payment, Central Support Services will immediately place the stop on the Bank One STP system and update the Central Support Services application with the stop.

4. Anexsys will create a daily file of stop and void activity and transmit the file to SETS and Bank One.
5. Bank One will update DDA and SETS will update the status and reissue the check.

### **Gap Analysis**

## **Function 1.4.7 Disbursement Check Presentment**

### **Description**

This section addresses the presentment and clearing of individual disbursement items through the Bank One disbursement account, including the subsequent imaging of cleared items.

Bank One is responsible for processing all checks presented during a standard business day, and for clearing those items as appropriate. Redeemed checks will be imaged by Bank One for auditing purposes. Images will include both the front and the back of the check.

### **ODHS Requirements**

- Image captures of cleared items should be made available to Central Support Services via the image archive function.
- Daily cycle of image availability to support local county staff requests through the Central Support Services office.
- Paper items are held for audit purposes for seven years (until formal, official Office of the Auditor opinion alters).

### **Treasurer Requirements**

### **County Requirements**

### **Bank One Requirements**

### **Constraints/Operational Cutoff Times**



## Inputs/Outputs

### Product Features/Approach

- Paid checks will be imaged in Columbus the day following presentment and populated into the Bank One central archive for Central Support Services viewing/research
- Access procedures and requirements are still TBD
- Archiving of images is recommended over CD ROM production due to the expected high check volume of ODHS

### Gap Analysis

- Image archive and access strategy is under review. Final requirements are still to be determined.
- Bank One archive is expected to be available by mid-April, 2000. If ODHS implementation occurs prior to April, 2000, we recommend providing physical checks (no images) in either paid date order (with index report) or serial sort order or microfilm until imaging is available. Checks paid prior to imaging/archive available may be imaged at a later date and populated into the archive for historical research purposes.

Note: Bank One will determine the feasibility of implementing the archive earlier, in order to coincide with Phase I of CC&D.

- Physical checks having been imaged can be returned to Central Support Services for extended storage, if required. Standard check retention period at Bank One site is 90 days.
- Anexsys will determine the requirements for storage of physical checks.



## Function 1.4.8 Account Reconciliation Reports

### Description

Reconciliation will be performed and reports will be produced for each separate disbursement account on a **monthly** basis. A paid items listing will be provided daily via electronic data transmission; however, account reconciliation will not occur on a daily basis, except as provided for with daily positive pay exception item review.

### ODHS Requirements

- Bank One receives checks
- Check Outsourcing sends check file to ARP
- Bank One ARP validates items presented via Positive Pay
- Central Support Services makes pay/return decision based upon pre-established directions from ODHS
- Accepted checks are paid
- ARP Paid Item Listing is transmitted nightly to ODHS.
- Full ARP reports are provided monthly

### Treasurer Requirements

None

### County Requirements

- Paid item listing file update through nightly file submission from Bank One
- Stale date report from Central Support Services

### Bank One Requirements

- Bank One will send a monthly aged Issues Report to Central Support Services. Central Support Services will notify each CSEA of disbursement items greater than 180 days old.
- Ensuring each account has adequate funds to cover daily disbursements is the responsibility of the customer, not Bank One.

### Constraints/Operational Cutoff Times

- Issue File must be received by ARP Operations by 11:00 p.m. local time (Eastern Time) for same-day processing.
- Reports must be available for review by the STO/ODHS no later than 5 business days following the end of the business month.
- Bank One must be able to regenerate the reports on-demand.
- Bank One must be able to retransmit the report upon request following an unsuccessful transmission.

### Inputs/Outputs

#### Inputs

- Checks to be cashed

#### Outputs

- Pay/Return decision
- Paid item Listing File submission from Bank One to SETS
- Monthly ARP reports



## Product Features/Approach

- Bank One Account Reconciliation (ARP) provides customers with information on all items issued, paid, voided, etc. along with the detailed information needed to reconcile and manage disbursement checking accounts.
- Full Reconciliation with Positive Pay will be provided on 88 county disbursement accounts. Full Reconciliation provides a list of both paid and outstanding checks, with exception items clearly identified. Check issue files will be provided by the Check Outsourcing system via electronic data transmission; ARP provides detailed reconciliation reports for all account activity. ARP activity is balanced to the customer DDA account statement at the end of the reconciliation period.
- Each of the 88 accounts can be established with a stale date period (e.g. 180 days). When a check is presented for payment after the established stale date period, the check will be reported as an exception on the daily Positive Pay Exception Report. The customer will then have the option to pay or return the stale check.
- Standard reports available with Full Reconciliation include:
  - Cover Sheet
  - Recap of Posted Items
  - Outstanding Settlement Report
  - Reconciliation Diagnostic Summary
  - Miscellaneous Credits
  - Miscellaneous Debits
  - Paid Only Report
  - Unpaid Only Report
  - Consolidated Report
- Optional reports also available include:
  - Paid-No-Issue Report
  - Unmatched Reconciliation Report
  - Stop Reconciliation Report
  - Aged Issues Report (\*)
- (\*) The Aged Issues Report is an optional report that is provided in hard-copy only. Bank One has agreed to develop a customized report file transmission to be delivered to Central Support Services with the monthly ARP reconciliation files.
- Reconciliation reports are provided within 5 business days after the statement/reconciliation cycle, or within 5 business days after receiving final issue input for the period, whichever is later. Paper reports are provided as standard. Report data is also available via data transmission in Bank One standard format. Sample reports and file layouts are available in the Account Reconciliation Services User Guide.
- Central Support Services will send a monthly report to each CSEA, of disbursements that are greater than 180 days old. The CSEA will review the report to determine if a void should be placed on the item. The CSEA will communicate any void requests to Central Support Services.



## Gap Analysis

With regard to the requirement to regenerate reports on demand, Bank One reports on-line for 60 days after the cycle date. After 60 days, the reports are only available on SAR (archive system) and may take several days to reproduce.

ODHS has indicated that reports are often reconciled on a quarterly versus a month schedule and hence it may not be apparent for after the 60-day period, that a report is needed.



## **Function 1.4.9          Positive Pay Exception**

### **Description**

Bank One will utilize an internal reconciliation feature called 'Positive Pay' to match the daily SETS check file with checks presented for payment on the disbursement account (Account 4). Checks presented are validated against Positive Pay to ensure validity. When a discrepancy is found, Bank One submits an exception report for payment approval to the county CSEA. The county CSEA is responsible for the 'pay/no pay' decision.

### **ODHS Requirements**

- ARP system generates exception notice to Central Support Services for exception.
- Central Support Services researches item to determine if check is valid issuance from SETS
  - If item is a valid issuance (e.g., encoding error), Central Support Services will give "pay decision"
  - If item is NOT a valid issuance, Central Support Services will return a "no pay decision"
    - ARP rejects the item
- Items that are presented for payment that are not in the check file will be treated as fraudulent items. These items will be returned to the bank of first deposit, unless the item was cashed at a Bank One branch office. Central Support Services will notify the CSEA when this activity occurs. At times, Bank One's Fraud Investigation area may become involved to help investigate and prosecute.

### **Treasurer Requirements**

None

### **County Requirements**

- In many cases, a county may not be able to be tied to these items.

### **Bank One Requirements**

None

### **Constraints/Operational Cutoff Times**

- Central Support Services must generate the Exception Report and provide it to the appropriate county no later than 12:00 PM EST.
- Bank One is not responsible for instruments on which the payee name has been changed; these items should be addressed through the local CSEA via void/stop payment processing
- "Pay/No Pay" decision from the CSEA on exception items must be made and provided to Central Support Services no later than 4:00 PM ET. Items that are not addressed by that time will be considered invalid and will not be paid.

### **Inputs/Outputs**

#### **Inputs**

- Checks to be cashed

#### **Outputs**

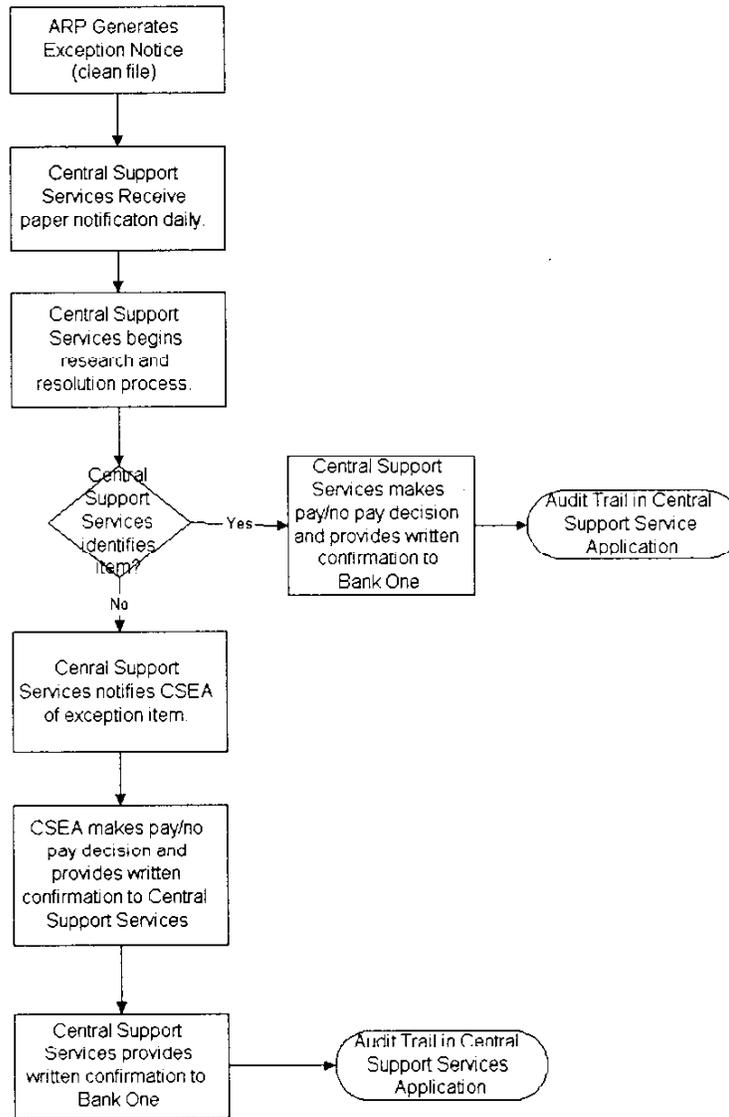
- Pay/Do not pay decision





**Product Features/Approach**  
*High Level Process Flow*

### Positive Pay Exception



- Positive Pay detects check fraud and other internal control problems by comparing checks presented to Bank One for payment with a customer generated issue file. In addition, Positive Pay identifies discrepancies and permits the customer to decide whether the exception checks(s) should be dishonored or paid. Positive Pay **does not** identify altered payee situations and must not be used in lieu of stop payments.
- On each banking day, Bank One electronically compares items that have been presented for payment to the customer issue file. The comparison identifies checks that do not match the issue file information.
- Bank One will research the items that do not match and correct any bank errors, such as misencoded items, zero serial numbers and duplicate paid items.
- Prior to 12:00 P.M. (noon) local processing time (Eastern Time) Bank One provides a Positive Pay Exception Report of checks presented the previous business day via facsimile transmittal. If there are no checks to report, Bank One provides a "nil" report. Given the volume of accounts and expected close proximity of Central Support Services to the Columbus ARP department, it is recommended that the Positive Pay exception report be delivered in hard-copy rather than via fax.
- On each business day by 4:00 p.m. Eastern Time, Central Support Services will notify Bank One via facsimile (or via hard-copy report, to be agreed upon by Anexsys and Bank One) with the disposition of each item on the Positive Pay Exception Report. Bank One will either **PAY** or **RETURN** the check in accordance with the Central Support Services instruction. All checks to be returned will be marked "Refer to Maker" and processed in compliance with Regulation CC guidelines.
- If Bank One does not receive explicit pay or return instruction by 4:00 p.m. it is assumed that all items on the Positive Pay Exception Report are **UNAUTHORIZED** and they will be **RETURNED**.
- Bank One retail branches do not have access or visibility to the positive paycheck issue files. Therefore, checks presented for cash are **NOT** verified against the check issue file prior to encashment.

#### Gap Analysis

- A detailed workflow analysis is needed in order to determine when it is appropriate for the CSEA to initiate an investigation into rejected checks verses when it is appropriate for Bank One to initiate such an investigation.
- Courier routes must be established to ensure timely delivery of reports to allow pay/no pay decisions to be returned to Bank One by 4:00 PM.



**Function 1.4.10 Recon Datafile**

**Description**

The Recon Datafile is an electronic file created by Bank One each night following nightly batch processing. The file provides status update information on all paid items from the prior day's activity. ODHS picks up the nightly BAI2 file during the business day on which the file is generated. The file is then uploaded to SETS via nightly batch processing, making information available to the CSEAs on the second business day. (i.e. Monday's activity is processed by Bank One early Tuesday morning, at which time the BAI2 file is created. ODHS retrieves the BAI2 file Tuesday morning, and uploads it to SETS in Tuesday night's batch, making the data available on Wednesday morning.)

**ODHS Requirement**

- Bank One must generate the datafile to include at a minimum:
  - SETS nine digit check number;
  - Disposition status of checks cleared
  - Amount of check
  - County of origin (each file separated by county account must include an identifying county designation)
- Bank One must organize the datafile in standard file format readable by both SETS and Bank One
- Transmission Processing
  - Initiation of the electronic transmission
  - Monitoring of transmission
  - Verification of successful receipt of the datafile by SETS
  - Re-transmission of datafile in the event of error; and
  - Backup tape transfer in the event of repeated unsuccessful electronic submissions
- Backup procedures definition and re-transmission protocol
- Valid datafile received by SETS from Bank One no later than 5pm EST each business day for all disbursement status updates, such as cleared instruments

**Treasurer Requirement**

None

**County Requirement**

- Valid datafile received by SETS from Bank One no later than 5pm each business day.

**Bank One Requirement**

- Notification of the outcome of investigations conducted by Central Support Services.

**Constraints/Operational Cutoff Times**

- File should be available for download no later than 5pm each business day.

**Inputs/Outputs**

**Inputs**

- Daily bank activity

**Outputs**



- Recon Datafile

### **Product Features/Approach**

- The ARP system will produce a daily electronic data file containing checks presented and paid on ARP the previous business day. The file is available by 10:00 a.m. the day following posting. A separate file can be generated for each of the 88 accounts, or the file may contain data for all 88 accounts combined.
- The file will not include non-monetary transactions, returned checks, voids, stops, or any other check that rejected on the ARP system during batch posting (e.g. positive pay exception checks). Rejected checks will be included on subsequent data files when repaired and re-posted to the ARP system by ARP Operations.
- The file format is a Bank One proprietary flat file with 150 records. File format and specifications are provided in the Account Reconciliation Services User Guide, and can also be provided upon request.
- "Additional data" for each issued check, as provided on the issue file from the Check Outsourcing system, can be provided on the daily paid file for each paid check. To facilitate paid check research and reconciliation, it is recommended that each issued check record contain the case number, last name, first name in the additional data field (positions 80-94, which can be expanded to 71 records). This information will then be reported back on the daily recon file for each paid record.
- In addition to the daily paid file, Bank One can provide an electronic transmission of report data contained in the monthly reconciliation reports. This file is available upon successful completion of the month-end account reconciliation by ARP.
- Bank One will archive daily transmissions for 10 business days.

### **Gap Analysis**

- Bank One will confirm successful transmission from Bank One of the daily paid file. SETS must confirm successful file receipt. SETS must notify Bank One of unsuccessful transmission so that Bank One will retransmit the file.
- Central Support Services will require escalation procedures, to be defined by ODHS, in the event that an item cannot be traced back to a particular county.
- ARP cannot currently produce a BAI2 file. Bank One/Anexsys will need to work with ODHS to determine an acceptable file format for SETS.



## Function 1.4.11

## Disbursement Transaction Reconciliation

### Description

SETS disbursement reconciliation includes reconciliation activities for both Bank One and ODHS. At a minimum, the disbursement reconciliation is the nightly file transfer of prior days bank activity, and how it is appropriately translated into the SETS application. Current SETS processing provides for a simplified version of standard file formatting which supports disbursement reconciliation. A workflow of this process is included in this section.

### ODHS Requirement

- Bank One County Services must reconcile bank activity for the day for the Disbursement Account and generate the nightly datafile, which includes (at a minimum):
  - Check information:
  - SETS 9-digit check number
  - Disposition status
  - Checks paid Stop Payments- monthly
  - Voids- monthly
  - Central Support Services will have access to Bank One's Automated Stop Payment System to place and inquire on Stop Payments
  - Sent to SETS no later than 5pm each business day
- SETS must process daily datafile during nightly batch
- SETS screens/databases updated daily based on Bank One datafile by Central Support Services

### Treasurer Requirement

None

### County Requirement

- Consistent, accurate daily updates to the SETS application based on Bank One reconciliation in order for CSEA to provide accurate, up-to-date information to clients.

### Bank One Requirement

- Baseline training/education on SETS financial management architecture and current reconciliation workflow/procedures
- Additional work sessions to address the modification and redesign of key SETS reports to facilitate the Central Support Services assumption of reconciliation duties

### Constraints/Operational Cutoff Times

- Positive Pay exception file, Recon Datafile, and associated reports must be available to County Services next business day in order to facilitate disbursement transaction reconciliation

### Inputs/Outputs

#### Inputs

- Recon Datafile

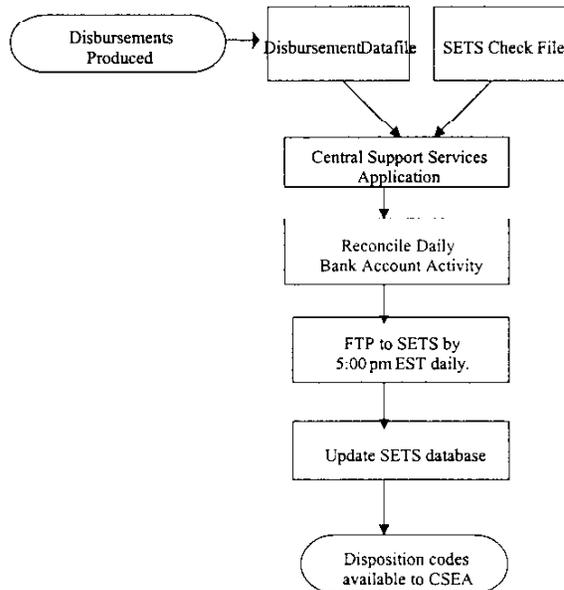


## Outputs

- Reconciled Accounts

## Product Features/Approach

### High Level Process Flow



### Process Description

1. Bank One will send an ARP datafile to the Central Support Services Application.
2. SETS will transmit a daily check file to Central Support Services for upload to the Central Support Services Application,
3. The Central Support Services Application will reconcile the bank activity to the SETS Check File.
4. Central Support Services will complete a reconciliation report to forward to the Treasurer, and will make the recon reports available on Inner Web when reconciliation is complete.
5. Central Support Services will FTP a datafile to SETS by 5:00 p.m. EST daily to update the SETS database. Data will include:
  - 9 digit check number
  - Disposition Status
  - Checks paid
  - Stop Payments



- Voids

6. After the SETS database is updated, CSEAs will have up to date access to the disbursement disposition status.

**Gap Analysis**

- SETS reconciliation currently utilizes the standard BAI2 format agreed upon between Banks and the SETS project. In order for Central Support Services to assume SETS transaction reconciliation activities, the process currently in place may need to be significantly modified.



## **Phase 1.5: Central Support Services**

### **Function 1.5.1 Client Information Requests**

#### **Description**

In Phase I, local county staff will continue to be the sole contact point for obligors, obligees and employers. County staff will have support from the County Services group for bank requests and service. In subsequent phases, the role of County Services will be expanded to include some direct contact with obligors, obligees and employers as necessary for bank functions such as direct debit, direct deposit, or internet banking protocol set up.

#### **ODHS Requirements**

#### **Treasurer Requirements**

#### **County Requirements**

- Local county staff will continue be the sole contact point for service requests made by child support clients. County Services will provide support to the CSEAs through the following functions
  - Reports on returned deposit items with lists and physical source documentation
  - Stop payment requests
  - Handling pull/void requests for disbursements
  - Research on collection/disbursement items
  - Access to imaged disbursement items for initial requests as needed.
- Local County staff will have appropriate information to provide clients with information/process to sign up for ACH Direct Deposit of child support disbursements
  - Central Support Services will provide primary marketing, enrollment and fulfillment packages/brochures/etc.
    - ◆ Central Support Services will receive and process all enrollment requests (fulfillment)
    - ◆ Central Support Services will forward all individual client information, including the enrollment documentation, to the county of case responsibility for entrance into SETS

#### **Bank One Requirements**

#### **Constraints/Operational Cutoff Times**

#### **Inputs/Outputs**

#### **Product Features/Approach**

#### **Gap Analysis**



## **Function 1.5.2 County Service Request**

### **Description**

ODHS and local CSEAs may request assistance from County Services in the form of facilitating specific actions (e.g. void, stop pay, or pull requests) or for reporting on bank activity. County Services is obligated to provide assistance and support for the timely execution of such requests.

### **ODHS Requirements**

None

### **Treasurer Requirements**

None

### **County Requirements**

- Maintain front-line access to client inquiries
- Maintain responsibility for initiating pull and void requests
- Maintain responsibility for stop payment requests

### **Bank One Requirements**

- Assist local county CSEAs in providing responsive client service
  - Additional staff
  - Appropriate communication channels
- Pull and void and stop payments
  - Establish protocol to receive pull and void and stop payment requests directly from CSEA personnel
    - Communication
    - Training and documentation
    - Timeline
  - Weekly Report detailing pull and void activity and stop payment requests
  - Generate datafile to update SETS

### **Constraints/Operational Cutoff Times**

### **Inputs/Outputs**

#### **Inputs**

- Service requests

#### **Outputs**

- Weekly update reports

### **Product Features/Approach**

- Central Support Services will be responsible for executing pull and void requests. If CSEA is in possession of the check, the CSEA will initiate the void request through Central Support Services.
- Count Services will be available between the hours of 7:00 am ET and 6:00 p.m. ET.



## Gap Analysis



### Function 1.5.3 Research and Resolution

#### Description

Anexsys will develop and implement a County Services division to fully support the Ohio CSEAs in their endeavor to collect and disburse child support payments in the most efficient way possible. The attached pages provide a high level overview of the County Services functions, in accordance with the requirements defined by ODHS.

#### ODHS Requirements

- Service level agreements/performance expectations along the key Central Support Services support functions
  - Pull: *Immediate, under the assumption that the request is received by 10:00 am.*
  - Void: *Immediate*
  - stop payment: *Immediate*
  - reporting on return deposit item: *24 hours*
  - undeliverable mail turnaround: *48 hours*
  - researching collection and disbursement items : *specified during detailed design discussions*
  - enrollment for ACH Direct deposit: *3 to 6 weeks*
  - ACH fulfillment request: *24 hour*
  - resolution of county deposit package issues: *same day.*
- Reasonable wait time, in line with level of service currently provided by Anexsys Customer Service.
- Tracking of call patterns for individuals and counties.

#### Treasurer Requirements

None

#### County Requirements

None

#### Bank One Requirements

None

#### Constraints/Operational Cutoff Times

#### Inputs/Outputs

#### Product Features/Approach

Central Support Services will provide the following functions:

- Balancing all Reconciliation Datafiles back to SETS.
- Reconciling all bank statements back to SETS.
- Reporting reconciliation to the Ohio State Treasurer.
- Providing reconciliation reports to the CSEAs.
- Processing undeliverable mail.
- Processing void and stop payment requests.
- Management and oversight of the County Deposit Package flow.



- Support CSEA fulfillment requests.
- Support CSEA research requests.
- Work with Bank One and CSEA in the Positive Pay Review/Exception process.
- Act as liaison between Bank One and CSEA.

Anexsys recommends that an application specifically suited to assisting Central Support Services. The application will function to receive and send files from SETS and Bank One, in much the same way that the EFTPS (Electronic Federal Tax Payment System) operates today.

Additionally, Anexsys recommends the establishment of a four-option call matrix. This will allow Anexsys to establish skill based call routing. Call patterns will be tracked within the application.

The intent of the Central Support Services application will be to provide a high level of service to the CSEA while not requiring the Central Support Services direct access to the SETS database. Additionally, this should eliminate the issue of keeping SETS and Bank One in sync, if all information flows to and from the same source.

### **Gap Analysis**



## **Function 1.6.1      Market ACH Direct Deposit**

### **Description**

In order for the child support community to recognize the benefits of direct deposit, it is necessary to develop a marketing strategy to raise awareness of this feature. ODHS and County Services will partner to develop a marketing strategy for this new functionality. County Services will be responsible for developing the appropriate marketing materials (e.g. brochures, posters, PSAs, etc).

### **ODHS Requirement**

- Collaboration on establishing marketing goals and strategy.
- Clear understanding of EFT disbursement procedures, standards and requirements.

### **County Requirement**

- Clear understanding of EFT disbursement, standards and requirements.
- Training for appropriate update of SETS for establishing payee EFT disbursement.

### **Bank One Requirement**

- ODHS approval for marketing approach, materials and activities

### **Constraints/Operational Cutoff Times**

- Marketing strategy must be developed and approved in order to begin the appropriate development push to meet Phase I implementation of March 31, 2000.

### **Inputs/Outputs**

#### **Inputs**

- EFT disbursement procedures, standards and requirements

#### **Outputs**

- Marketing materials
- Outreach activities

### **Product Features/Approach**

- Initial announcement/marketing mailing to all participating clients in the state-statement stuffer.
- Periodic Statement Stuffers to be included with checks promoting the new payment receipt options.
- Payment Receipt Options brochure describing the alternatives available for clients to receive payments electronically (direct deposit or cash card).
- County Information Kit (includes summary of marketing effort and samples of marketing materials plus instructions on fulfilling recipient requests for program information).

### **Gap Analysis**

N/A



## **Function 1.6.2            Logistics/Setup**

### **Description**

County Services will be responsible for establishing and implementing the enrollment procedures for direct deposit. All enrollment forms will be processed through the County Services office, and provide CSEAs with the appropriate information necessary for updating SETS.

### **ODHS Requirements**

- Standard operating procedures for enrollment in EFT disbursement
- Testing of EFT disbursement prior to actual disbursement (system and individual user tests)

### **Treasurer Requirements**

None

### **County Requirements**

- Training, procedures and forms/materials for proper updating of SETS for enrollment and maintenance of payees in EFT disbursement program
- Central Support Services will provide training to CSEAs and satisfy client fulfillment requests.

### **Bank One Requirements**

- State approval of standard operating procedures
- Specifications of daily SETS disbursements datafile
- Conversion software for converting SETS disbursement datafiles into NACHA formatted files.
- Conversion software for converting EFT results datafiles into SETS update datafiles

### **Constraints/Operational Cutoff Times**

- Necessary modifications to the SETS application must be in place and successfully tested prior to the 03/31/2000 cutover date for Phase I of CC&D

### **Inputs/Outputs**

#### **Inputs**

- Specifications of SETS disbursements datafile

#### **Outputs**

- Standard operating procedures
- Enrollment materials
- Testing plan

### **Product Features/Approach**

- Implementation of enrollment procedures.
- Implementation of pre-note procedures.
- Define file transfer protocol and interface requirements between Bank One, Central Support Services and SETS.
- Obligees complete ACH direct deposit request at the CSEA.



- County Office Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
  - Supply collateral material (deposit tickets, endorsement stamps, etc.) for distribution to OCCD clients in branch
  - On-going communications through semi-annual newsletter distributed by mail and electronically

**Gap Analysis**

N/A



## Function 1.6.3      SETS Record

### Description

The obligor's SETS case information must reflect that the obligor has set up ACH direct deposit for child support payment.

### ODHS Requirements

- File from County Services to automatically update participant demographics in SETS, including the following data elements
  - Date requested/initiated
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state
  - Participant Zip + 4
  - Participant bank name
  - Participant bank account routing transit number/account number.

### Treasurer Requirements

None

### County Requirements

- County Requirements - Training for properly updating case status in SETS to permit direct deposit

### Bank One Requirements

None

- Accurate, complete and timely submission of update datafile to SETS

### Constraints/Operational Cutoff Times

- ACH participant demographic update datafile must be generated to SETS by 5:00PM every Friday for new/changed participant information received by Bank One/Anexsys for the previous week (Monday through that same Friday)

### Inputs/Outputs

#### Input

- ACH Direct Deposit specifications
- ACH Direct Deposit case update procedures



### **Outputs**

- Updated case information

### **Product Features/Approach**

- Central Support Services will transmit a weekly file to SETS for update of SETS obligee data.

### **Gap Analysis**



## **Function 1.6.4            SETS ACH Direct Deposit File**

### **Description**

ODHS is responsible for generating a daily EFT disbursement file similar to the standard disbursement file created daily for physical check payments. The file is expected to contain EDI (Electronic Data Interchange) information with the obligee's relevant information for distribution of payment.

### **ODHS Requirements**

- Timely and validated transmission of EFT disbursement file to Bank One daily
- Individual case and financial information must be up to date and correctly set up for EFT disbursement

### **Treasurer Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- Timely and validated transmission of the standard format EFT disbursement file from SETS daily.

### **Constraints/Operational Cutoff Times**

- ODHS will generate the SETS disbursement/EFT file during nightly batch processing and make the file available by 7:00AM. All disbursement records on the file must be initiated by 5:00PM the same business day as receipt of the datafile

### **Input/Outputs**

#### **Inputs**

- Accurate case information including set-up information

#### **Outputs**

- SETS EFT/EDI datafile
- Confirmation of successful datafile receipt

### **Product Features/Approach**

- The transaction will settle and be available in the obligee bank account the business day following initiation (e.g. a transaction initiated on Tuesday will settle to the obligee bank account on Wednesday).

### **Gap Analysis**

N/A



## **Function 1.6.5          Receive and Transmit EFT**

### **Description**

Central Support Services will create a NACHA formatted file for transmission to Bank One upon successful file transmission of the SETS EFT disbursement datafile from ODHS. Bank One is responsible for releasing the transaction records to the ACH network for disbursement of funds per the payee's information on file. Additionally, Bank One will be responsible for the generation of EFT reminder notices to ensure that the client community has been notified of the disbursement.

### **ODHS Requirements**

- Timely and accurate disbursement of payments to payee's account as agreed in set up activity
- Exceptions handling and reporting by Central Support Services
- Generation and mailing of EFT reminder notices in conjunction with the initiation of ACH direct deposit

### **Treasurer Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- Accurate and current case information and EFT disbursement information contained in SETS EFT disbursement datafile
- Timely and accurate handling of EFT transmission by payee's financial institution

### **Constraints/Operational Cutoff Times**

- Bank One must process EFT disbursement on the same day the SETS EFT disbursement datafile for checks is received
- Exception processing must be reported to ODHS next business day.

### **Inputs/Outputs**

#### **Inputs**

- Daily SETS EFT disbursement datafile

#### **Outputs**

- Confirmation of successful EFT disbursement at payee financial institution
- Returned item information

### **Product Features/Approach**

- ACH, PPD transactions will be originated through Meret.
- Central Support Services will process the EFT disbursement file on the same day it is received from SETS. Central Support Services must receive the file a minimum of one day prior to the settlement date.



- Bank One will initiate all EFT transaction received by 5:00 p.m. EST for settlement the following business day.

### **Gap Analysis**



## **Function 1.6.6 Disbursement Status File**

### **Description**

Bank One will generate and transmit a daily datafile to SETS that will be used to update the disbursement status for ACH Direct Deposit transactions. Similar to cleared check information, the datafile will update the payment status in SETS to indicate that direct deposit has been initiated with the obligee's bank.

### **ODHS Requirements**

- Daily confirmation that EFT transactions included in the disbursement file had been initiated by Bank One.

### **Treasurer Requirements**

None

### **County Requirements**

- SETS regularly updated with disbursement status (to respond to obligor/payee queries)

### **Bank One Requirements**

- Timely and validated reception of update datafile by Central Support Services
- Exceptions handling resolved/reported as necessary

### **Constraints/Operational Cutoff Times**

- The ACH Direct Deposit disposition status update datafile must be generated and sent to ODHS by 5:00pm each business day for all ACH Direct Deposits settled that same business day (i.e. SETS disbursement/EFT authorized in a datafile received by Bank One on Tuesday morning from Monday night's batch should have the disposition status update on the update datafile generated to ODHS by 5:00pm Tuesday evening)

### **Inputs/Outputs**

#### **Inputs**

- Successful, confirmed EFT disbursements

#### **Outputs**

- SETS disbursement status datafile

### **Product Features/Approach**

- Central Support Services will provide SETS with a datafile to confirm EFT transactions initiated for the current business day, for settlement the following business day.

### **Gap Analysis**

- ODHS must provide a file format including necessary data elements to Bank One during detailed design.



## **Function 1.6.7            EFT Return Datafile**

### **Description**

County Services is responsible for identifying, recording and tracking any EFT disbursements. They are additionally responsible for providing reporting to ODHS and CSEAs.

### **ODHS Requirements**

- Scenarios for EFT returns.
- Timely and validated transmission of EFT returns datafile.

### **Treasurer Requirements**

None

### **County Requirements**

- Return reasons available through SETS for user inquiries.

### **Bank One Requirements**

- Timely and validated return reasons from payee's financial institution.
- Timely and validated receipt of EFT return datafile by SETS

### **Constraints/Operational Cutoff Times**

### **Inputs/Outputs**

#### **Inputs**

- EFT return information from payee's financial institution

#### **Outputs**

- EFT return datafile and transmittals

### **Product Features/Approach**

- Central Support Services will process returns. Central Support Services will report returns to the CSEA for appropriate handling. Please refer to Section 1.6.8, Research and Resolution.
- EFT Return Item Datafile will be submitted to ODHS by COB (5:00 PM ET) each business day. Any return EFT items received after the datafile is created will be reported on the next business day's datafile.

### **Gap Analysis**

N/A



## **Function 1.6.8          Research & Resolution**

### **Description**

County Services is responsible for providing exception reporting to CSEAs in order to facilitate research and resolution for individual failed EFT/EDI transactions. The CSEA is responsible for researching, resolving and updating SETS to reflect accurate information. The CSEA is additionally responsible for re-requesting the EFT/EDI transfer of funds.

### **ODHS Requirements**

- Timely and validated reception of EFT returns datafile.

### **Treasurer Requirements**

None

### **County Requirements**

- Reason codes for EFT return available through SETS.

### **Bank One Requirements**

- Timely and accurate return information from payee's financial institution

### **Constraints/Operational Cutoff Times**

- Alternative disbursement arrangements must be made within 2 days of disbursement availability in SETS
- EFT Return Item Datafile will be submitted to ODHS by COB (5:00 PM ET) each business day. Any return EFT items received after the datafile is created will be reported on the next business day's datafile.

### **Inputs/Outputs**

#### **Inputs**

- EFT return datafile

#### **Outputs**

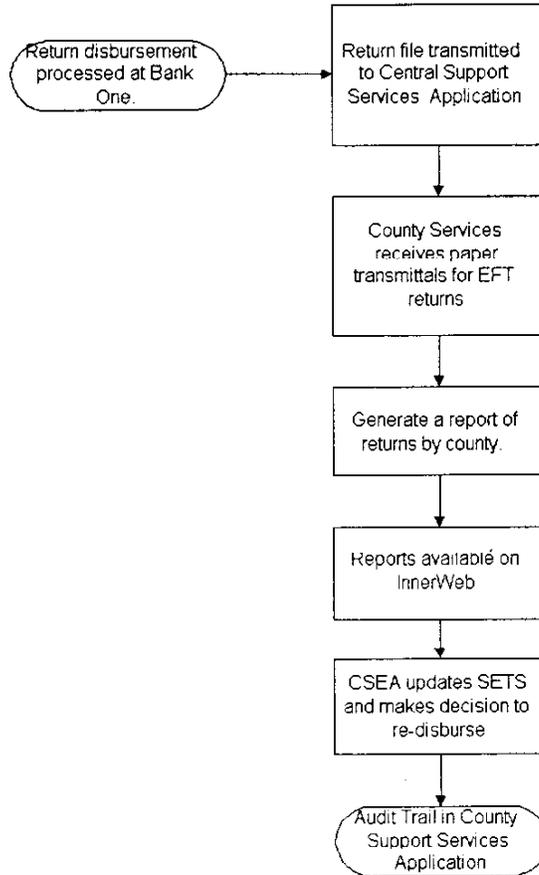
- Updated SETS case information
- Alternative disbursement action

### **Product Features/Approach**

### ***High Level Process Flow***

---





### ***Process Description***

### ***Assumptions***

- All return notifications will be communicated to the CSEA from Central Support Services.
  - CSEA will determine whether or not to re-disburse the item, and make any necessary corrections to the disbursement file.
  - Central Support Services will forward any NOC to the CSEA.
1. Bank One receives and processes return ACH disbursement.
  2. Bank One transmits return file to Anexsys for update to the Central Support Services Application, and send paper transmittals to Anexsys.
  3. Central Support Services Application generates a report, by county of return disbursement items.
  4. Central Support Services faxes the report to each county.
  5. The CSEA updates SETS and determines if the item should be redisbursed.



**Gap Analysis**  
N/A



## **Function 1.6.9 EFT Return Item**

### **Description**

All returned EFT disbursements must be tracked and recorded for appropriate reporting, research and resolution.

### **ODHS Requirements**

- Timely and accurate updating of case information in SETS with EFT disbursement returns, including reasons and resolutions.

### **Treasurer Requirements**

None

### **County Requirements**

- Updated disbursement information available in SETS for case participant inquiries.

### **Bank One Requirements**

- Timely and accurate responses from payee's financial institution as to reasons for return
- Specifications for EFT returns datafile

### **Constraints/Operational Cutoff Times**

- SETS must be updated on the same day EFT disbursement datafile was transmitted as to return status for nightly batch disbursement updating in SETS.

### **Inputs/Outputs**

#### **Inputs**

- EFT disbursement return results from payee's financial institution

#### **Outputs**

- EFT returns datafile

### **Product Features/Approach**

- Bank One will transmit a file 1x per day, any returns after file transmission would be sent the next day.
- Please refer to Section 1.6.8 Research and Resolution.

### **Gap Analysis**



## **Function 1.6.10      EFT Reconcile**

### **Description**

Central Support Services is responsible for daily disbursement reconciliation, and for reporting reconciliation status to the STO and ODHS. In order to perform daily reconciliation, County Services must compare the SETS daily EFT/EDI disbursement records to the Bank One reconciliation of the ACH Direct Deposit account (electronic payments). County Services is responsible for determining whether or not the account is in balance for that day, and reporting status appropriately.

### **ODHS Requirements**

- Timely and validated receipt of reconciliation reporting from County Services

### **Treasurer Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- Integrity and accuracy of daily reconciliation datafile.

### **Constraints/Operational Cutoff Times**

- Central Support Services will complete reconciliation on a daily basis.

### **Inputs/Outputs**

#### **Inputs**

- Reconciliation datafile
- Daily Disbursements List (by County)

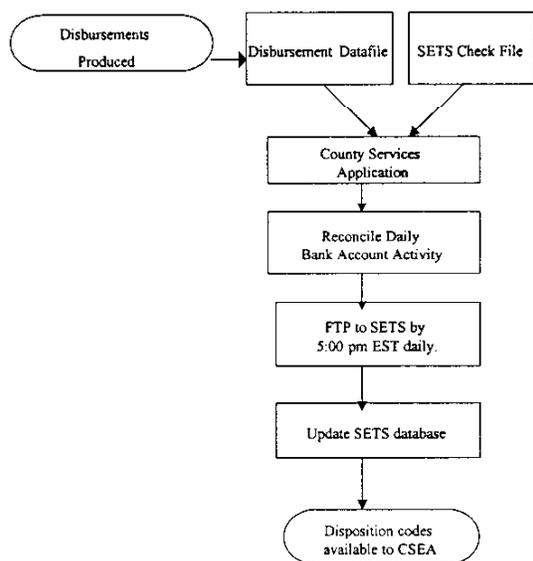
#### **Outputs**

- SETS reconciliation

### **Product Features/Approach**

#### *High Level Process Flow*





### ***Process Description***

1. Bank One will send a datafile to Central Support Services for upload to the Central Support Services Application.
2. SETS will transmit a daily check file to Anexsys for upload to the Central Support Services Application.
3. The Central Support Services Application will reconcile the bank activity to the SETS Check File.
4. Central Support Services will complete a reconciliation report to forward to the Treasurer, and will make the reports available on Inner Web when reconciliation is complete.
5. Central Support Services will FTP a datafile to SETS by 5:00 p.m. EST daily to update the SETS database. Data will include:
  - 9 digit check number
  - Disposition Status
  - Checks paid
  - Stop Payments
  - Voids
6. After the SETS database is updated, CSEAs will have up to date access to the disbursement disposition status.

### **Gap Analysis**



**Function 1.7.1 County Training**

**Function 2.1.1 Market Employer EDI**

**Description**

County Training activities associated with CC&D will be designed to assist State and County staff with the transition from current operations to the centralized structure. Training will be delivered to county staff impacted by CC&D changes and will be structured to assist them with the tasks necessary during both transition and ongoing activities. Additionally, CC&D training will be integrated into SETS' existing training and communications structure which is comprised of five regional training centers throughout the state of Ohio and the SETS InnerWeb site.

**ODHS Requirements**

- County Services will serve as the training contact for all county CSEAs and will provide training materials as necessary to facilitate efficient CSEA operations
- County Services and ODHS will partner to develop SETS related training and documentation materials for CC&D

**Treasurer Requirements**

None

**County Requirements**

- CSEAs will be kept "in the loop" as the CC&D effort evolves
- CSEAs will provide time and resources to ensure adequate levels of worker training agency-wide prior to CC&D implementation

**Bank One Requirements**

- Documentation of current operations must be available for easy reference and conversion to training materials

**Constraints/Operational Cutoff Times**

- Counties must have adequate training prior to implementation of CC&D

**Inputs/Outputs**

**Inputs**

- Complete CC&D documentation

**Outputs**

- Training Strategy
- Training Materials
- Supporting documentation for the SETS InnerWeb
- Supporting documentation for CBT (as necessary)
- County Office Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow



- Supply collateral material (deposit tickets, endorsement stamps, etc.) for distribution to OCCD clients in branch
- On-going communications through semi-annual newsletter distributed by mail and electronically

**Produce Features/Approach**

N/A

**Gap Analysis**

N/A



## Function 1.8.1

## Disaster Recovery

### Description

Bank One is responsible for identifying and implementing a Disaster Recovery Plan for both checkprinting and lockbox operations. Bank One has proposed that the plan encompass the existing check printing facility in Chicago, with Lockbox operations being deferred to the existing St. Louis lockbox operations facility. Bank One is responsible for providing a fully documented Disaster Recovery Plan.

### ODHS Requirements

- Bank One will backup/archive data on a frequent and regular basis
- County Services is responsible for providing protocol for offsite storage
- Bank One will provide data restoration processes that ensure full system functionality in the shortest possible time in the event of system failure
- In the event of system failure, Bank One will continue with daily CC&D operations
- Bank One must be able to guarantee file retrieval through archived files

### Treasurer Requirements

None

### County Requirements

None

### Bank One Requirements

- Checkprinting operations will be deferred to the existing Chicago checkprinting facility
- Lockbox operations will be deferred to the existing St. Louis lockbox operations facility

### Constraints/Operational Cutoff Times

- Bank One must maintain the normal CC&D process and implementation timeframes in the event of a disaster.

### Inputs/Outputs

None

### Product Features/Approach

N/A

### Gap Analysis

N/A



## Phase 2.1: ACH Direct Debit

### Function 2.1.1 Market Consumer ACH Direct Debit

#### Description

Obligor must be made aware of the availability of direct debit as a payment option. Advantages of direct debit should be communicated clearly and convincingly. Goals and metrics should be established to shape the overall marketing strategy.

#### ODHS Requirements

- Collaboration on establishing marketing goals and strategy
- Clear understanding of ACH direct debit procedures, standards and requirements

#### Treasurer Requirements

None

#### County Requirements

- Clear understanding of ACH direct debit procedures, standards and requirements
- Training for appropriate update of SETS for establishing obligor direct debit

#### Bank One Requirements

- Approval for marketing approach, materials and activities

#### Constraints/Operational Cutoff Times

N/A

#### Inputs/Outputs

##### Inputs

- ACH direct debit procedures, standards and requirements

##### Outputs

- Marketing materials
- Outreach activities

#### Product Features/Approach

- Initial announcement/marketing mailing to all participating non-withholding clients in the state (approximately 180,000 per month).
- Periodic marketing mailings to non-withholding clients that have not enrolled to participate in the electronic payment options.
- Payment Options brochure describing the alternatives available for employees to make payments electronically ACH Direct Debit (via Customer Initiate Entry or via Voice Response Unit, Pre-Authorized Debit, or Internet EBPP)
- Payroll statement stuffer available for employers to insert in employees checks encouraging participation in the



- electronic programs.
- Statewide Public Service Announcements (paper and electronic).

**Gap Analysis**

N/A



## **Function 2.1.2            Logistics/Setup**

### **Description**

Obligors interested in establishing ACH direct debit of their accounts must find counties prepared to provide them with the necessary forms and procedures. Expectations need to be set with the obligors as to when ACH direct debit will be processed and how much will be debited. Datafile exchange procedures must be established between SETS and Bank One. Initial intake and ongoing maintenance of obligors in the program will have to be addressed.

### **ODHS Requirements**

- Standard operating procedures for enrollment in ACH direct debit program
- Testing of ACH direct debit prior to actual billing/collections (system and individual user tests)
- Bank One communicates input requirements through marketing/outreach program to ensure comprehensive data collection, including:
  - SETS case number
  - SETS order number/state code/county code
  - Obligor last name, first name
  - Obligor SSN
  - Amount
  - Obligor Bank Account Name
  - Obligor Bank Account Routing Transit Number

### **Treasurer Requirements**

None

### **County Requirements**

- Training, procedures and forms/materials for proper updating of SETS for enabling ACH direct debit

### **Bank One Requirements**

- State approval of standard operating procedures.
- SETS posting file of ACH direct debit transactions.

### **Constraints/Operational Cutoff Times**

SETS must be ready to transmit request for ACH direct debit upon successful testing.

### **Inputs/Outputs**

#### **Inputs**

#### **Outputs**

- Standard operating procedures
- Enrollment materials
- Testing plan



### **Product Features/Approach**

- County Information Kit (includes summary of marketing effort and samples of marketing materials plus instructions on fulfilling employee requests for program information)
- Develop training documentation.
- Enrollment database and procedures
- File transfer protocol and interface requirements between Bank One, Central Support Services and SETS.
- Establish pre-note procedures.
- County Office Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
  - Supply collateral material (deposit tickets, endorsement stamps, etc.) for distribution to OCCD clients in branch
  - On-going communications through semi-annual newsletter distributed by mail and electronically

### **Gap Analysis**

N/A



### **Function 2.1.3          SETS Record**

#### **Description**

The obligor's SETS case information must reflect that the obligor has set up ACH direct debit for his or her child support payment.

#### **ODHS Requirements**

- File from Central Support Services to automatically update participant demographics in SETS, including the following data elements
  - Date requested/initiated
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state
  - Participant Zip + 4
  - Participant bank name
  - Participant bank account routing transit number/account number.

#### **Treasurer Requirements**

None

#### **County Requirements**

- Training for properly updating case status in SETS to permit direct debit

#### **Bank One Requirements**

#### **Constraints/Operational Cutoff Times**

- ACH participant demographic update datafile must be generated to SETS by 5:00pm every Friday for new/changed participant information received by Bank One/Anexsys for the previous week (Monday through that same Friday)

#### **Inputs/Outputs**

##### **Inputs**

- ACH Direct Debit specifications
- ACH Direct Debit case update procedures

##### **Outputs**

- Updated case information
- Updated SETS billing file



### **Product Features/Approach**

- Central Support Services will transmit a monthly file to SETS for update of SETS obligor data.

### **Gap Analysis**

- SETS does not currently maintain fields to indicate an ACH participant flag, or account number for the obligor record.



## **Function 2.1.4 Request ACH Direct Debit**

### **Description**

At predetermined intervals, Anexsys transmits a file to Bank One of all ACH debit transactions to be settled against an obligor's bank account, for obligors enrolled in the ACH Debit Program. ACH Direct Debit will be available to individual obligors and employers remitting obligations on behalf of an employee.

### **ODHS Requirements**

- Direct debit processing pursuant to participant requests.

### **Treasurer Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- Timely and validated transmission of SETS billing datafile, in standard format
- Accurate ACH direct debit case information

### **Constraints/Operational Cutoff Times**

- Bank One billing datafile is generated monthly, and must indicate form of payment
- Bank One to generate SETS posting datafile each business day for transactions that settle by 12Noon. The SETS posting datafile must be generated to ODIIS by 5:00pm EST for all ACH direct Debit transactions that settle by 12NOON EST that business day

### **Inputs/Outputs**

#### **Inputs**

- Case information including authorization for ACH direct debit

#### **Outputs**

- Bank One confirmation of successful receipt of valid ACH direct debit request

### **Product Features/Approach**

- Anexsys will generate and transmit a NACHA formatted file, to Bank One, to initiate the debit transactions.
- Anexsys will generate and transmit, to SETS, a daily datafile of all direct debit transactions. The interface and file format will be developed according to the file format acceptable to SETS.

### **Gap Analysis**

N/A



## **Function 2.1.5      Bank One Direct Debit**

### **Description**

In accordance with National Automated Clearing House Association (NACHA) rules, Bank One will process all ACH direct debit transactions for settlement at the obligor's financial institution.

### **ODHS Requirements**

- Timely and accurate debiting of obligor's account as agreed in obligor set up activity
- Exceptions handling and reporting

### **Treasurer Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- Accurate and current ACH direct debit information contained in Anexsys billing datafile

### **Constraints/Operational Cutoff Times**

- ACH direct debits will settle within 48hours of initiation.

### **Inputs/Outputs**

#### **Inputs**

- Request for ACH direct debit in SETS billing datafile

#### **Outputs**

- Confirmation of successful ACH direct debit from obligor's account

### **Product Features/Approach**

- File must be in NACHA Format
- File must be authenticated
- File must be received 1 day prior to settlement
- File must be transmitted
- (Testing requirements prior to going live)
- Returns and exceptions will be processed in Central Support Services.

### **Gap Analysis**



## Function 2.1.6      SETS Datafile

### Description

SETS must be updated daily with all payment activity that Bank One receives through ACH Direct Debit. This should be in the form of an update datafile transmitted from Bank One to SETS.

### ODHS Requirements

- Timely and validated transmission of payment activity update datafile
- Bank One must generate the following data elements on the payment posting datafile
  - Batch number
  - Collection Date
  - Receipt Date
  - Payment method
  - Deposit instrument tracking number
  - Deposit instrument item number
  - For each individual payment
    - Amount
    - SETS case number
    - SETS order number/state code/county code
    - SSN
    - Obligor last, first name
    - Employer TPN (where appropriate)
    - Employer name (where appropriate)

### Treasurer Requirements

None

### County Requirements

### Bank One Requirements

- Timely and validated reception of update datafile
- Exceptions handling resolved/reported as necessary

### Constraints/Operational Cutoff Times

- All ACH Direct Debit transactions received by 12NOON EST on a business day must appropriately identified and ready to transmit on the same business day for generation to ODHS/SETS by 5:00PM EST:

### Inputs/Outputs

#### Inputs

- ACH Direct Debit requests/settlement

#### Outputs

- SETS update datafile



**Product Features/Approach**

- Refer to flow chart under Section 2.1.2

**Gap Analysis**



## **Phase 2.2: Internet EBPP**

### **Function 2.2.1 Market Internet EBPP**

#### **Description**

Individual obligors and employers must be offered the option to view and/or pay child support obligations via a reasonably secure Internet session. The advantages of Internet access must be communicated clearly and convincingly. Reasonable action must be taken to ensure secure access to confidential financial information.

#### **ODHS Requirements**

- Complete documentation of Internet EBPP access standards, specifications and procedures
- Clear and consistent marketing activities and metrics
- Collaboration on marketing goals and approach

#### **Treasurer Requirements**

None

#### **County Requirements**

- Understanding of Internet EBPP access procedures
- Training for proper update of SETS for setting up Internet EBPP access

#### **Bank One Requirements**

- Approval for marketing approach, materials and activities

#### **Constraints/Operational Cutoff Times**

None

#### **Inputs/Outputs**

##### **Inputs**

- Internet EBPP access standards, specifications and procedures

##### **Outputs**

- Marketing materials
- Outreach activities

#### **Product Features/Approach**

- Initial announcement/marketing mailing to all employers in the state (approximately 400,000)
- Employer Direct Mail program (quarterly mailings)\*
- Employer Information Kit\*
- Employer Reminder Mailings (targeted to participating employers)
- Employer Electronic Newsletter (posted quarterly on the Internet Website)
- Statewide Publicity
- Statewide print advertising in metropolitan business publications



- Announcement/marketing mailings to key stakeholders, media and advocacy groups
- County Information Kit (includes summary of marketing effort and samples of marketing materials plus instructions on fulfilling employer requests for program information)
- Will include all levels of electronic collection capabilities: EDI, Internet EBPP

**Gap Analysis**

N/A



## Function 2.2.2

## Logistics/Setup

### Description

Obligors and employers interested in viewing and/or paying child support obligations via secure Internet transmission must be provided with the necessary forms and procedures. Expectations need to be set with the obligors as to when Internet sessions will be available, how often the data is updated, and when Internet payments will be processed. Internet web server architecture will have to be specified. Datafile exchange procedures must be established between SETS and the web server. Communications protocols between the web server and Bank One must be specified. Initial intake and ongoing maintenance of employers and obligors in the program will have to be addressed.

### ODHS Requirements

- Standard operating procedures for enrollment in Internet EBPP
- Testing of Internet EBPP prior to actual billing/collections (system and individual user tests)
- Bank One to build web site and host web site using Bank One architecture, servers, information and transaction repository/database, development platform and ongoing maintenance platform
- Internet web site to be able to process both "push" and "pull" functions
  - Push: accept SETS billing datafile and display in easy-to-read fashion
    - Employer group model
    - Host multiple group models for any one employer, sorted by third party number
    - Search on employer name, third party number and FEIN
    - Individuals
    - Host multiple case/order obligations for one participant, sorted by participant
    - Search on name, participant number, SETS case number
  - Pull: accept updates to hosted information
    - Employer group model
    - Capture requests to consolidate multiple third party numbers for employers (i.e. merge lists)
    - Capture text information for employees (e.g., sick – no pay this period)
    - Capture modifications to amount withheld, participant information
    - Individual
    - Capture changes/additions to individual demographics (address, bank account, etc.)

### Treasurer Requirements

None

### County Requirements

- Training; procedures and forms/materials for proper updating of SETS for enabling Internet EBPP access

### Bank One Requirements

- State approval of standard operating procedures
- Specifications of SETS billing datafile
- Web server architecture and communications protocols
- Conversion software for converting SETS billing datafiles into ACH direct debit-ready datafiles
- Conversion software for converting ACH direct debit-results datafiles into SETS update datafiles
- ODHS support in identifying critical/mandatory data elements for capture as well as recommended capture points



**Constraints/Operational Cutoff Times**

SETS must be ready to transmit request for ACH direct debit upon successful testing.

**Inputs/Outputs****Inputs**

- Specifications of SETS billing datafile
- Specifications of web architecture, communications protocols

**Outputs**

- Standard operating procedures
- Enrollment materials
- Testing plan

**Product Features/Approach**

- County Office Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
  - Supply collateral material (deposit tickets, endorsement stamps, etc.) for distribution to OCCD clients in branch
  - On-going communications through semi-annual newsletter distributed by mail and electronically

**Gap Analysis**

N/A



### Function 2.2.3      SETS Billing Datafile Exchange

#### Description

On a monthly basis, SETS must provide the web server responsible for hosting Internet EBPP with billing information for those obligors and employers who have opted for Internet access to their child support obligations. Additionally, the Internet EBPP will capture additional new/changed information from employers and individuals and be responsible for capturing and updating SETS with information for verification by county staff.

#### ODHS Requirements

Timely and validated transmission of monthly billing datafile to Internet EBPP web server  
Proper updating of SETS as to Internet EBPP participation

- File from Central Support Services to automatically update participant demographics in SETS, including the following data elements
  - Date requested/initiated
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state
  - Participant Zip + 4
  - Participant bank name
  - Participant bank account routing transit number/account number
- File from County Services to automatically update employer roster information in SETS, including the following data elements
  - Date requested/initiated
  - Employer name
  - Employer third party numbers (TPNs)
  - Employer Federal Employer Identification numbers (FEINs)
  - Employer bank name
  - Employer bank account routing transit number/account number
  - Employee Information (new/changed for multiple employees)
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
- Participant street address



- Participant city
- Participant state
- Participant Zip + 4

#### **Treasurer Requirements**

None

#### **County Requirements**

- Training for properly updating case status in SETS to permit Internet EBPP access
- Training on the automatic update/verification of new employer and /or individual information posted to the internet payment posting site

#### **Bank One Requirements**

- Timely and validated transmission of monthly SETS billing datafile, in standard format, to web server for both employer group models and individual obligations.
- Accurate, complete and timely updating of SETS records

#### **Constraints/Operational Cutoff Times**

- The SETS billing datafile must be received by Internet EBPP web server monthly for the purpose of displaying up-to-date bills to participating employers and obligors in agreed-upon time frames.
- Internet EBPP participant/employer demographic update datafile must be generated to SETS by 5:00PM every Friday for new/changed participant information received by Bank One/Anexsys for the previous week (Monday through that same Friday)

#### **Inputs/Outputs**

##### **Inputs**

- Internet EBPP specifications
- Internet EBPP case update procedures

##### **Outputs**

- Updated case information
- Updated SETS billing file

#### **Product Features/Approach**

EBPP will receive a monthly billing data file from SETS, which will be displayed as a invoice on the WEB to participating employers or obligators

#### **Gap Analysis**

N/A



## **Function 2.2.4 Request ACH Direct Debit**

### **Description**

Upon successful Internet login and request for direct debit payment to child support obligation, the web server must generate a valid ACH direct debit request.

### **ODHS Requirements**

- Timely and validated transmission of SETS billing datafile to web server
- Appropriate translation of SETS billing datafile into "live" bill on Internet web server
- Accurate Internet EBPP case setup and information entered into SETS

### **Treasurer Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- Timely and validated transmission of SETS billing datafile, in standard format, to web server
- Reliable processing of SETS billing datafile by web server
- Accurate Internet EBPP case setup and information entered into SETS
- Secure web page for collecting account information from employers/obligors

### **Constraints/Operational Cutoff Times**

- The user must receive "live" feedback on status of payment authorization.
- Bank One to generate SETS posting datafile each business day for transactions that settle by 12Noon. The SETS posting datafile must be generated to ODHS by 5:00PM EST for all ACH direct Debit transactions that settle by 12NOON EST that business day

### **Inputs/Outputs**

#### **Inputs**

- Case information including authorizations for Internet EBPP and ACH direct debit

#### **Outputs**

- Confirmation of successful receipt of valid ACH direct debit request

### **Product Features/Approach**

- When selected by the customer, the electronic payment Web page will appear with pre-populated payment data displayed based on the net invoice amount.
- The customer will initiate payment of the invoice to establish an ACH direct debit request.
- Payment history will be displayed online once initiated.
- Web pages will display brief information in tabular format for twenty payments at a time.
- Additional details regarding a payment will be available by selecting the payment from the display list.



**Gap Analysis**  
N/A



## **Function 2.2.5      Bank One Direct Debit**

### **Description**

Upon receiving valid ACH direct debit request, Bank One must direct debit obligor/employer's account.

### **ODHS Requirements**

- Timely and accurate debiting of obligor's account as agreed in obligor set up activity
- Exceptions handling and reporting
- Timely confirmation to online user of payment status

### **Treasurer Requirements**

None

### **County Requirements**

None

### **Bank One Requirements**

- Accurate and current case information and Internet EBPP information contained in SETS billing datafile
- Timely and accurate transmission of ACH direct debit information from online user via web server

### **Constraints/Operational Cutoff Times**

- Online user must receive payment status/confirmation as agreed during set up process

### **Inputs/Outputs**

#### **Inputs**

- Online user's debit information
- Web server-generated request for ACH direct debit

#### **Outputs**

- Confirmation of successful direct debit
- Exceptions handling reports

### **Product Features/Approach**

- A payment verification screen will appear after the payment screen has been processed.
- Once the payment has been processed and validated a confirmation number will be issued and the payment status displayed.

### **Gap Analysis**

N/A



## Function 2.2.6      SETS Datafile

### Description

SETS must be updated daily with all payment activity that Bank One receives through ACH Direct Debit. This should be in the form of an update datafile transmitted from Bank One to SETS.

### ODHS Requirements

- Timely and validated transmission of payment activity update datafile
- Bank One must generate the following data elements on the payment posting datafile
  - Batch number
  - Collection Date
  - Receipt Date
  - Payment method
  - Deposit instrument tracking number
  - Deposit instrument item number
  - For each individual payment
  - Amount
  - SETS case number
  - SETS order number/state code/county code
  - SSN
  - Obligor last, first name
  - Employer TPN (where appropriate)
  - Employer name (where appropriate)

### Treasurer Requirements

None

### County Requirements

### Bank One Requirements

- Timely and validated reception of update datafile
- Exceptions handling resolved/reported as necessary

### Constraints/Operational Cutoff Times

- All ACH Direct Debit transactions received by 12NOON EST on a business day must appropriately identified and ready to transmit on the same business day for generation to ODHS/SETS by 5:00PM EST:

### Inputs/Outputs

#### Inputs

- ACH Direct Debit requests/settlement



### **Outputs**

- SETS update datafile

### **Product Features/Approach**

- Refer to flow chart under Section 2.1.2

### **Gap Analysis**

- An example is needed of the format required for the SETS update datafile.



## **Function 2.2.7          Reconciliation Datafile**

### **Description**

Bank One generates and transmits to SETS a daily reconciliation datafile containing all received ACH Direct Debit information for SETS payment posting.

### **ODHS Requirement**

- Timely and validated transmission of reconciliation datafile for the purpose of reconciling SETS and Bank One financial information

### **County Requirements**

None

### **Treasurer Requirements**

None

### **Bank One Requirements**

- Timely and validated reception of reconciliation datafile

### **Constraints/Operational Cutoff Times**

- Reconciliation datafile must be received by SETS in time to run nightly batch

### **Inputs/Outputs**

#### **Inputs**

- ACH Direct Debit reconciliation by Bank One

#### **Outputs**

- SETS confirmation of Reconciliation Datafile reception

### **Product Features/Approach**

None

### **Gap Analysis**

- It is assumed that the reconciliation, reporting and daily file transmission requirements will not be supported on the ARP SMS system or by ARP Operations.



## Function 2.2.8      ACH Direct Debit Deposit Reconciliation

### Description

Bank One/Anexsys will conduct a reconciliation of all payments posted to SETS through the batch update process for ACH Direct Debit transactions. It is assumed that all ACH Direct Debit payments are "good money" upon initiation, therefore reducing or eliminating returned deposit items. As a result, the SETS-based reconciliation will be a matter of updating the "cleared" status of individual "deposit instrument tracking numbers" from the ACH Direct Debit header record.

### ODHS Requirements

- Research support from County and Bank One partners as needed
- Timely and validated reception of daily reconciliation datafile

### Treasurer Requirements

None

### County Requirements

None

### Bank One Requirements

- Integrity and accuracy of daily reconciliation datafile

### Constraints/Operational Cutoff Times

- Central Support Services is responsible for generating the "clean" reconciliation datafile for the prior business day's activity by 5pm that business day (e.g., County Services is responsible for receiving "raw" reconciliation data from Monday's bank activity and reconciling on Tuesday in order to generate a "clean" datafile to SETS by 5pm Tuesday for Monday's "raw" activity)

### Inputs/Outputs

#### Inputs

- Reconciliation Datafile

#### Outputs

- SETS reconciliation

### Product Features/Approach

#### Gap Analysis

- It is assumed that the reconciliation, reporting and daily file transmission requirements will not be supported on the ARP SMS system or by ARP Operations.
- Anexsys and Bank One must meet to clarify the requirements for deposit reconciliation of ACH Direct Debit collections posting



## **Function 3.1.1 Market Lockbox**

### **Description**

The first step in implementing Lockbox functionality for CC&D is to notify individuals and employers that there is a new central location for the receipt of paper collections. At the time Lockbox is introduced, full SETS conversion will be complete, facilitating the transition of all paper collections to a centralized location.

### **ODHS Requirement**

- Communicate benefits of lockbox operation to stakeholders, and statutory requirements
- Effort must be sufficient to move payor community to use the central lockbox location

### **County Requirement**

- Communication of new processes associated with central receipting;
- Information concerning process for local collections (i.e. walk-ins) and proper procedures for collection at the local level;
- Identification of primary vendor point of contact for information and issue resolution during implementation and ongoing operations.

### **Bank One Requirement**

- Conversion of all legacy system cases to SETS completed by 8/2000.
- Bank One will not accept cash deposits at a Bank One teller window.

### **Constraints/Operational Cutoff Times**

#### **Input/Outputs**

##### **Inputs**

##### **Outputs**

### **Product Features/Approach**

- Initial announcement/marketing mailing to all employers in the state (approximately 400,000 Large employers)
- Employer Direct Mail program (quarterly mailings)\*
- Employer Information Kit\*
- Employer Reminder Mailings (targeted to participating employers)
- Employer Electronic Newsletter (posted quarterly on the Internet Website)
- Statewide Publicity
- Statewide print advertising in metropolitan business publications
- Announcement/marketing mailings to key stakeholders, media and advocacy groups
- County Information Kit (includes summary of marketing effort and samples of marketing materials plus instructions on fulfilling employer requests for program information)

### **Gap Analysis**

- Bank One will not accept cash deposits at a Bank One teller window. Marketing message should be delivered to



those obligors that regularly make cash walk in deposits, to notify them that this service will no longer be available.



## **Function 3.1.2 Logistics/Setup/Maintenance**

### **Description**

Establishment of collection processes and procedures designed to support the central collection of paper based payments.

### **ODHS Requirement**

- Transition planning from current county operations (phase I - county packs) to central lockbox location;
- Identification of research procedures for "exception items" (e.g. no coupon, insufficient identifying information...) and how they will be handled by the lockbox operation or other (e.g. Central Support Services);
- Identify resolution steps that the vendor will take for items, and the point at which they are passed to county staff for resolution;
- Determine method of information transfer — how will the counties get the information needed to resolve items (e.g. coupon, check, envelope, any enclosed information);
- Phased implementation schedule to be developed. All counties must be fully converted to lockbox processing by 9/30/2000.
- Identification of timelines for mail pickup, payment postings, and file transfers that is consistent with SETS processing schedule and maximization of funds availability.
- Imaging of deposit instruments and associated remittance documentation for all lockbox items.

### **County Requirement**

- Determination of detailed walk-in collection workflow, information transfer, funds transfer and associated timelines and procedures;
- Identification of research procedures for "exception items" (e.g. no coupon, insufficient identifying information...) and the necessary county responsibilities in the research process.;
- Identify resolution steps that the vendor will take for items, and the point at which they are passed to county staff for resolution;
- Determine method of information transfer — how will the counties get the information needed to resolve items (e.g. coupon, check, envelope, any enclosed information);

### **Bank One Requirement**

### **Constraints/Operational Cutoff Times**

### **Input/Outputs**

#### **Inputs**

#### **Outputs**

### **Product Features/Approach**

- County Packages will migrate to Lockbox.
- Items received at the county offices will be forwarded to the lockbox for processing



- Lockbox will receive and process collection items forwarded from county offices as well as items mailed directly to the lockbox location by individual obligors and employer payroll withholding.
- Lockbox will photocopy all check as part of the daily lockbox processing.
- County Office Training and Logistics Support:
  - Comprehensive Training Guide and program documentation for offices
  - CD-ROM overview of workflow
  - Supply collateral material (deposit tickets, endorsement stamps, etc.) for distribution to OCCD clients in branch
  - On-going communications through semi-annual newsletter distributed by mail and electronically

## Gap Analysis



### Function 3.1.3 SETS Billing Datafile

#### Description

SETS generates a monthly billing datafile, including information on all obligations and obligors. Additionally, there will be documentation accompanying lockbox remittance documentation with new/changed information for employer rosters and individuals. Bank One will be required to capture this information and update SETS employer and/or individual records for county staff verification.

#### ODHS Requirement

- Vendor to receive billing datafile including:
  - A) Individual
    - SETS case number
    - SETS order number/state code/county code
    - Participant last name
    - Participant first name
    - Participant middle initial
    - Participant street address
    - Participant city
    - Participant state
    - Participant zip + 4
    - Monthly obligation
  - B) Employer
    - Employer name
    - Employer TPN
    - Employer FEIN
    - Employer bank name
    - Employer RTN/account number
    - For each employee
      - SETS case number
      - SETS order number/state/county code
      - Participant last name
      - Participant first name
      - Participant middle initial
      - Participant social security number
      - Participant twelve digit number
      - Participant monthly obligation
      - Participant semi-monthly obligation
      - Participant biweekly obligation
      - Participant weekly obligation



- File from Central Support Services to automatically update participant demographics in SETS, including the following data elements
  - Date requested/initiated
  - Participant twelve digit identification number
  - SETS case number
  - SETS order number/state code/county code
  - Participant last name
  - Participant first name
  - Participant middle initial
  - Participant street address
  - Participant city
  - Participant state
  - Participant Zip + 4
  - Participant bank name
  - Participant bank account routing transit number/account number
- File from Central Support Services to automatically update employer roster information in SETS, including the following data elements
  - Date requested/initiated
  - Employer name
  - Employer third party numbers (TPNs)
  - Employer Federal Employer Identification numbers (FEINs)
  - Employer bank name
  - Employer bank account routing transit number/account number
  - Employee Information (new/changed for multiple employees)
    - Participant twelve digit identification number
    - SETS case number
    - SETS order number/state code/county code
    - Participant last name
    - Participant first name
    - Participant middle initial
    - Participant street address
    - Participant city
    - Participant state
    - Participant Zip + 4



## County Requirement

### Bank One Requirement

#### Constraints/Operational Cutoff Times

- The SETS billing datafile must be received monthly (within one business day after the completion of SETS month-end processing for the purpose of generating up-to-date bills to participating employers and obligors in agreed-upon time frames.
- Participant/employer demographic update datafile must be generated to SETS by 5:00PM every Friday for new/changed participant information received by Bank One/Anexsys for the previous week (Monday through that same Friday)

### Input/Outputs

#### Inputs

#### Outputs

#### Product Features/Approach

- Invoices will be produced out of the Check Outsourcing Operations, based on the SETS datafile.
- The SETS datafile will be transmitted to Check Outsourcing from Central Support Services.
- It is recommended that the billing amount is not printed on the invoice as this causes problems in the scanning process if the dollar amount on the invoice does not match the amount actually remitted.

#### Gap Analysis

Further discussion is required to determine the billing cycle in SETS versus lockbox billing cycle.



### **Function 3.1.4      Receive & Print Billing Documents**

#### **Description**

This section addresses processes and procedures for receiving SETS formatted billing datafile that will be used to generate and mail billing documents.

#### **ODHS Requirement**

- Vendor to receive billing datafile monthly and generate the indicated bills.
- Identification of return address for billing items that are returned – subsequent determination of resolution process for returned billing items, re-generation as necessary;
- Use of machine readable return coupons that facilitate automated processing;
- Analysis of benefits of including windowed return envelopes and a determination of their applicability and cost effectiveness for Ohio.
- Bills stuffed, postage applied, and mailed from Vendor maintained location.
- Update file to SETS indicating that billing notices were sent.
- County specific return address provided on datafile (all undeliverable billing statements returned to county of case responsibility or the central ODHS office).

#### **County Requirement**

#### **Bank One Requirement**

#### **Constraints/Operational Cutoff Times**

#### **Input/Outputs**

##### **Inputs**

##### **Outputs**

#### **Product Features/Approach**

- Invoices will be printed and mailed through the Check Outsourcing Operations, based on the SETS billing datafile.
- The documentation on the invoice will tie back each payment to the SETS case and order number. Other data elements required on the invoices will need to be specified.
- Define schedule for receipt of SETS billing datafile and document generation.

#### **Gap Analysis**

N/A



## **Function 3.1.5      Lockbox**

### **Description**

Bank One receives and processes all paper-based collections in a single central location generated from employers and individuals.

### **ODHS Requirement**

- Identification of protocol for capturing additional information included on billing coupon (e.g. new address on back of coupon), financial instrument, or other enclosed information and identifying the process for updating SETS with valid information;
- Vendor to pick up lockbox mail and process payments on the same day they are received;
- Execution of exception procedures (e.g. check not signed, coupon unreadable, coupon does not match check amount, numeric amount does not match written amount, etc.);
- Execution of resolution procedures for items that cannot be posted automatically or require research;
- Validation that collected payments are valid case/order combinations in SETS prior to transmission;

### **County Requirement**

- Comfort level that paper-based collections are being processed accurately and that the necessary information is reflected in SETS, is available in an online form, or has been forwarded from the Bank One/Anexsys operation.

### **Bank One Requirement**

- Items received in the lockbox by 8:30 a.m. will be processed on the current business day.
- Lockbox will identify invoices that indicate an address change is present, and forward all address changes requests to Central Support Services. Address changes will be transmitted to Central Support Services in a separate datafile, from the financial datafile.
- Lockbox will post deposits to one Master Account. Bank One will consolidate the deposit information for each county. After determining the county totals, the master account will be debited and the individual county collection accounts will be credited.
- State does not want paper documents returned. Bank will determine best storage vehicle after further discussion with statc.
- Bank One will follow current auditing requirements when cash deposits are received in the lockbox. This procedure involves dual cash control and issuance of a negotiable instrument in place of the cash.

## **Constraints/Operational Cutoff Times**

### **Input/Outputs**

#### **Inputs**

#### **Outputs**

### **Product Features/Approach**

### **Gap Analysis**



- Further discussion is needed to determine the exception item processing procedures.
- Development of document will be mutual. We will develop forms based on data gathered from state.
- Full-page documents will be developed.

**Function 3.1.6          Lockbox Account**

**Description**

The Lockbox Account is a Zero Balance Account (ZBA) that serves as the centralized collections location for all paper

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collections in Phase III of CC&D. The funds deposited into this ZBA will be concentrated into the Master Account on a daily basis to take full advantage of earnings credits. Bank One will track both the county of origin and the county to which the payment is posted for each submitted payment, and will deposit the funds into the centralized account structure daily.

### **ODHS Requirements**

#### *Implementation:*

- Bank One creation and maintenance of Lockbox account
- Conversion of foreign currency to US dollars

#### *Steady State:*

- Bank One must collect all Lockbox payments by 8:30 AM EST daily
- County Services must prepare a daily update to SETS regarding all necessary Lockbox collections information in a standard format readable by both SETS and Bank One systems
- SETS must be updated daily with the payment posting information provided by County Services
- Bank One must process Lockbox payments on the same day as pickup
- Ongoing maintenance and management of all aspects of the Lockbox account

### **Treasurer Requirements**

- 95% Next day availability of deposited items

### **County Requirements**

None

### **Bank One Requirements**

- Obligors will be made aware of the centralized collections location by County Services

### **Constraints/Operational Cutoff Times**

- Bank One must pick up all Lockbox collections by 8:30 AM EST daily
- Lockbox collections must be processed same day as pickup
- 90 days of audit records must be available on-line
- 7 years of hard copy records must be available off-line

### **Inputs/Outputs**

#### **Inputs**

- Lockbox collections

#### **Outputs**

- Daily settlement of Lockbox ZBA to Master Account
- Archived records of banking activity

### **Product Features/Approach**



## Gap Analysis



## Function 3.1.7 BAI2      Datafile

### Description

Bank One must transmit a daily reconciliation datafile to SETS reflecting all collections received into the Master Account, for the purpose of reconciling SETS payment posting processing.

### ODHS Requirement

- Create Recon Datafile Structure
- Verification of receipt of transmitted datafile. SETS is responsible for notifying Bank One if transmission is unsuccessful.

### County Requirement

- Comfort level that reconciliation is being performed on the account, and within SETS

### Bank One Requirement

- Generate Recon Datafile
  - Mandatory data elements
    - County number
    - Available payor/payment information
    - Deposit Status (whether or not item was deposited into account #7)
    - SETS receipt number
  - Organization of Datafile
    - Standard SETS file format
- Transmission Processing
  - Initiation of the electronic transmission
  - Monitoring of transmission
  - Retransmission of datafile in event of transmission error.
  - In the event of repeated unsuccessful electronic submissions, Bank One is responsible for transporting the Recon Datafile to SETS by other means.
- Backup Procedures
  - Bank One must make backup copies and be available to retransmit as necessary.

### Constraints/Operational Cutoff Times

- Bank One is required to maintain 90 days worth of Recon datafiles on site and a minimum of seven years' worth of backups available offline.
- File should be available for transmission no later than 1:00 PM ET each business day.

### Input/Outputs

#### Inputs

- Daily Deposits and undepositable items

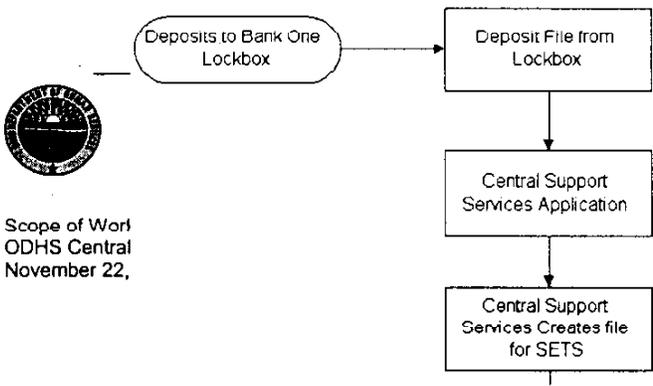


**Outputs**

- Recon datafile

**Product Features/Approach**

**Gap Analysis**



Scope of Work  
ODHS Central  
November 22,

### Function 3.1.8 Deposit Reconciliation

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**Description**

A comparison must be made between the Daily Deposit Record from SETS and the Bank One reconciliation of the receivables to check for posting errors and reconcile SETS financial records. Central Support Services will reconcile the daily bank deposits to the SETS deposit record.

**ODHS Requirement**

- Identify all postings made, by county. Submit postings to individual county for reconciliation.

**County Requirement**

- County to review postings and adjust incorrect data.

**Bank One Requirement**

- None

**Constraints/Operational Cutoff Times**

- Central Support Services must validate all reconciliation items by 5:00pm EST.

**Input/Outputs****Inputs**

- Recon Datafile

**Outputs**

- Reconciled accounts

**Product Features/Approach****High Level Process Flow*****Process Description*****Assumption**

- CSEA will continue current procedures for issuance of the disbursement file.
  1. Bank One Lockbox Operations will receive deposit items, post the items to the DDA, and balance the deposit items.
  2. Bank One will transmit the deposit file to Anexsys for update to the Central Support Services Application.
  3. Central Support Services Application will store the deposit file and transmit the deposit data to SETS.
  4. After SETS update, SETS will transmit a file to Anexsys for daily upload to the Central Support Services Application.
  5. Bank One will transmit a daily BAI2 Upload file to Anexsys for upload to the Central Support Services Application.
  6. The Central Support Services Application will complete an automated compare process of the SETS file and



- the BAI2 Download file and return a balance indicator of Yes or No.
7. If the balance indicator is Yes, the bank account is in balance with SETS. Central Support Services will produce a recon report for submission to the State of Ohio Treasurer and make the reports available on the Inner Web for access by county CSEAs.
  8. If the balance indicator is No, the bank account is not in balance with SETS and Central Support Services will take appropriate actions to research the discrepancy. Possible sources of errors could include
  9. Item is missing from the deposit
  10. SETS entry error
  11. SETS system error
  12. Encoding error
  13. Other Proof error (e.g. two checks overlaid)
  14. Once the error has been found, Central Support Services will communicate the information to the appropriate CSEA for correction in SETS.
  15. If the county determines that the nature of the error should result in a pull of the disbursement check/s, Central Support Services will process the void and initiate the pull request.

### *Gap Analysis*



### **Function 3.1.9 Lockbox Datafile**

#### **Description**

SETS must be updated daily with all payment activity that Bank One receives through Lockbox . This should be in the form of an update datafile transmitted from Bank One to SETS.

#### **ODHS Requirement**

- Same day processing of all items received in Lockbox by 8:30 a.m.
- Daily valid payment update file received by SETS no later than 6:00 p.m.
- Procedure for returning "bad" postings to Bank One/Anexsys for research/resolution.
- Payment datafile must be consolidated with payments received via EFT/EDI and ACH Direct Debit so that SETS received one daily payment datafile.
- Datafile must contain the necessary data elements to successfully post into SETS. Details of this information will be provided to Bank One/Anexsys.
- Datafile must contain 10 digit case number and 14 digit order number for each payment.

#### **County Requirement**

#### **Bank One Requirement**

- Table look up for SETS case and order number.
- Workflow definition.

#### **Constraints/Operational Cutoff Times**

#### **Input/Outputs**

##### **Inputs**

- Valid payment file

##### **Outputs**

#### **Product Features/Approach**

#### **Gap Analysis**

N/A



**EXHIBIT II**  
**Transaction Pricing**  
**Required Services**

<b>CAP SERVICE CODE</b>	<b>TMA CODE</b>	<b>Analysis Description</b>	<b>Unit of Measure</b>	<b>Unit Price</b>
		<b>ACH and Funds Transfer Services</b>		
		<b>MERET</b>		
2700	250101	Prenotifications - MERET	Item	0.042
2705	250100	ACH Debits Originated - MERET	Item	0.042
2708		ACH Credits Originated - MERET	Item	0.042
2707		ACH Files Processed - MERET	Per File	15.000
2712		ACH Returns Processed - MERET	Item	2.000
		<b>The One Net ACH</b>		
2700	250101	ACH Credits Originated - Includes One Net ACH	Per Item	0.065
2746		Net ACH Monthly Maintenance	Per Account	25.000
		<b>Funds Transfer Services</b>		
2885	350300	FT Voice Incoming Transfers	Wire	8.000
2896	350412	FT Mail Advice	Wire	0.000
		<b>ARP Services</b>		
3205	200110	Full Reconciliation Items	Item	0.055
3262	150030	Positive Pay - Bank Match	Month	50.000
3267	150039	Positive Pay - Fax Fee	Page	1.000
3263	150039	Positive Pay - Exceptions	Item	1.000
		Positive Pay - Check Returned	Item	2.000
3291	200301	ARP Transmission Outbound	Transmission	15.000
3293	200211	Key Entry Rejects	Item	0.090
3294	200210	Manual Issue Key Entry	Item	0.090
3372	200420	Additional Reconciliation	Reconciliation	5.000
3376	200324	ARP Custom/Special Reports	Report	10.000
3386	159999	Check Images via Image Archive	Check	0.030
3946		Image Retrieval Items	Check	1.000
2327	150419	STP Maintenance	Month	50.000
2323	150410	STP Payments	Item	10.000
		<b>Checkprinting</b>		
3470		Checkprinting Maintenance	Per Account /Per Month	30.000
3472		Checkprinting Items	Item	0.195
3476		Check Pulls	Item	15.000
3477		Checkprinting - Outgoing Transmission	Transmission	8.500
3480		Checkprinting - Input Transmission	Transmission	8.500
3484		Remittance Printing - Bills	Item	0.195
3485		Remittance Printing - Extra Pages	Page	0.100
3486		Remittance Pring - Envelopes	Item	0.030
		<b>Depository Services</b>		
1305	010101	Credits Posted	Item	0.300
2285	010100	Debits Posted	Item	0.100
1435	100400	Returned Deposited Items	Item	3.000
1450	100402	Returned - Redeposits	Item	3.000
1455	100440	Returned - Maker Name	Item	3.000
501	100220	Deposited Items - Encoded - On Us	Item	0.040
503	100222	Deposited Items - Encoded - Clearinghouse	Item	0.040
504	100229	Deposited Items - Encoded - Local City	Item	0.040
506	100225	Deposited Items - Encoded - Local RCPC	Item	0.050
510	100223	Deposited Items - Encoded - In District RCPC	Item	0.055
513	100224	Deposited Items - Encoded - National FRB Other	Item	0.060
702	100228	Deposited Items - Encoding	Item	0.030
		<b>EDI</b>		
2642	300000	Monthly Maintenance	Month	150.000
2647	300199	Daily Credit	Item	0.120

2664	300199	RMR/Addenda Charge	Item	0.030
4211	300100	Transmission	Transmission	8.500
		<b>Information Reporting</b>		
3642		BAI2 Custom File to TOS for ODJFS	Month	50.000
3658		BAI2 Custom File - Per Item	Item	0.060
		<b>Wholesale Lockbox</b>		
1972		Lockbox Maintenance	Month	50.000
1973		Item Processing - Postable/Unpostable Items		not valid
1968		Item Processing - Postable Items	Posting	1.550
1969		Lockbox Rejects - Unpostable Items	Item	1.800
1970		Lockbox Rejects - Monetary Unprocessable Items	Item	1.450
1979		Lockbox Rejects - Non- Monetary Unprocessable Items	Item	0.700
1981		Overpayment Balancing	Item	15.000
1974		Key Entry of Detail	100 characters	0.740
1982		Imaging - Maintenance	Month	75.000
1983		Imaging - per additional page	Page	0.250
1867		Package Pass-Thru (Lockbox Courier)		Pass Through
		<b>Other Depository Services</b>		
1005	010000	Account Maintenance	Month	10.000
1065	010021	Zero Balance Account	Month	19.000
1035		Postage		Pass Through
		<b>Anexsys Services</b>		
		<b>Centralized Support Services</b>		
5000		Reconciliation Services	Item	0.380
5001		Return Item handling	Item	3.500
5002		System & Database Maintenance	Month	115,000.000
5003		Customer Service ( Inquiries/Investigation)	Item	7.450
		Customer Service (Unpostable processing)	Item	11.000
		ACH Enrollments (ACH Setup or Charge)	Item	7.000
		<b>Management Fees</b>		
5005		Ongoing Program Management	Month	44,848.000

**EXHIBIT II**  
**Transaction Pricing**  
**Optional Services**

<b>CAP SERVICE CODE</b>	<b>TMA CODE</b>	<b>Analysis Description</b>	<b>Unit of Measure</b>	<b>Unit Price</b>
		<b>ACH and Funds Transfer Services</b>		
		<b>MERET</b>		
2678		ACH Addenda Originated - MERET	Record	0.010
2796	250120	ACH Addenda Records	Record	0.010
2702		ACH Maintenance	Month	25.000
2720	250302	ACH Return Items	Item	2.000
2765	250501	ACH Transmissions	Per File	15.000
		<b>ARP Services</b>		
3225	200410	Account Set-up Fee	Implementation	60.000
		<b>Checkprinting</b>		
3470		Programming	Hour	100.000
		Inserts	Item	0.030
		<b>Depository Services</b>		
1455	100440	Returned - Maker Name	Item	3.000
1795		Package Pass-Thru (Overnight Delivery - UPS)	Item	5.000
		Dep Package Handling (County Packages)	Item	2.500
		Deposit Tickets		Pass Through
		Endorsement Stamps		Pass Through
		<b>Wholesale Lockbox</b>		
1989		Early Transmission Cut Off	Per Hour	1,000.000
1984		Imaging - per envelope	Item	0.250
1985		LOIS - Manual Photocopies	Page	1.000
1977		Programming / Development	Per Hour	100.000
		<b>Other Depository Services</b>		
1028	010499	Duplicate Statements	Each	5.000
1030	016010	Photocopies	Each	5.000
		<b>Anexsys Services</b>		
		<b>Centralized Support Services</b>		
		Special Handling	Per Occurance	Time and Materials
		Development per hour (Change control)	Per Hour	130.000
		<b>Marketing</b>		
		Publicity/Advertising	Per Month	TBD
		Employer Kits	Each	252.000
		Employer Kits - Discounted	Each	36.000
		Brochures	Each	0.590
		ACH Enrollment Forms	Each	0.590
		Employer Inserts	Each	0.590
		Obligor Inserts	Each	0.590
		Direct Deposit Enrollment Form	Each	0.490
		Compliance Letter	Each	0.590
		Direct Deposit Enrollment Form - Reprint	Each	0.590
5009		Direct mail Packages	Each	0.680
		Quarterly Employer Newsletter	Each	0.680
		EDI Announcements for Employers	Each	0.680
		General Announcement for Payors	Each	0.680
		Direct Deposit Enrollment Process Letter	Each	0.680
		Web-based Application Announcement	Each	0.680
		Self Mailers/Postcards	Each	7.000

## ADDENDUM # 11 TO BANK AGREEMENT

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## ADDENDUM # 11 TO BANK AGREEMENT

This addendum ("Addendum") to the Bank Agreement (the "Agreement") is hereby made effective \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") by and between the Treasurer of the State of Ohio ("Treasurer"), the Ohio Department of Human Services ("ODHS"), (hereinafter collectively referred to as "State") and Bank One, N.A. ("Bank") (all three are collectively referred to as the "Parties").

### BACKGROUND AND OBJECTIVES

In response to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, ("PRWORA") which mandates that the State of Ohio centralize the collection and disbursement of child support payments, the State desires to secure on behalf of ODHS a comprehensive and sophisticated set of integrated banking and project management services which include, but are not limited to:

- A. Solution Development and Project Management
- B. Account Management
- C. Electronic and Paper-Based Collection Services
- D. Support Services for Reconciliation, Research and Resolution
- E. Check Issuance and Reconciliation
- F. Electronic Disbursements
- G. Marketing and Training
- H. Program Management
- I. Other Related Services

(hereafter "Services" and/or the "Project").

Based on Bank's experience working with other state governments to fulfill the requirements of PRWORA, the Treasurer approached Bank for assistance after ODHS was unsuccessful in securing a contract for services through the Request for Proposal process. The Treasurer and Bank determined that all Services are integral to the performance of banking functions and are within the scope of the Agreement. A full description of the required Services is provided in the Statement of Work (Exhibit I). The deliverables associated with this initiative (the "Deliverables") are to be provided in three (3) phases as indicated in Exhibit I.

### STATEMENT OF AGREEMENT OF THE PARTIES

The State and the Bank hereby acknowledge the accuracy of the above Background and Objectives and agree to the following provisions and amendments to the Agreement. All capitalized terms used and not defined herein shall have the same meaning as set forth in the Agreement. As used herein, the term "State" shall also include the ODHS, it being the intention of the Treasurer of the State of Ohio and Bank that the provisions of the Bank Agreement between the Treasurer and Bank as amended, and this Addendum inure equally to the benefit of and bind the ODHS. As between the Treasurer and ODHS, the Treasurer is custodian of the account for the monies collected and disbursed on behalf of ODHS for child support payments as described in Exhibit I.

- I. Section III. S of the Agreement is hereby amended and restated as follows:

- S. Undefined Services shall include, but are not limited to, the provision of Centralized Collection and Disbursement Services, as set forth below.

## **1.0 APPLICABLE DOCUMENTS**

Exhibits I, II and III are attached to and incorporated by reference to form a part of this Addendum. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, service, or other work, or otherwise, between the Agreement and the body of this Addendum and the Exhibits thereto, or between such documents, such conflict or inconsistency shall be resolved by giving precedence according to the following priority:

- A. The body of this Addendum
- B. Exhibit I - Statement of Work
- C. Exhibit II - Transaction Pricing and Deliverable Payment Schedule
- D. Exhibit III - State Transaction Volumes and Processing Assumptions
- E. Bank Agreement

## **2.0 TERM**

The term of this Addendum (the "Initial Term") shall commence as of the date of the completion of the Certification of Funds in Section 3.0 of this Addendum and shall end June 30, 2001, unless earlier terminated in accordance with the provisions of this Addendum. This Addendum may be renewed for successive terms of two (2) years and one (1) year, respectively (the "Renewal Term"), upon mutual agreement of State and Bank as to terms, conditions, and pricing applicable to such Renewal Term and subject to applicable statutory requirements. The Initial Term and the Renewal Term are collectively referred to herein as the "Term." No termination hereunder or the expiration of this Addendum shall affect the rights of either party which may have arisen prior to such termination or expiration.

## **3.0 CERTIFICATION OF FUNDS**

None of the rights, duties, or obligations in this Addendum will be binding on the State, and the Bank will not begin its performance, until all the following conditions have been met (State shall use its best efforts to meet these conditions by December 15, 1999):

- A. All statutory provisions under the Ohio Revised Code (the "Code"), including Section 126.07 are met.
- B. All necessary funds are made available by the appropriate state agencies.
- C. Approval of this Agreement is given by the Controlling Board of Ohio.
- D. The State gives the Bank written notice that the funds have been made available by delivery of the State of Ohio purchase order ("the Purchase Order") for this Addendum.

## **4.0 COMPENSATION**

4.1 In consideration of Bank providing the Services, and based on a schedule of Deliverables and transaction processing, ODHS will pay the Bank a projected cost of \$43,374,233.00 (the "Fees") as identified in the Transaction Pricing and Deliverable Payment Schedule (Exhibit II) over the initial term of this Addendum (\$14,695,075 for SFY00 and \$28,679,158 for SFY01). The Fees are based on transaction volumes and processing assumptions set forth in the State Transaction Volumes and Processing Assumptions (Exhibit III), provided by the State. Significant variances in these volumes may result in pricing adjustments which may increase or decrease the Fees identified. Any variances which result in an increase of the projected costs must be approved by the Controlling Board of the State of Ohio in accordance with Section 127.16 of the Code.

4.2 The Bank will provide earnings credits, defined as the simple average of the 91 day U.S. Treasury Bill coupon equivalent yield based on the number of weekly auctions during the month being analyzed, for available balances maintained in the State's main concentration account, to offset a portion of the monthly transaction fees. The number of auctions is determined by the auction settlement date.

4.3 Bank shall provide ODHS with a detailed invoice in triplicate for the actual cost of work no later than the twenty-eighth (28<sup>th</sup>) day of each month for the Fees incurred during the preceding month. Unless specifically stated otherwise, charges for Fees during the partial month commencing on the Effective Date and for any other partial month hereunder shall be prorated. ODHS shall pay the invoice within thirty (30) days after ODHS' receipt of such invoice. All invoices shall be sent to: Ohio Department of Human Services, Bureau of Accounting, 30 East Broad Street, 30<sup>th</sup> Floor, Columbus, Ohio 43266-0423, and such invoices shall contain: 1) Bank name and address; 2) amount of billing; 3) date; 4) detailed accounting of costs being billed; 5) Purchase Order number; 6) federal tax identification number of Bank.

4.4 In the event Bank has not received any invoice payment within ten (10) business days following its due date, ODHS will pay the Bank interest on any late payment as provided in Section 126.30 of the Code. If an invoice submitted to ODHS contains a defect or impropriety, ODHS shall send written notification to the Bank within fifteen (15) business days after receipt of that invoice. The notification shall contain a description of the defect or impropriety and any additional information necessary to correct the defect or impropriety. If ODHS sends such written notification to the Bank, the required payment date shall be thirty days after the date ODHS receives a proper invoice.

4.5 It is expressly understood by both the State and Bank that this Addendum will not be valid and enforceable until the Director of the Office of Budget and Management first certifies, pursuant to Section 126.07 of the Code, that there is a balance in the appropriation not already obligated to pay existing obligations. Bank hereby expressly agrees to neither perform work nor submit an invoice for payment for work performed under this Addendum for any time period prior to State notifying Bank that the requirements of Section 126.07 of the Code have been met. Bank further agrees to neither perform work nor submit an invoice for payment for work performed under this Addendum for any time period after the termination date set forth in Section 2.0 above.

4.6 Subject to the provisions of Sections 126.07 and 131.33 of the Code, which shall at all times govern this Addendum, State represents: (1) that it has adequate funds to meet its obligations under this Addendum; (2) that it intends to maintain this Addendum for the full period set forth herein and has no reason to believe that it will not have sufficient funds to enable it to make all payments due hereunder during such period; and (3) that it will use its best effort to

obtain the appropriation of any necessary funds during the term of this Addendum. However, it is understood by Bank that availability of funds is contingent on appropriations made by the Ohio General Assembly. If the Ohio General Assembly fails at any time to continue funding State for the payments due hereunder, this Addendum is terminated as of the date funding expires without further obligation of the State, except that State will be responsible for payment of all amounts incurred by Bank for which State has received funding.

## **5.0 NEW SERVICES AND CHANGES TO SERVICES**

5.1 Throughout the Term, Bank shall provide to State the Services, as may be modified or adjusted from time to time pursuant to the Change Control Process (defined below), and as supplemented by any New Services requested by the State in the future that are agreed upon by the Parties in accordance with this section. "New Services" shall be defined as additional services requested by the State that are an additional function, responsibility, or task that is not within the scope of the Services and are not included in the Fees and are not charged separately under another methodology ("New Services"). The State's request for a New Service may include a request for Bank to correspondingly reduce or eliminate one or more existing elements of the Services. In such event, Bank shall determine the resources and expenses related to the element or elements of the Services being reduced or eliminated and those required for the New Services being added. Within ten (10) business days after receiving each request for New Services, Bank will provide a written quote for such New Services to State setting forth the net increase or decrease in the Fees and/or other charging methodologies, if any. If the State elects to have Bank perform the New Services, Bank shall provide the State with an additional Statement of Work to be agreed upon by both parties and appended to this Addendum that includes a description of the services to be provided by Bank, the Parties' responsibilities with respect to such services, and a schedule of Bank's charges for such services. The State and Bank agree that changes during the Term to functions, responsibilities and tasks that are within the scope of the Services will not be deemed to be New Services, if such functions, responsibilities and tasks evolved or were supplemented and enhanced during the Term by Bank with notice to the State or pursuant to the provisions of this Addendum, including, without limitation, the Change Control Process as described below.

5.2 The Bank and the State recognize that either of them may want to implement changes in the types and levels of the activities, processes, provisions and operations under this Addendum and the Statement of Work and to evolve the Services agreed to in the Statement of Work under this Addendum. State and Bank agree to document and maintain a written process for controlling all such changes (the "Change Control Process"). The party proposing a change will document it in writing (a "Change Order") that provides technical and cost justification for the change and that specifies a desired implementation date. Each party will review a Change Order received from the other within ten (10) business days after receipt of each Change Order to determine at a minimum whether such change is: (a) appropriate, and (b) within the scope of the Services or constitutes a New Service. State and Bank will assess the impact of the Change Order, considering resources required and other planned and in-process changes. No Change Order will be implemented without the written approval of both Parties and shall set forth applicable specifications, schedules, pricing adjustments, resources to be utilized, responsibilities of both Parties and definition of successful completion.

## **6.0 EXCUSABLE DELAY**

No 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 will notify the other promptly of any material delay in performance and will 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 must also 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.

## 7.0 NOTICES

All notices or demands required or permitted to be given or made to "the State" under this Addendum, shall be delivered to both the Treasurer and ODHS as indicated in this Section. All notices or demands required or permitted to be given or made under this Addendum shall be in writing and shall be deemed to have been validly served, given or delivered:

- A. upon receipt if deposited in the United States mails, first class mail, with proper postage prepaid,
- B. upon receipt of confirmation or answerback if sent by telecopy, or other similar facsimile transmission,
- C. one business day after deposit with a reputable overnight courier with all charges prepaid, or
- D. when delivered, if hand-delivered by messenger, all of which shall be properly addressed to the party to be notified and sent to the address or number indicated below. Addresses may be changed by either party giving ten days prior written notice thereof to the other party.

If to the Bank:

If by messenger or physical delivery:  
Bank One, NA  
100 East Broad Street, 7<sup>th</sup> Floor  
Columbus, Ohio 43215  
Attention: Wendy Kephart, Vice President

If by mail:  
Bank One, NA  
P.O. Box 710170  
Columbus, Ohio 43217-0170  
Attention: Wendy Kephart, Vice President  
Facsimile: 614/248-5518

If to Anexsys:

Anexsys, LLC  
525 West Monroe Street  
Suite IL1-0925  
Chicago, Illinois 60670  
Attention: James Ricordati  
Facsimile: 312/441-9340

With a copy to Bank's attorney:

Bank One, Texas N.A.  
1717 Main Street, 9<sup>th</sup> Floor  
Dallas, TX 75201  
Attention: Rikki O. Jones, Counsel  
Facsimile: 214/290-7759

If to the Treasurer:

State of Ohio-Office of the Treasurer  
30 East Broad Street, 9<sup>th</sup> Floor  
Columbus, Ohio 43266-0421  
Attention: Kevin J. Talty  
Facsimile: 614/644-7313

If to ODHS:

Ohio Department of Human Services  
Office of Child Support  
30 East Broad Street, 31<sup>st</sup> Floor  
Columbus, OH 43266 0423  
Attention: Diana Redman  
Facsimile: 614/752-9760

## 8.0 TERMINATION

8.1 The State may terminate the Addendum for the following reasons:

- A. A material breach of this Addendum by the Bank that remains uncured for sixty (60) days after receipt of written notice thereof. However, if a material breach of this Addendum (other than a breach of Section 17, hereof) occurs that by its nature cannot be cured by Bank within such sixty (60) day period, but the Bank submits a written plan to the State within such period to cure such breach after the sixty (60) day period and the plan (including the timing of the cure set forth in the plan) is accepted by the State in writing, which consent shall not be unreasonably withheld, the cure period for such breach shall be extended to the date set forth in the plan. Notwithstanding, State shall still be responsible for payment of all Fees due and payable through the termination date.
- B. As long as the State terminates in order to transfer the Services to either the State or a subdivision or agency of the state of Ohio and not to a third party competitor of Bank, State may terminate this Addendum for convenience upon ninety (90) days prior written notice to Bank but in no event shall State terminate under this Section 8.1.B prior to one year after Effective Date.
- C. The State may terminate this Addendum immediately upon delivery of written notice to Bank if the State has discovered any illegal conduct on the part of Bank or upon loss of funding as set forth in paragraph 4.6 of this Addendum.

8.2 Bank may terminate this Addendum in the event of a material breach by the State, including, but not limited to non-payment of any Fees, that remains uncured for a period of sixty (60) days after State's receipt of written notice from Bank.

8.3 **Costs of Termination.** In the event of termination by the State or by Bank pursuant to Sections 8.1 or 8.2, the State shall be responsible for payment of all Fees due and payable through the termination date. In addition to the payment of Fees as set forth in Section 8.3, in the event of termination by the Bank pursuant to Section 8.2 and notwithstanding any other provision of this Addendum, the State shall be responsible for payment of that amount of the Deliverable Payment Schedule which is reflected in Item II of Exhibit II, attached, which has

been billed or incurred by Bank up to the termination date, reduced by any amount of the Deliverable Payment Schedule attached, of which the State may have paid to Bank prior to the termination date (the "Termination Charge").

## 9.0 RESOLUTION OF DISPUTES

9.1 Dispute Resolution Process. All disputes, controversies or claims arising under this Addendum (including disputes as to State's right to terminate under Section 8.1.A, or Bank's right to terminate under Section 8.2 (each, a "Dispute") shall be resolved in accordance with this Section. State and Bank agree to utilize the following procedures to resolve any Dispute:

A. Level One. If Bank identifies a Dispute that requires formal resolution, it will give Ms. Diana Redman and Mr. Kevin Talty or their successor (collectively the "State Managers"), at the address specified for State in Section 7.0., prompt written notice thereof, and if State identifies a Dispute that requires formal resolution, it will give Ms. Wendy Kephart or her successor (the "Bank Manager"), at the address specified for Bank in Section 7.0., prompt written notice thereof. The State Managers and the Bank Manager (together, the "Managers") will then negotiate in good faith on a regular and frequent basis to resolve the Dispute as expeditiously as feasible. If the Managers are unable to resolve the Dispute within ten (10) business days of the date written notice of the Dispute is sent, or such longer period as the State Managers and the Bank Manager shall mutually agree, any Manager may state in writing to the others that they will not be able to resolve the Dispute through continued negotiation. Promptly thereafter, the Managers will refer the Dispute to a senior executive of Bank having management responsibility for the State relationship and a senior executive of State having management responsibility for the Bank relationship (collectively, the "Senior Executives"), and each Manager will provide to both Senior Executives a written statement (a "Dispute Statement") describing in detail his or her position related to the Dispute.

B. Level Two. Promptly after receiving the Dispute Statements, the Senior Executives will negotiate in good faith on a regular basis to resolve the Dispute as expeditiously as feasible. If the Senior Executives are unable to resolve the Dispute within twenty (20) business days after the date the original notice of Dispute is sent, or such longer period as the Senior Executives shall mutually agree, any Senior Executive may state in writing to the other that they will not be able to resolve the remaining Dispute through continued negotiation. Thereafter, the Senior Executives will submit a joint written recommendation for any issue(s) of the Dispute upon which the Senior Executives disagreed upon or which remain unresolved. Any party may propose to submit any issues that remain unresolved to arbitration pursuant to Section 9.2 hereof.

C. General Resolution Procedures.

1. Bank and State agree that they will refrain from referring the Dispute to arbitration pursuant to Section 9.2, and no court or arbitrator shall be competent to address any Dispute properly addressed in this fashion, until either party's Senior Executive provides a written notice to the other that he/she has concluded in good faith that amicable resolution through continued negotiation of the Dispute does not appear likely after the conclusion of the Level Two resolution process described above.

2. The purpose of preparing and submitting the Dispute Statements described above is to facilitate the resolution process. However, the Dispute Statements will not limit either party from identifying any additional relevant issues during the resolution process, including any arbitration pursuant to Section 9.2, nor will the Dispute Statements constitute a waiver of, or prejudice or limit either party's rights or remedies with respect to, the issue(s) addressed therein. The Parties agree to the extent allowed by Ohio and federal public records law, not to discuss or disclose the existence or content of any dispute with any third party or entity.

9.2 Arbitration.

- A. If a Dispute has not been resolved through the resolution process set forth in Section 9.1 hereof, then at any time after completion of such resolution process, regardless of the magnitude thereof or the amount in controversy or whether such Dispute would otherwise be considered justiciable or ripe for resolution by a court or arbitral tribunal, either party may propose, subject to the consent of the other party, that such Dispute be submitted for final determination by mandatory arbitration before a sole arbitrator in accordance with the rules of the American Arbitration Association. Arbitration shall only be entered into upon consent of all Parties, and shall not prejudice the legal, equitable or other remedies of the Parties.
- B. Any such arbitration shall be governed by the United States Arbitration Act, (provided, however, that in the event of conflict between such Act and the terms of this Addendum, the terms of this Addendum shall govern) and the Federal Rules of Evidence. The arbitrator shall determine issues of arbitrability but may not limit, expand or otherwise modify the terms of the Addendum nor have authority to award punitive, consequential, incidental, or other damages in excess of Direct Damages as defined here below. The arbitration shall be conducted in such location as the Parties may designate by mutual written consent; provided, however, that the arbitrator may from time to time convene, carry on hearings, inspect property or documents, and take evidence at any location which the arbitrator deems appropriate. If the Parties are unable to agree on a location within twenty (20) days, the arbitrator shall select the location and the arbitrator's selection shall be binding upon the Parties. The award shall be made within six (6) months after selection of the arbitrator. Each Party shall bear its own expenses but those related to the compensation of the arbitrator and applicable filing fees shall be borne equally.

9.3 Further Rules for Arbitration. With respect to any arbitration conducted pursuant to this Section 9:

- A. Judgment upon the award rendered in any such arbitration may be entered in any court of competent jurisdiction, or application may be made to such court for a judicial acceptance of the award and an enforcement, as the law of such jurisdiction may require or allow upon the consent of all Parties.

- B. The Parties, their representatives and/or the arbitrators and any other participants shall hold the existence, content and result of arbitration in confidence to the extent allowed by Ohio or federal public records law.
- C. The arbitrator's award shall be in writing setting forth the legal and factual basis therefor, except with request to the validity, infringement or misappropriation of any patents or other intellectual property rights of any Party, with respect to which such award shall be without findings or any statement of legal or factual basis.
- D. Any arbitrator selected hereunder shall be well-versed in any technology relating to the subject of the dispute.
- E. The arbitrator's award may in appropriate circumstances (other than in disputes concerning patents or other intellectual property rights) provide for injunctive relief.
- F. The Parties agree that the arbitrator shall be bound by all of the limitations on liability contained in Section 19.

#### **10.0 ASSIGNMENTS AND DELEGATION**

This Addendum, or any interest therein, including, but not limited to, any claim for monies due or to become due with respect thereto, unless agreed to in writing by the State, shall not be assigned or delegated, or both, by the Bank, and any assignment or delegation shall be null and void, except that Bank may assign this Addendum, or any interest therein, to an Affiliate or successor of Bank without the written consent of the State. As used herein, the term "Affiliate" shall be defined as any bank or corporation which Bank wholly owns and controls or which wholly owns and controls Bank or which is wholly owned and controlled by a bank or corporation which wholly owns and controls Bank. However, any attempted assignment or delegation to an Affiliate or successor Bank is null and void unless such Affiliate or successor has an agreement with the Treasurer pursuant to Section 113.051 of the Code and is a public depository in compliance with Section 135.18 of the Code.

#### **11.0 SUBCONTRACTING**

11.1 The State authorizes the use of Anexsys, LLC, to perform certain activities detailed in the Statement of Work, in addition to project and program management functions. Bank shall not enter into any other subcontracts for the Project without written approval from the State, which approval shall not be unreasonably withheld. Notwithstanding anything to the contrary herein, Bank may subcontract for the purchase of commercial goods that are required for the satisfactory completion of the Project without the State's consent.

11.2 The Bank will be solely responsible for payment of its subcontractors and any claims of subcontractors for any failure of the Bank or any of its other subcontractors to meet the performance schedule or performance specifications for the Project in a timely and professional manner.

11.3 The Bank will assume responsibility for all deliverables whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the State will consider the

Bank to be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Agreement.

11.4 Each subcontractor utilized by Bank must have a written agreement with the Bank that must incorporate this Addendum by reference.

## 12.0 PERSONNEL

12.1 Each of the Parties will be solely responsible for reporting, withholding and/or paying all employment related taxes, payments and/or withholdings for its own personnel, including, but not limited to, Federal, state and local income taxes, social security, unemployment or disability deductions, withholdings, and/or payments (together with any interest and penalties not disputed with the appropriate taxing authority).

12.2 The Parties understand and agree that all persons performing work under this Addendum by or on behalf of that party, are for purposes of workers' compensation liability, the sole employees of that party and not employees of any other party. Each party shall be solely liable and responsible for any and all workers' compensation benefits to any person as a result of injuries arising from or connected with any work performed by or on behalf of that party pursuant to this Addendum.

12.3 Each of the Parties shall timely appoint and provide personnel with suitable skills to provide, facilitate, and ensure the timely and proper definition, provision, performance, and delivery of the Services in accordance with this Addendum.

## 13.0 PROPRIETARY RIGHTS

13.1 Bank Proprietary Software. All software and related documentation (a) owned by Bank prior to the Effective Date, (b) of which Bank acquires ownership without the use of monies paid pursuant to this Addendum after the Effective Date, and (c) developed by or on behalf of Bank after the Effective Date without the use of monies paid pursuant to this Addendum in each case which is used by Bank in providing the Services ((a), (b), and (c) collectively are referred to herein as the "Bank Proprietary Software") shall be and shall remain the exclusive property of Bank and State shall have no rights, title or interests in the Bank Proprietary Software except as described in this section. During the Term, Bank hereby grants to State a royalty-free, non-exclusive, non-transferable right to (x) use, (y) copy for archival purposes or as may otherwise be required by this Addendum, and (z) to the extent permitted by the licenses or leases (the "Bank Third Party Licenses") in respect of the Bank Third Party Software (as hereinafter defined), modify as required by this Addendum (i) any Bank Proprietary Software, (ii) Bank Third Party Software, and (iii) any related documentation in Bank's possession on or after the Effective Date, the use of all of which is necessary for Bank to provide the Services and for State to use the Services. However, State may not decompile or reverse engineer the Bank Proprietary Software or Bank Third Party Software. As part of the Services, Bank shall, during the Term (i) use the Bank Proprietary Software and such other software as Bank and State may agree upon from time to time, as may be required to provide the Services, and (ii) make available such Bank Proprietary Software to State for use by State for its internal purposes solely in connection with the Services. Upon expiration or termination of this Addendum, if State desires to continue to use all or any portion of the Bank Proprietary Software, the Parties agree to negotiate in good faith the terms and conditions and a reasonable license fee for such use. Upon such State request and the mutual

agreement of the Parties. Bank shall grant to State an irrevocable, non-exclusive, non-transferable license to use for its internal purposes the Bank Proprietary Software then being used by Bank in connection with the Services in the form being used by Bank in connection with the Services as of the effective date of such expiration or termination. If the Parties do not reach a mutual agreement regarding State's use of the Bank Proprietary Software upon expiration or termination of this Addendum for any reason, the rights granted to State in this section shall immediately revert to Bank and State shall, at no cost to Bank,

- A deliver to Bank a copy of all the Bank Proprietary Software (including any related source code in State's possession) in the form in use as of the date of such expiration or termination of this Addendum; and
- B. return, destroy, or erase (as instructed by Bank) all other copies of the Bank Proprietary Software in State's possession or the possession of State's subcontractors, agents or employees.

13.2 Bank Third Party Software. All software and related documentation licensed or leased from a third party by Bank (a) prior to the Effective Date which will be used in connection with the Services and (b) after the Effective Date which will be used in connection with the Services ((a) and (b) collectively are referred to herein as "Bank Third Party Software") shall be and shall remain the exclusive property of such third party licensors and State shall have no rights or interests in the Bank Third Party Software except as described in this section. As part of the Services, Bank shall during the Term (i) use the Bank Third Party Software, and such other software as State and Bank may agree upon from time to time, as may be required to provide the Services, and (ii) to the extent permitted by applicable contracts with respect to such Bank Third Party Software, make available to State such Bank Third Party Software for use by State for its internal purposes solely in connection with the Services.

13.3 Software Escrow. A copy of all copyrightable specifications, source code, object code, test data, and documentation necessary for maintenance or modification of any software, modifications, and associated documentation (hereinafter "Application") developed with State funds under this Addendum will be provided to the State to be held in escrow. During the Term of this Addendum, the State will not make any use of the Application document, which it holds in escrow, except upon written consent of Bank. Throughout the Term of this Addendum and at expiration or cancellation of this Addendum, the State will own and the Bank will be granted a perpetual license, at no cost, to modify the Application, incorporate all or portions of it in other applications, or otherwise make use of the code, including, but not limited to the right to relicense, or to resell or transfer the license, except that Bank may not secure proprietary rights to such Application or code. The State hereby warrants that it has the authority to transfer and/or grant the license specified herein to Bank under this subsection. Upon the expiration or termination of this Addendum, any Application developed by Bank with funds pursuant to this Addendum may be used by and/or given to any agent or contractor of State only for the continuing operations of the State of Ohio's centralized collections and disbursement program (or any successor program). Provided, however, that any agency agreement or contract between the State and any such agent or contractor specifically confirms the State's ownership rights to such Application and prohibits any agent or contractor from using such Application, except for the State of Ohio's centralized collections and disbursement or successor program. It is further understood that in the event the State enters into any such contract or agency agreement which does not contain such prohibition, the Bank will suffer irreparable injury for which it would have no adequate remedy at law and Bank shall be entitled to preliminary and any other injunctive relief in addition to any other remedies to which Bank may be entitled at law or in equity. The

provisions of this Subsection 13.3 shall survive the termination, cancellation or expiration of the Addendum. Nothing in this Section 13 shall restrict State's rights to share such Application with the federal government nor shall this Section be read to restrict the federal government's rights to use and distribute the Application for purposes related to any federal program.

#### 14.0 SPECIAL CERTIFICATIONS OF BANK

By executing this Addendum, Bank certifies and affirms current compliance and agrees to continued compliance with each condition listed in this Section 13.0. The Bank's certification and affirmation of compliance with each of these conditions is considered to be a material representation of fact upon which State relied in entering this Addendum:

14.1 Bank, along with its officers, members, employees, have no interest, personal or otherwise, direct or indirect, which is incompatible or in conflict with or would compromise in any manner or degree with the discharge and fulfillment of his or her functions and responsibilities under this Addendum. Bank agrees to periodically inquire of its officers, members, and employees concerning such interests. Any person who acquires an incompatible, compromising, or conflicting personal or business interest shall immediately disclose his or her interest to State in writing. Thereafter, he or she shall not participate in any action affecting the work under this Addendum, unless State shall determine that, in the light of the personal interest disclosed, his or her participation in any such action would not be contrary to the public interest. The written disclosure of such interest shall be made to: Chief Legal Counsel, Ohio Department of Human Services, 30 East Broad Street, 31<sup>st</sup> Floor, Columbus, Ohio 43266-0423.

14.2 Bank agrees to refrain from promising or giving to any State employee anything of value that is of such a character as to manifest a substantial and improper influence upon the employee with respect to his or her duties. Bank also agrees that it will not solicit a State employee to violate any State rule or policy relating to the conduct of contracting parties or to violate sections 102.03, 102.04, or 2921.42 of the Code. Bank, its officers, members and employees are in compliance with section 102.04 of the Code and that if it is required to file a statement pursuant to 102.04(D)(2) of the Code, Bank has filed the statement with the ODHS Chief Legal Counsel in addition to any other required filings.

14.3 No federal funds paid to Bank through this or any other agreement with State will be or have been used to lobby Congress or any federal agency in connection with a particular contract, grant, cooperative agreement, or loan. Bank further certifies compliance with the lobbying restrictions contained in Section 1352, Title 31 of the U.S. Code, Section 319 of Public Law 101-121, and federal regulations issued pursuant thereto and contained in 45 C.F.R. Part 93, Federal Register, Vol.55, No.38, February 26, 1990, pages 6735-6756. If this Addendum exceeds \$100,000.00, Bank has executed the Disclosure of Lobbying Activities, Standard Form LLL, if required by federal regulations. This certification is a material representation of fact upon which reliance was placed when this Addendum was entered into.

14.4 Neither Bank nor any principals of Bank is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions by the United States Department of Health and Human Services or any other Federal department or agency as set forth in 45 C.F.R. Part 76. This certification is a material representation of fact upon which reliance was placed when this Addendum was entered into. If it is ever determined that Bank knowingly executed this certification erroneously, then in addition to any other remedies, this

Addendum will be terminated pursuant to Section 8.1, and State may advise the appropriate Federal agency of the knowingly erroneous certification.

14.5 Bank is in compliance with the executive agency lobbying requirements of sections 121.60 to 121.69 of the Code.

14.6 Bank is not on the most recent list established by the Secretary of State, pursuant to section 121.23 of the Code, which identifies Bank as having more than one unfair labor practice contempt of court finding.

14.7 Bank agrees to cooperate with ODHS and any Child Support Enforcement Agency (CSEA) in ensuring Bank or the employees of Bank meet child support obligations under state or federal law. Further, by executing this Addendum Bank certifies present and future compliance with any court or valid administrative order for the withholding of support which is issued pursuant to Chapter 3113 of the Code.

14.8 Bank is in compliance with section 4141.044 of the Code which requires Bank to provide a listing of all available job vacancies to the Ohio Bureau of Employment Services. This requirement does not apply when the Bank is filling the vacancy from within the organization or pursuant to a customary and traditional employer-union hiring arrangement.

14.9 Bank agrees not to discriminate against individuals who have or are participating in any work program administered by a county department of human services under Chapters 5101 or 5107 of the Revised Code.

14.10 As applicable to the Bank, no party listed in Division(I) or (J) of section 3517.13 of the Code or spouse of such party has made as an individual, within the two previous calendar years, one or more contributions in excess of \$1,000.00 to the Governor or to his campaign committees.

## 15.0 INSURANCE

15.1 The Bank will provide the following insurance coverage at its own expense throughout the term of this Addendum:

- A. Workers' compensation insurance, as required by Ohio law, and, if some of the Project will be done outside Ohio, the laws of the appropriate state(s) where work on the Project will be done. The Contractor will also maintain employer's liability insurance with at least a \$1,000,000 limit.
- B. Personal injury, bodily injury, and property damage liability insurance, including automobile coverage, with personal injury and bodily injury of not less than \$1,000,000 combined single limit, and property damage of at least \$500,000 for any one occurrence.

15.2 The Bank will also furnish a certificate of insurance to the State for the required coverage evidencing insurance from an insurance carrier, or carriers, authorized to do business in the State of Ohio. The certificate 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. The certificate must also:

- A. Provide 30 days' notice to the State before cancellation.

- B. Provide that the insurance is primary insurance and over any coverage held by the State.
- C. List ODHS and Treasurer as an additional insured.

## 16.0 RECORD KEEPING AND AUDITS

16.1 The Bank will keep all financial records in accordance with generally accepted accounting procedures consistently applied.

16.2 All records relating to costs, work performed and supporting documentation for invoices submitted to State by Bank along with copies of all deliverables submitted to State pursuant to this Addendum will be retained and made available by Bank for audit by the State of Ohio (including but not limited to ODHS, the Auditor of the State of Ohio, the Inspector General of Ohio, or any duly authorized law enforcement officials) and by agencies of the United States government for a minimum of three years after payment for work performed under this Addendum. If an audit, litigation, or other action is initiated during this time period, Bank shall retain such records until the action is concluded and all issues resolved or the three years end, whichever is later. If appropriate, Bank must meet the requirements of the federal OMB Circular A-133. Bank acknowledges, in accordance with section 149.431 of the Code, that certain financial records related to the performance of services under this Addendum may be deemed to be public records.

## 17.0 CONFIDENTIAL INFORMATION

17.1 All ODHS information which, under the laws of the State of Ohio or under federal law, is classified as public or private, will be treated as such by the Parties. Where there is a question as to whether information is public or private, ODHS shall make the final determination.

17.2 Bank and State each acknowledge that the other Party and/or its Affiliates, as applicable, possesses and will continue to possess information, which has commercial value in such other party's functional activity and is not in the public domain. Such information has been created, discovered, developed by such other party or provided to it by a third party, and such other party holds property rights in such information by assignment, license or otherwise.

### 17.3 Definitions:

- A. "Entity Information" means collectively the Confidential Information and Trade Secrets. Entity Information also includes information which has been disclosed to either party by a third party, which such party is obligated to treat as confidential or secret.
- B. "Confidential Information" means with respect to a party, any and all proprietary business information of the disclosing party and/or of third parties in the possession of the disclosing party treated as secret by the disclosing party (that is, it is the subject of efforts by the disclosing party that are reasonable under the circumstances to maintain its secrecy) that does not constitute a Trade Secret, including, without limitation, any and all proprietary information in the possession of such disclosing party of which the receiving party becomes aware as a result of its access to and presence at the other party's facilities, including with respect to State, and without limitation, the identity of and information related to individual child support obligors and obligees, and obligors' employers.

- C. "Trade Secrets" mean with respect to a party, information related to the services and/or functional activity of the disclosing party and/or of a third party which (a) derives economic value, actual or potential, from not being generally known to or readily ascertainable by other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts by the disclosing party that are reasonable under the circumstances to maintain its secrecy, including without limitation (i) marking any information clearly and conspicuously with a legend identifying its confidential or proprietary nature; (ii) identifying any oral presentation or communication as confidential immediately before, during or after such oral presentation or communication; or (iii) otherwise, treating such information as confidential or secret. Assuming the criteria in sections (a) and (b) above are met, Trade Secrets include, but are not limited to, technical and non-technical data, formulas, patterns, compilations, computer programs and software, devices, drawings, processes, data models, process models, methods, techniques, designs, programs, financial plans, product plans, lists of actual or potential customers and suppliers, and with regard to the State, lists of child support obligors, obligees and obligors' employers and all information contained therein.

#### 17.4 Obligations

- A. State and Bank will each refrain from disclosing, will hold as confidential and will use the same level of care to prevent disclosing to third parties, the Entity Information of the other party as it employs to avoid disclosure, publication or dissemination of its own Entity Information of a similar nature, but in no event less than a reasonable standard of care. Notwithstanding the foregoing, the Parties may disclose Entity Information to the authorized contractors and subcontractors, employees, agents, and officers involved in providing and using the Services under the Addendum where: (i) such disclosure is necessary to permit the contractor or subcontractor, employee, agent, or officer to perform its duties hereunder or use the Services; (ii) the contractor or subcontractor, employee, agent, and officer agree to observe the confidentiality and restricted use and disclosure covenants and standards of care set forth in this Section 16 and State and Bank are each third party beneficiaries for all purposes; and (iii) Bank in the case of State Entity Information received by Bank and disclosed as permitted herein, or State in the case of Bank Entity Information received by State and disclosed as permitted herein, assumes full responsibility for the acts or omissions of its contractors and subcontractors, employees, agents, and officers no less than if the acts or omissions were those of Bank and State respectively.
- B. Neither State nor Bank shall use the Entity Information of the other party except in the case of the Bank's contractors and subcontractors, employees, agents, and officers, (i) in connection with the performance of the Services and (ii) as otherwise specifically permitted in the Addendum, and in the case of the State, its contractors and subcontractors, employees, agents, and officers (a) as specifically permitted in the Addendum and (b) in connection with the use of the Services. Bank shall be responsible to ensure that its subcontractors, employees, agents, and officers comply with this Section 16.2.B and State shall be responsible to ensure that it and its contractors, subcontractors, employees, agents, and officers comply with this Section 16.2.B.
- C. Without limiting the generality of the foregoing, neither party will publicly disclose the terms of the Addendum, except to the extent permitted by this Section 16 and to enforce

the terms of the Addendum without the prior written consent of the other. Furthermore except as contemplated by the Addendum, neither State nor Bank will make any use of the Entity Information of the other party: acquire any right in or assert any lien against the other party's Entity Information except as contemplated by the Addendum; or refuse to promptly return, provide a copy of or destroy such Entity Information upon the request of the disclosing party. Notwithstanding any other provision of the Addendum, neither party will be restricted in using, in the development, manufacturing and marketing of its products and services and in its operations, any data processing, system operations, applications development or network management ideas, concepts, know-how and techniques which are retained in the minds of employees who have had access to the other party's Entity Information (without reference to any physical or electronic embodiment of such information), unless such use shall infringe any of such party's patent rights, copyrights, mask works rights or Trade Secrets.

17.5 Exclusions. Notwithstanding the foregoing, this Section 16 will not apply to any information which State or Bank can demonstrate was: (a) at the time of disclosure to it, in the public domain or was a public record pursuant to the laws of the State of Ohio; (b) after disclosure to it, published or otherwise becomes part of the public domain through no fault of the receiving party; (c) without a breach of duty owed to the disclosing party, is in the possession of the receiving party at the time of disclosure to it; (d) received after disclosure to it from a third party who had a lawful right to and, without a breach of duty owed to the disclosing party, did disclose such information to it; or (e) independently developed by the receiving party without reference to Entity Information of the disclosing party. Further, either party may disclose the other party's Entity Information to the extent required by law or order of a court or governmental agency. However, the recipient of such Entity Information must (if permitted by applicable law) give the other party prompt notice and make a reasonable effort to obtain a protective order or otherwise protect the confidentiality of such information, all at the discloser's cost and expense. It is understood that the receipt of Entity Information under the Agreement will not limit or restrict assignment or reassignment of employees of State and of Bank within or between the respective parties and their Affiliates, as applicable.

17.6 Loss of Entity Information. The receiving party will immediately notify the disclosing party, orally or in writing in the event of any disclosure, loss, or use in violation of the Addendum of a disclosing party's Entity Information known to the receiving party.

17.7 Limitation. The covenants of confidentiality set forth herein (a) will apply after the Effective Date to any Entity Information disclosed to the receiving party before and after the Effective Date and (b) will continue and must be maintained from the Effective Date through the termination of the relationship between the parties and (i) with respect to Trade Secrets, until such Trade Secrets no longer qualify as trade secrets under applicable law, and (ii) with respect to Confidential Information for a period equal to the shorter of two (2) years after termination of the parties' relationship under the Addendum, or until such Confidential Information no longer qualifies as confidential under applicable law or this Addendum. No party will be responsible for the security of the Entity Information of the other party during transmission via public communications facilities, except to the extent that such breach of security is caused by the failure of such party to perform its obligations under the Addendum or the negligent acts or omissions of such party, its contractors, subcontractors, Affiliates, employees, agents or officers.

17.8 Data. Each party's Entity Information is the exclusive property of the disclosing party and the furnishing of such information, data, records and reports to, or access to such items by,

the disclosing party and/or its subcontractors will not grant any express or implied license to or interest in the receiving party and/or its subcontractors relating to such information, data, records and reports except as required to perform the Services pursuant to the Addendum. Upon request by the disclosing party at any time and from time to time and without regard to the default status of the parties under the Agreement, the receiving party and/or its subcontractors shall promptly deliver to the disclosing party its Entity Information in electronic format and in such hard copy as existing on the date of the request by the disclosing party.

17.9 Bank agrees to coordinate all access to the ODHS network through the ODHS Office of Management Information Services. If such access is granted, Bank further agrees that no software or files will be downloaded from or loaded onto the ODHS network without prior, express consent of the Office of Management Information Services.

## **18.0 REPRESENTATIONS, WARRANTIES AND COVENANTS**

18.1 Each of the Parties warrants, represents and covenants that (a) it has, and during the Term will have, and each of its employees and subcontractors that it will use to provide and perform the Services has and during the Term will have, the necessary knowledge, skills, experience, qualifications, rights and resources to provide and perform the Services in accordance with the Addendum; and (b) the Services will be performed in a diligent, workmanlike manner in accordance with generally accepted industry standards applicable to the performance of such services.

18.2 Each of the Parties represents, warrants and covenants that it will perform its responsibilities under the Addendum in a manner that does not infringe, or constitute an infringement or misappropriation of any patent, Trade Secret, copyright or other proprietary or confidentiality right of any third party.

18.3 Each of the Parties represents, warrants and covenants subject to limitations within this Addendum that: (a) it has all requisite power and authority to enter into, and fully perform pursuant to, this Addendum and the consummation of the transactions contemplated hereby have been duly and properly authorized by all requisite action on its part; and (b) the Addendum has been duly executed and delivered by such party.

18.4 Bank does not warrant the accuracy of any advice, report, data or other product delivered to State to the extent any inaccuracies are caused by data/software provided by the State. Deliverables based on State-provided material are delivered "AS IS", and Bank shall not be liable for any inaccuracy therein. Bank will promptly notify the State of any such inaccuracies of which Bank becomes aware and the cause therefore if known by Bank. Bank will provide reasonable assistance to State to remedy such problems.

18.5 Each of the Parties agrees at its cost and expense to obtain all necessary regulatory approvals applicable to its business, to obtain any necessary permits for its business, and to comply with all laws and regulatory requirements applicable to the performance of its obligations under the Addendum.

18.6 Each of the Parties covenants to timely and diligently cooperate to effect the goals, objectives and purposes of the Addendum and to facilitate the performance of their respective duties and obligations under the Addendum in a commercially reasonable manner. Further, each

of the Parties agrees to deal and negotiate with each other and their respective Affiliates in good faith in the execution and implementation of their duties and obligations under the Addendum.

18.6 The State represents, warrants, and covenants that the Support Enforcement Tracking System will be fully operational and functioning by the Effective Date.

## 19.0 LIABILITY

19.1 The liability of Bank arising out of or resulting from the performance or non-performance of its obligations under this Addendum shall be limited to Direct Damages for any events, acts, or omissions, in an amount not to exceed in the aggregate the prior six (6) months of Fees paid to Bank by the State hereunder.

19.2 The liability of State arising out of or resulting from the performance or non-performance of its obligations under this Addendum shall be limited to Direct Damages for any events, acts, or omissions, in an amount not to exceed in the aggregate the greater of the prior six (6) months of Fees paid to Bank by the State hereunder, or the Termination Charge.

19.3 Unless specifically provided to the contrary in the Addendum, neither party shall have any liability whether based on contract, tort (including without limitation, negligence), warranty, guarantee or any other legal or equitable grounds to the other party for any damages other than Direct Damages, or to any third party or entity that is not a party to this Addendum. "Direct Damages" mean actual, direct damages incurred by the claiming party which include, by way of example but without limitation, (a) the reasonable costs of cover incurred by the State to obtain services which are the same as or substantially similar to the Services, (b) the reasonable costs to correct any deficiencies in the Services rendered by Bank, and (c) similar reasonable damages, but Direct Damages shall not include (i) loss of interest, profit or revenue of the claiming party or (ii) incidental, consequential, special, exemplary, punitive, multiple or indirect damages suffered by the claiming party (except as the damages described in (i) and (ii) are included as part of Fees or a Termination Charge specified for herein or as otherwise provided in the Addendum) and shall not include punitive or exemplary damages suffered by the claiming party arising from or related to the Addendum, even if such party has been advised of the possibility of such losses or damages.

19.4 The limitations or exculpation of liability set forth in Section 19.1 and 19.2 are not applicable to losses, liabilities, damages, penalties, and claims and related costs, expenses and other charges arising from a violation of the confidentiality provisions of Section 16. Nothing in this Addendum shall limit in any manner either party's right to seek injunctive relief. In no event will either party be liable for any damages to the other party if and to the extent caused directly or indirectly by such other party's negligence, willful misconduct, or failure to perform its responsibilities under this Addendum or any other Agreement.

19.5 The State and Bank agree to provide the other party with written notice of any claim or action giving rise to a claim for damages hereunder as promptly as practicable.

## 20.0 COMPLIANCE WITH APPLICABLE LAW

20.1 The Bank and the State shall comply with all applicable federal, state, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Addendum are hereby incorporated herein by reference.

20.2 All Bank or State personnel providing services under this Addendum which require specific federal, state or local governmental licenses or credentials shall maintain such licenses or credentials current and valid throughout the period of Addendum performance. Any Bank or State agent or employee who drives a vehicle in performance of Addendum operations shall have a valid operator's license for that vehicle class; evidence of vehicle insurance coverage for the driver will be required prior to assignment to such duties.

#### **21.0 FAIR LABOR STANDARDS**

The Bank and State shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and Bank shall indemnify, defend, and hold harmless the State, its officers, employees and agents, where not prohibited by law, from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorney's fees arising under any wage and hour law, including but not limited to, the Federal Fair Labor Standards Act, 1937 Public Act 278, as amended, for work performed by the Bank's or State's employees, respectively, for which the other may be found jointly or solely liable.

#### **22.0 NONDISCRIMINATION**

In the performance of this Agreement, the Bank and State agree not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability or Vietnam-era veteran status unrelated to the individual's ability to perform the duties of the particular job or position. Notices of Bank's compliance with these nondiscrimination laws shall be conspicuously posted and available for employees and applicants for employment. The Bank and State further agree that every subcontract entered into for the performance of this Agreement will contain a provision requiring non-discrimination in employment and notice of same, as herein specified, binding upon each subcontractor.

#### **23.0 DRUG FREE ENVIRONMENT**

The Bank and State will comply with all applicable state and federal laws regarding keeping a drug-free workplace. The Bank and State will make a good faith effort to ensure that all their employees, while working on State or Bank property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way. The Parties further agree that every subcontract entered into for the performance of this Agreement will contain a provision requiring a drug-free workplace, as herein specified, bonding upon each subcontractor.

#### **24.0 INDEPENDENT CONTRACTOR**

Bank agrees that no agency, employment, joint venture, or partnership has been or will be created between the parties hereto pursuant to the terms and conditions of this Addendum. Bank also agrees that, as an independent contractor, Bank assumes all responsibility for any federal, state, municipal, or other tax liabilities along with workers compensation, unemployment compensation, and insurance premiums which may accrue as a result of compensation received for services or deliverables rendered hereunder. Bank certifies that all approvals, licenses, or other qualifications necessary to conduct business in Ohio have been obtained and are operative. If at any time during the contractual period Bank becomes disqualified from conducting business in Ohio, for whatever reason, Bank must immediately notify State of the disqualification and Bank will immediately cease performance of its obligation hereunder.

#### **25.0 CAPTIONS AND PARAGRAPH HEADINGS**

Captions and paragraph headings used in this Addendum are for convenience only and are not part of this Addendum and shall not be used in construing this Addendum.

#### **26.0 WAIVER**

No waiver of any breach of any provision of this Addendum shall constitute a waiver of any other breach or of such provision. Failure of any party to enforce at any time, or from time to time, any provision of this Addendum shall not be construed as a waiver thereof. The specific rights and remedies set forth in this Addendum shall not be exclusive and are in addition to any other rights and remedies provided by law.

#### **27.0 GOVERNING LAW**

This Addendum shall be governed by, and construed in accordance with, the laws of the State of Ohio.

#### **28.0 SEVERABILITY**

If any provision of this Addendum or the application thereof to any person or circumstance is held invalid, the remainder of this Addendum and the application of such provision to other persons or circumstances shall not be affected thereby provided, however, the absence of the illegal provision does not render the performance of the remainder of the Addendum impossible.

#### **29.0 AUTHORIZATION**

The Bank and State represent and warrant that the person executing this Addendum is an authorized agent who has actual authority to bind that party to each and every term, condition, and obligation of this Addendum and that all requirements of the Bank and State, respectively, have been fulfilled to provide such actual authority.

#### **30.0 YEAR 2000 READINESS DISCLOSURE**

30.1 The Bank represents and warrants that it has met its Year 2000 goals. it has met all the Year 2000 guidelines set forth by its federal regulators and it is ready for the century date change. Being ready means that the Bank has fixed and tested its software, systems and applications (collectively, "Systems") including testing with customers, put those systems back into production and completed back up plans and plans for the weekend of January 1, 2000. The Systems that support the Services being offered in this Addendum were part of that effort. The State should not experience invalid and/or incorrect results related to the Year 2000 century date change from any Systems utilized in performing the Services. The Systems should work properly and reliably relating to the Year 2000 century date change which shall include date data century recognition, calculations which accommodate same century and multi-century formulas and date values including Leap Year, and date data interface values which interpret the correct century.

30.2 In the event that any Systems over which the Bank exercises direct control are found not to be Year 2000 ready, the Bank shall use commercially reasonable means to repair the Systems over which it has direct control to make them Year 2000 ready at no charge to the State within a commercially reasonable period of time after it becomes aware of the non Year 2000 ready status of such Systems. Systems over which the Bank exercises direct control does not include those provided by third parties including utilities and telecommunications providers. Repair of the Systems over which it has direct control as specified in this section shall be the State's sole and exclusive remedy with respect to the Systems supporting the Services which are not Year 2000 ready notwithstanding any other remedies which might be available pursuant to this Agreement or available generally under the law.

30.3 State warrants that the software, systems and applications (collectively, "State Systems") over which it has direct control and which impact the Bank pursuant to this Addendum shall be Year 2000 ready. State Systems over which State exercises direct control do not include those provided by third parties including utilities and telecommunications providers. In the event that any such State Systems are found not to be Year 2000 ready, State shall use commercially reasonable means to repair those State Systems in a commercially reasonable period of time after it becomes aware of the non-Year 2000 ready status of such State Systems.

### **31.0 ENTIRE AGREEMENT, AMENDMENTS**

This Addendum, the Statement of Work and any other Exhibits and attachment hereto which are incorporated by reference into this Addendum is the entire agreement between the Parties with regard to its subject matter, and there are no other representations, understandings or agreements between the Parties relative to such subject matter. No amendments to, or change, waiver or discharge of, any provision of this Addendum shall be valid unless in writing and signed by an authorized representative of the party against which such amendment, change, waiver or discharge is sought to be enforced.

### **32.0 COVENANT OF FURTHER ASSURANCES**

Bank and State covenant and agree that, subsequent to the execution and delivery of this Addendum and without any additional consideration, each of the State and the Bank will execute and deliver any further legal instruments and perform any acts which are or may become necessary to effectuate the intent and purposes of this Addendum.

**II.** Section IV. F of the Agreement is hereby amended and restated as follows:

The terms contained in this Agreement shall supersede any and all conflicting terms contained in any addendum hereto, except as stated in Addendum #5 - Agreed upon Bank Changes to Standard Treasurer of State Bank Contract and except as contained in Addendum #11 to Bank Agreement.

III. Except as specifically set forth herein, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Treasurer, Bank and ODHS agree to the amendment of the Agreement as set forth herein, as evidenced by the signature of their duly authorized representatives below.

Bank One, N.A.

By: Wendy M. Kephart  
Wendy M. Kephart  
Vice President

Date 11/23/99

Treasurer of the State of Ohio

By: Joseph T. Deters  
Joseph T. Deters  
Treasurer of State

Date 12/6/99

Ohio Department of Human Services

By: Jacqueline Romer-Sensky  
Jacqueline Romer-Sensky  
Director

Date 12.6.99

**EXHIBIT II  
Transaction Pricing  
Required Services**

<b>CAP SERVICE CODE</b>	<b>TMA CODE</b>	<b>Analysis Description</b>	<b>Unit of Measure</b>	<b>Unit Price</b>
<b>ACH and Funds Transfer Services</b>				
<b>MERET</b>				
2700	250101	Prenotifications - MERET	Item	0.042
2705	250100	ACH Debits Originated - MERET	Item	0.042
2708		ACH Credits Originated - MERET	Item	0.042
2707		ACH Files Processed - MERET	Per File	15.000
2712		ACH Returns Processed - MERET	Item	2.000
<b>The One Net ACH</b>				
2700	250101	ACH Credits Originated - Includes One Net ACH	Per Item	0.065
2746		Net ACH Monthly Maintenance	Per Account	25.000
<b>Funds Transfer Services</b>				
2885	350300	FT Voice Incoming Transfers	Wire	8.000
2896	350412	FT Mail Advice	Wire	0.000
<b>ARP Services</b>				
3205	200110	Full Reconciliation Items	Item	0.055
3262	150030	Positive Pay - Bank Match	Month	50.000
3267	150039	Positive Pay - Fax Fee	Page	1.000
3263	150039	Positive Pay - Exceptions	Item	1.000
		Positive Pay - Check Returned	Item	2.000
3291	200301	ARP Transmission Outbound	Transmission	15.000
3293	200211	Key Entry Rejects	Item	0.090
3294	200210	Manual Issue Key Entry	Item	0.090
3372	200420	Additional Reconciliation	Reconciliation	5.000
3376	200324	ARP Custom/Special Reports	Report	10.000
3386	159999	Check Images via Image Archive	Check	0.030
3946		Image Retrieval Items	Check	1.000
2327	150419	STP Maintenance	Month	50.000
2323	150410	STP Payments	Item	10.000
<b>Checkprinting</b>				
3470		Checkprinting Maintenance	Per Account /Per Month	30.000
3472		Checkprinting Items	Item	0.195
3476		Check Pulls	Item	15.000
3477		Checkprinting - Outgoing Transmission	Transmission	8.500
3480		Checkprinting - Input Transmission	Transmission	8.500
3484		Remittance Printing - Bills	Item	0.195
3485		Remittance Printing - Extra Pages	Page	0.100
3486		Remittance Print - Envelopes	Item	0.030
<b>Depository Services</b>				
1305	010101	Credits Posted	Item	0.300
2285	010100	Debits Posted	Item	0.100
1435	100400	Returned Deposited Items	Item	3.000
1450	100402	Returned - Redeposits	Item	3.000
1455	100440	Returned - Maker Name	Item	3.000
501	100220	Deposited Items - Encoded - On Us	Item	0.040
503	100222	Deposited Items - Encoded - Clearinghouse	Item	0.040
504	100229	Deposited Items - Encoded - Local City	Item	0.040
506	100225	Deposited Items - Encoded - Local RCPC	Item	0.050
510	100223	Deposited Items - Encoded - In District RCPC	Item	0.055
513	100224	Deposited Items - Encoded - National FRB Other	Item	0.060
702	100228	Deposited Items - Encoding	Item	0.030
<b>EDI</b>				
2642	300000	Monthly Maintenance	Month	150.000
2647	300199	Daily Credit	Item	0.120
2664	300199	RMR/Addenda Charge	Item	0.030

4211	300100	Transmission	Transmission	8.500
		<b>Information Reporting</b>		
3642		BAI2 Custom File to TOS for ODJFS	Month	50.000
3658		BAI2 Custom File - Per Item	Item	0.060
		<b>Wholesale Lockbox</b>		
1972		Lockbox Maintenance	Month	50.000
1973		Item Processing - Postable/Unpostable Items		not valid
1968		Item Processing - Postable Items	Posting	1.550
1969		Lockbox Rejects - Unpostable Items	Item	1.800
1970		Lockbox Rejects - Monetary Unprocessable Items	Item	1.450
1979		Lockbox Rejects - Non- Monetary Unprocessable Items	Item	0.700
1981		Overpayment Balancing	Item	15.000
1974		Key Entry of Detail	100 characters	0.740
1982		Imaging - Maintenance	Month	75.000
1983		Imaging - per additional page	Page	0.250
1867		Package Pass-Thru (Lockbox Courier)		Pass Through
		<b>Other Depository Services</b>		
1005	010000	Account Maintenance	Month	10.000
1065	010021	Zero Balance Account	Month	19.000
1036		Postage		Pass Through
		<b>Anexsys Services</b>		
		<b>Centralized Support Services</b>		
5000		Reconciliation Services	Item	0.380
5001		Return Item handling	Item	3.500
5002		System & Database Maintenance	Month	115,000.000
5003		Customer Service ( Inquiries/Investigation)	Item	7.450
		Customer Service (Unpostable processing)	Item	11.000
		ACH Enrollments (ACH Setup or Charge)	Item	7.000
		<b>Management Fees</b>		
5005		Ongoing Program Management	Month	44,848.000

# SUPPLEMENTAL INFORMATION TRAILER

This page is the last page of supplemental information for this competitive document. If you received this trailer page, all supplemental information has been received.

Note: portions of the supplemental information provided may or may not contain page numbers. The total number of pages indicated on the cover page does not include the pages contained in this supplement.

# **Supplement 4**

## **Current CSPC Billing Documents**

**Includes:**

**Category 1 Sample Billing**  
**(4 pages)**

**Category 2 Sample Billing**  
**(4 pages)**

**Category 3 Sample Billing**  
**(1 page)**



**Important Information:**

1. Please remit a signed check or money order payable to **Ohio Child Support Payment Central.**  
DO NOT SEND CASH.
2. Please complete the "Payment Amount" for each coupon being remitted.
3. Please include the Case/Order Number combination with your payment.
4. If your address is incorrect, please mark the address change box and make changes to the remittance document.
5. Send non-payment correspondence to your CSEA:  
109 WEST MAIN STREET  
MCARTHUR, OH 45651
6. If you have any questions on your payment/  
payment breakdown, please contact your local  
CSEA at – 1-740-596-5209  
SETS VRU – 1-800-860-2555

DOE, JOHN  
12345 MAIN STREET  
NEWARK OH 43058-4145

Child Support Support Summary For: **DOE, JOHN**  
County Name: **LICKING**

Case Number: **9999999999**

Social Security Number: **999-99-9999**  
Order Number: **XX9999999999 XX 999**

**Payment Breakdown**

Medical Support	Monthly	X	\$75.00	=	\$75.00
Spousal Support	Weekly	X	\$50.00	=	\$200.00
Child Support	Weekly	X	\$100.00	=	\$400.00
Sub Order 4	Weekly	X	\$80.00	=	\$160.00
Sub Order 5	Weekly	X	\$125.00	=	\$375.00
Sub Order 6	Weekly	X	\$430.00	=	\$430.00
Sub Order 7	Monthly	X	\$65.00	=	\$65.00
<b>Total Payment</b>					<b>\$1,305.00</b>

**Arrears due as of 12/17/99:** **\$1,530.00**  
(back support due in addition to total payment above)

**Instructions for coupon use:** Please remit one coupon per payment to:  
Ohio CSPC, P.O.Box 182372, Columbus OH, 43218-2372

Child support payment for the month of: **JANUARY, 2000**  
Please remit payment by: FEBRUARY 01, 2000

Address Change

DOE, JOHN  
Case Number 9999999999  
Order Number XX9999999999 XX 999  
Social Security Number 999-99-9999

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Make Checks Payable To:**

---Payment Amount---  
\$ \_\_\_\_\_ . \_\_\_\_

OHIO CHILD SUPPORT PAYMENT CENTRAL  
P.O. BOX 182372  
COLUMBUS OH 43218-2372

**DO NOT WRITE ON THIS SIDE OF FORM**

Child support payment for the month of: **JANUARY, 2000**

Please remit payment by: FEBRUARY 01, 2000

Address Change

DOE, JOHN

Case Number 9999999999  
Order Number XX9999999999 XX 999  
Social Security Number 999-99-9999

---

---

---

---Payment Amount---

\$ \_\_\_\_\_ . \_\_\_\_

Make Checks Payable To:

|||||  
OHIO CHILD SUPPORT PAYMENT CENTRAL  
P.O. BOX 182372  
COLUMBUS OH 43218-2372

9999999999 010030405062 070809101112 0102 567456 5 (This coupon will be inverted)

Child support payment for the month of: **JANUARY, 2000**

Please remit payment by: FEBRUARY 01, 2000

Address Change

DOE, JOHN

Case Number 9999999999  
Order Number XX9999999999 XX 999  
Social Security Number 999-99-9999

---

---

---

---Payment Amount---

\$ \_\_\_\_\_ . \_\_\_\_

Make Checks Payable To:

|||||  
OHIO CHILD SUPPORT PAYMENT CENTRAL  
P.O. BOX 182372  
COLUMBUS OH 43218-2372

9999999999 010030405062 070809101112 0102 567456 5

Child support payment for the month of: **JANUARY, 2000**

Please remit payment by: FEBRUARY 01, 2000

Address Change

DOE, JOHN

Case Number 9999999999  
Order Number XX9999999999 XX 999  
Social Security Number 999-99-9999

---

---

---

---Payment Amount---

\$ \_\_\_\_\_ . \_\_\_\_

Make Checks Payable To:

|||||  
OHIO CHILD SUPPORT PAYMENT CENTRAL  
P.O. BOX 182372  
COLUMBUS OH 43218-2372

9999999999 010030405062 070809101112 0102 567456 5

**DO NOT WRITE ON THIS SIDE OF FORM**

**DO NOT WRITE ON THIS SIDE OF FORM**

**DO NOT WRITE ON THIS SIDE OF FORM**



**Important Information:**

1. Please remit a signed check or money order payable to **Ohio Child Support Payment Central**.  
P.O. Box 182394, Columbus OH, 43218-2394  
DO NOT SEND CASH.
2. Complete the "Withholding Amount" field for each employee. The "Total Amount Remitted" field should be equal to the check amount.
3. Write the TPN assigned to you by SETS on your payment.
4. Please fill in your FEIN if not listed below.
5. If your address is incorrect, please make changes directly to this document and return with payment.
6. Contact Ohio CSPC Hotline at 1-888-965-2676, if  
- You're interested in processing your payments via EFT/EDI  
- You have questions about payments
7. If you have any questions about a specific case, a withholding Amount, or special payments, please contact CSEA that Sent you the original withholding order.

|||||  
MOM & POP, INC  
44444 E MAIN ST  
LEXINGTON KY 40507-1309

**EMPLOYER:** MOM & POP, INC

**FEIN:** \_\_\_\_\_

**TPN:** 999999999

Wage withholding for the month of **June, 2001**

**Employer Monthly Wage Withholding Summary**

Employee Name	SSN	Case Number	Order Number
DOE, JOHN	999-99-9999	9999999999	XX9999999999 XX 999
MOUSE, MICKEY	999-99-9999	9999999999	XX9999999999 XX 999
DUCK, DONALD	999-99-9999	9999999999	XX9999999999 XX 999
FINN, HUCKLEBERRY	999-99-9999	9999999999	XX9999999999 XX 999
SAWYER, TOM	999-99-9999	9999999999	XX9999999999 XX 999

**Please return Employer Remittance Coupon with payment to:**

Ohio CSPC, P.O. Box 182394, Columbus OH, 43218-2394

**EMPLOYER REMITTANCE COUPON**

**Employer:** MOM & POP, INC

Wage withholding for the month of **June, 2001**

**FEIN:** \_\_\_\_\_

Change of address \_\_\_\_\_

Make checks payable to: **Ohio Child Support Payment Central.**

**TPN:** 999999999

If payment is a Lump Sum bonus, write amount in "Lump Sum" field. Place regular withholding amount in "Withholding Amount" field. Mark the total of all payments in the "Total Amount Remitted" field.

Employee Name	Case Number	Order Number	SSN	(X) Not Employed	(X) No Pay	(\$)	Withholding Amount *
DOE, JOHN	9999999999	XX9999999999 XX 999	999-99-9999				\$ ____ .__
MOUSE, MICKEY	9999999999	XX9999999999 XX 999	999-99-9999				\$ ____ .__
DUCK, DONALD	9999999999	XX9999999999 XX 999	999-99-9999				\$ ____ .__
FINN, HUCKLEBERRY	9999999999	XX9999999999 XX 999	999-99-9999				\$ ____ .__
SAWYER, TOM	9999999999	XX9999999999 XX 999	999-99-9999				\$ ____ .__
							\$ ____ .__

\* This field should be calculated based on the last withholding notice received from the county CSEA and your payroll cycles.

To determine the exact amount, please call the county that sent you the withholding notice.

**Total Amount Remitted** \$ \_\_\_\_\_

Ensure that mailing address appears in window:

|||||  
OHIO CHILD SUPPORT PAYMENT CENTRAL  
P.O. BOX 182372  
COLUMBUS OH 43218-2394

**EMPLOYER REMITTANCE COUPON**

**Employer:**MOM & POP, INC

Wage withholding for the month of

**June, 2001**

**FEIN:** \_\_\_\_\_

Change of address \_\_\_\_\_

Make checks payable to: **Ohio Child Support Payment Central.**

**TPN:** 999999999

If payment is a Lump Sum bonus, write amount in "Lump Sum" field. Place regular withholding amount in "Withholding Amount" field. Mark the total of all payments in the "Total Amount Remitted" field.

Employee Name	Case Number	Order Number	SSN	(X) Not Employed	(X) No Pay	(\$) Lump Sum	Withholding Amount *
DOE, JOHN	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
MOUSE, MICKEY	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
DUCK, DONALD	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
FINN, HUCKLEBERRY	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
SAWYER, TOM	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
							\$ ____ . ____

\* This field should be calculated based on the last withholding notice received from the county CSEA and your payroll cycles.

To determine the exact amount, please call the county that sent you the withholding notice. **Total Amount Remitted** \$ \_\_\_\_ . \_\_\_\_

**EMPLOYER REMITTANCE COUPON**

**Employer:**MOM & POP, INC.

Wage withholding for the month of

**June, 2001**

**FEIN:** \_\_\_\_\_

Change of address \_\_\_\_\_

Make checks payable to: **Ohio Child Support Payment Central.**

**TPN:** 999999999

If payment is a Lump Sum bonus, write amount in "Lump Sum" field. Place regular withholding amount in "Withholding Amount" field. Mark the total of all payments in the "Total Amount Remitted" field.

Employee Name	Case Number	Order Number	SSN	(X) Not Employed	(X) No Pay	(\$) Lump Sum	Withholding Amount *
DOE, JOHN	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
MOUSE, MICKEY	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
DUCK, DONALD	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
FINN, HUCKLEBERRY	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
SAWYER, TOM	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
							\$ ____ . ____

\* This field should be calculated based on the last withholding notice received from the county CSEA and your payroll cycles.

To determine the exact amount, please call the county that sent you the withholding notice. **Total Amount Remitted** \$ \_\_\_\_ . \_\_\_\_

**EMPLOYER REMITTANCE COUPON**

**Employer:**MOM & POP, INC

Wage withholding for the month of

**June, 2001**

**FEIN:** \_\_\_\_\_

Change of address \_\_\_\_\_

Make checks payable to: **Ohio Child Support Payment Central.**

**TPN:** 999999999

If payment is a Lump Sum bonus, write amount in "Lump Sum" field. Place regular withholding amount in "Withholding Amount" field. Mark the total of all payments in the "Total Amount Remitted" field.

Employee Name	Case Number	Order Number	SSN	(X) Not Employed	(X) No Pay	(\$) Lump Sum	Withholding Amount *
DOE, JOHN	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
MOUSE, MICKEY	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
DUCK, DONALD	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
FINN, HUCKLEBERRY	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
SAWYER, TOM	999999999	XX999999999	XX 999 999-99-9999				\$ ____ . ____
							\$ ____ . ____

\* This field should be calculated based on the last withholding notice received from the county CSEA and your payroll cycles.

To determine the exact amount, please call the county that sent you the withholding notice. **Total Amount Remitted** \$ \_\_\_\_ . \_\_\_\_

Ensure that mailing address appears in window:

|||||  
OHIO CHILD SUPPORT PAYMENT CENTRAL  
P.O. BOX 182372  
COLUMBUS OH 43218-2394

Ensure that mailing address appears in window:

|||||  
OHIO CHILD SUPPORT PAYMENT CENTRAL  
P.O. BOX 182372  
COLUMBUS OH 43218-2394

Ensure that mailing address appears in window:

|||||  
OHIO CHILD SUPPORT PAYMENT CENTRAL  
P.O. BOX 182372  
COLUMBUS OH 43218-2394



|||||  
**MOM & POP, INC.**  
**11111 MAIN STREET**  
**ANYTOWN OH 43058-4145**

**Important Information:**

1. Please remit a signed check or money order payable to **Ohio Child Support Payment Central**, P.O. Box 182394, Columbus OH, 43218-2394  
DO NOT SEND CASH
2. Complete the "Withholding Amount" field for each employee. The "Total Amount Remitted" field should be equal to check amount.
3. Write the TPN assigned to you by SETS on your payment.
4. Please fill in your FEIN if not listed below.
5. If your address is incorrect, please make changes directly to this document and return with payment.
6. Contact Ohio CSPC Hotline at 1-888-965-2676, if
  - You're interested in processing your payments via EFT/EDI
  - You have questions about payments
7. If you have any questions about a specific case, a withholding amount, or special payments, please contact CSEA that sent you the original withholding order.

**EMPLOYER:** MOM & POP, INC.

**FEIN:** \_\_\_\_\_

**TPN:** 999999999

Wage withholding for the month of **January, 2000**

Employee Name	Social Security Number	Case Number	Order Number	Withholding Amount *
DOE, JOHN	999 - 99 - 9999	9999999999	XX9999999999 XX 999	\$ _____ . ____
MOUSE, MICKEY	999 - 99 - 9999	9999999999	XX9999999999 XX 999	\$ _____ . ____
DUCK, DONALD	999 - 99 - 9999	9999999999	XX9999999999 XX 999	\$ _____ . ____
SAWYER, TOM	999 - 99 - 9999	9999999999	XX9999999999 XX 999	\$ _____ . ____
FINN, HUCKLEBERRY	999 - 99 - 9999	9999999999	XX9999999999 XX 999	\$ _____ . ____
<b>Total Amount Remitted</b>				\$ _____ . ____

\* This field should be calculated based on the last withholding notice received from the county CSEA and your payroll cycles. To determine the exact amount, please call the county that sent you the withholding notice.

# SUPPLEMENTAL INFORMATION TRAILER

This page is the last page of supplemental information for this competitive document. If you received this trailer page, all supplemental information has been received.

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# **Supplement 5**

## **Current CSPC Outreach Documents**

**Includes:**

**Direct Deposit Enrollment Form**  
**(2 pages)**

**CSPC Employer Newsletter**  
**(4 pages)**



# OHIO CHILD SUPPORT PAYMENT CENTRAL



## GET YOUR PAYMENTS DIRECTLY AND SAFELY



*Providing for our children*

**CSPC**  
P.O. Box 578  
Columbus, OH 43216-0578

AFFIX  
STAMP  
HERE

**OHIO CSPC**  
P.O. Box 578  
Columbus, OH 43216-0578

CSP-09



### *CSPC Direct Deposit— Fewer problems than with checks*

- ◆ *Problems with direct deposits occur less frequently than with paper checks. And if a problem does arise, you can contact your financial institution.*
- ◆ *You will have a record of your deposit on the statement you receive from your financial institution*

### *Enroll Today!*

Have your child support payments deposited automatically—no worries, no lost or delayed checks. Complete and mail the attached CSPC-Direct Deposit enrollment form.



*Providing for our children*

Bob Taft, Governor  
State of Ohio

Tom Hayes, Director  
Ohio Department of Job and Family Services



# CSPC-DIRECT DEPOSIT

After Ohio Child Support Payment Central (CSPC) receives and processes payment from the obligor, we will deposit your child support payment directly in the financial institution account you indicate—it's automatic and it's safe. All you have to do is enroll.

## Direct Deposit is safe and confidential

- ◆ Payments don't get lost
- ◆ Your money goes directly into your account
- ◆ Fewer people handle your payment

## It's convenient and saves you time

- ◆ You don't have to go to the bank to cash or deposit the check
- ◆ You don't have to be in town to receive your payment
- ◆ No waiting in line to cash your check

## Helps you manage your finances

- ◆ You can be assured your payment will be deposited automatically once the payment is received from the obligor and successfully processed.
- ◆ It's free!

## SIGN UP NOW!

To participate in CSPC-Direct Deposit, complete and mail the following form.

Detach, Fold, Seal, Affix Postage and Mail

# OHIO CSPC-DIRECT DEPOSIT Enrollment Form

Please print clearly in black or blue ink

Complete all the information below and detach, fold, seal, affix postage and mail.

## PAYEE INFORMATION

**Your Name (if you receive child support) (last, first, middle initial):**

Please make sure this is the name as it appears on your checks.

\_\_\_\_\_  
Last First Initial

**Date of Birth:** \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
mo. day yr.

**Your Address:**

Please make sure this is your current address.

Street, Route, P.O. Box \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_

Daytime Phone ( \_\_\_\_\_ ) \_\_\_\_\_

**Social Security Number:**

\_\_\_\_ - \_\_\_\_ - \_\_\_\_\_

## CASE INFORMATION

Your SETS Case and Order Number appear on your CSPC check stub.

**Case Number**

(a 10 digit number that always starts with a "7"):

7 \_\_\_\_\_

**Court Order Number (4-17 digits):**

Usually 4-12 alphanumeric digits, but can be up to 17 digits.

\_\_\_\_\_

## BANK INFORMATION

**Name of Financial Institution (U.S. Financial Institution):**

\_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

Name of Contact \_\_\_\_\_

Contact Phone ( \_\_\_\_\_ ) \_\_\_\_\_

## ACCOUNT INFORMATION

Checking  Savings

**Account Number:**

\_\_\_\_\_

**Routing Number**

The 9 digit number on the bottom of your check \_\_\_\_\_

\_\_\_\_\_



## Please enclose a voided check.

This authorization will remain in full force and effect until the Ohio Department of Job and Family Services or Ohio Office of Child Support receives written notification from me of termination in such time and in such manner as to afford a reasonable opportunity to act on it.

I certify that I am entitled to the payment identified above, and that I authorize my payment to be sent to the financial institution named above and deposited in the account I indicated. I understand that my Ohio CSPC-Direct Deposit will continue to be deposited in the financial institution and account specified above until I wish to change financial institutions or accounts. To change financial institutions or accounts, I will complete and submit a new form.

Signature \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Complete and mail this Enrollment Form. Enrollment takes approximately 3 weeks.

NEWS *Central*

NEWS ABOUT OHIO CHILD SUPPORT PAYMENT CENTRAL

**Helpful  
Hints**

To ensure that payments are processed properly, here are some simple steps the employer can incorporate into their process that alleviate potential errors and delays:

- ▶ Multiple payments and billing statements should be numbered "1 of total #" and identified by company so the information can be regrouped should it become separated.
- ▶ Consider using our electronic fund transfer system to speed up the process and decrease the chance of errors.
- ▶ Double check the CSPC address before placing your payments in the mail to avoid delay.

The address is:

Ohio CSPC,  
PO Box 182394,  
Columbus, Ohio 43218-2394

**Child Support 101: Withholding Responsibilities and Lump Sum Payments**

*By Diana Redman,  
Project Manager, Ohio CSPC*

The CSPC Customer Service Desk receives a variety of questions from employers each month, but the two most common questions our staff are asked relate to processing income withholding orders and lump sum payments. Understanding these two issues can prevent confusion that may cause delay of payments to the intended children. While all of the employers withholding responsibilities, including lump sum payments are detailed in Section 3121.037 of the Ohio Revised Code, this brief overview of withholding responsibilities and lump sum payments should provide employers with a general direction of what is required.

**Withholding Responsibilities**

When a court issues a child support determination, the responsible parent's employer will receive a Notice of Withholding Order. This order requires the employer to do the following:

Begin withholding the amount indicated no later than the first pay period that falls after 14 business days from the date the notice was mailed.

Send the amount withheld to Ohio Child Support Payment Central no later than seven business days after the obligor is paid.

Notify the county Child Support Enforcement Agency of any change that results in ceasing of payments to the obligor (resignation, termination, layoff, retirement, etc.) Any questions regarding withholding orders should be directed to the issuing CSEA.

**Lump Sum**

A "lump sum" payment refers to any payment to the employee in excess of \$150 that is not part of regularly scheduled wages. Examples of lump sum include employee buyout packages, profit sharing payments or incentives and bonuses.

Ohio law requires an employer to notify the county CSEA 45 days prior to the payment, or as soon as the decision is made to make the payment should that be less than 45 days. The issuance of the check should be held for 30 days after the intended payment date. This allows the CSEA adequate time to determine if any portion of that lump sum payment should be applied/withheld for child support payment. Once a determination is made, the Court or the CSEA will issue an order of payment for whatever portion is considered owed as child support. Send the ordered amount to CSPC. Any such payment should include the words "lump sum" on the check to ensure the payment is applied properly.

A "lump sum" payment refers to any payment to the employee in excess of \$150 that is not part of regularly scheduled wages.



## Changes Happen: Let Us Know

If there is one constant in life, it is change. As an employer, you encounter changes to employment situations on a daily basis. When those changes occur to an employee you withhold child support for, it is important that you notify the CSEA administering the order so they can update their files to have the best information available to monitor the case.

You can easily update the issuing CSEA about changes in address or promotions with a quick phone call. In the event of a layoff, termination, leave of absence without pay, or any termination pension or retirement benefits, you must notify the CSEA in writing within 10 days of the occurrence. The notice must include the employee's last known address and any available information regarding a new employer or income source. Failure to notify the CSEA of significant changes could result in unnecessary legal consequences for the obligor.



## YOU'VE ASKED...

**Q:** Why do I receive calls from CSPC about employee information when I've already sent in changes?

**A:** CSPC Customer Service will call you to obtain missing or incomplete information for posting payments to the employee's account. We may need to clarify information such as pro-ration, payments for multiple orders, etc.

**Q:** I recall that ODJFS formed an advisory group to look at ways to improve the child support system. What were the group findings?

**A:** The Child Support Reform Shareholders Group (CSRSG) was created last year to assist ODJFS (Ohio Department of Job and Family Services) and the CSEAs (Child Support Enforcement Agencies) in improving the quality of services to custodial and non-custodial parents, as well as the employers involved in the child support process.

CSRSG members represent a range of perspectives including those from the court system, the employer community, the faith-based community, the legal community and prosecutors.

The Group and its subcommittees have been working diligently to identify opportunities for improvement. Through forums held around the state during August, September and October 2001, the Group received input from the community. Over this three-month period, 430 child support parents participated in focus groups. Frequently heard feedback included: dissatisfaction with the enforcement of child support orders; erroneous and late checks; and general dissatisfaction and unhappiness with the entire process.

The transcripts from these forums were shared with the CSRSG committees as well as the Federal Office of Child Support and the Ohio Judicial Conference.

The initial recommendations from the Shareholders Group will be presented later this summer, at which time, we will seek additional input from parents. If you would like more information on the Shareholders Group, please visit their web site at <http://www.state.oh/us/odjfs/shareholders/index.stm>.

## Fewer Errors With Correct Information

CSPC Customer Service reports that when employee information is reported correctly, payments are posted correctly and promptly.

To help ensure that all payments are posted correctly, please make sure information on the remittances you send is accurate and current.

We appreciate your assistance in helping us serve the children and families of Ohio.

## **A MORE EFFICIENT WAY TO MAKE CHILD SUPPORT PAYMENTS**

### **Make Your Payments Electronically**

One of the easiest ways to streamline making child support payments for your employees is to make your payments electronically through CSPC-Direct using electronic funds transfer (EFT) or electronic data interchange (EDI). Many Ohio employers are already making their payments using EFT or EDI. CSPC-Direct offers you significant benefits in simplifying the paper process: reduced costs for check printing, postage and mailing; fewer errors in reporting employee and payment information; increased efficiency—you enter data and send it electronically rather than completing paperwork, and you only send one payment to one location; faster processing of payments because you send payment and information in one transaction; and no postal problems.

#### **Set-up is easy:**

- STEP 1 Contact your financial institution
- STEP 2 Gather key employee information
- STEP 3 Determine which payment method (Direct or Through a Financial Institution) and which NACHA record format (CCD+ or CTX) will be used.
  - NACHA = National Automated Clearing House Association
  - CCD+ = Cash Concentration or Disbursement Plus Addendum - ACH payment format
  - CTX = Corporate Trade Exchange - ACH payment format
- STEP 4 Establish transmission protocol with the financial institution
- STEP 5 Test transmissions
- STEP 6 Process live transactions

The set-up process should take no longer than one week, depending upon the accuracy of the employee data.

Once you have converted your CSPC payments to EFT or EDI, your payroll processing will be significantly easier. Call CSPC Customer Service today for personal assistance at **1-888-965-2676**.

### **THANKS TO YOU...**

More and more Ohio employers are discovering the advantages of making child support payments electronically through EFT or EDI. Thanks to you, CSPC achieved the following through December 2001...

- ▶ More than 6.5 million checks were received and processed.
- ▶ More than 156,000 electronic payments were received.
- ▶ More than 11.7 million disbursements (checks and direct deposits) occurred.

We thank the nearly 300 employers using EFT/EDI and we encourage all employers to contact CSPC Customer Service to begin making their child support payments electronically.

## DON'T FORGET...

The following information must accompany each CSPC payment:

1. Employee name
2. Employee Social Security Number
3. SETS Case Number  
*(10-digit number that begins with a 7)*
4. Order Number
5. Amount of payment
6. Correct amount matched to each order

SEND ALL PAYMENTS VIA STANDARD U.S. MAIL TO:

Ohio CSPC  
P.O. Box 182394  
Columbus OH 43218-2394

### Please Route to:

Human Resources \_\_\_\_\_  
Payroll \_\_\_\_\_  
Accounting \_\_\_\_\_  
Other \_\_\_\_\_  
\_\_\_\_\_

# EMPLOYER NEWS *Central*

RETURN ADDRESS ONLY

P.O. BOX 182536  
COLUMBUS, OH 43218-2536

PRESORTED  
FIRST-CLASS MAIL  
U.S. POSTAGE  
**PAID**  
ST. LOUIS, MO  
PERMIT NO. 462



**Providing for our children**

Bob Taft – Governor  
Tom Hayes – Director

# SUPPLEMENTAL INFORMATION TRAILER

This page is the last page of supplemental information for this competitive document. If you received this trailer page, all supplemental information has been received.

Note: portions of the supplemental information provided may or may not contain page numbers. The total number of pages indicated on the cover page does not include the pages contained in this supplement.

# **Supplement 6**

## **CSPC Report Information**

**Includes:**

**Sample Report Descriptions**  
**(5 pages)**

**Report Samples**  
**(45 consecutively numbered pages)**

## Report Descriptions

This page provides you with a brief description of the CSS reports used for Ohio CSPC. Following each report name is a lettered code in parenthesis that indicates the report type. The codes are:

CTY - Daily County Reports                      LBX - Lockbox Reports  
REC - Reconciliation Reports                      ODJ - ODJFS Internal

### Report Number/Name Description

#### CSS01D -

##### Undeliverable Mail Report (CTY)

The Undeliverable Mail Report provides the CSEA with information regarding disbursement checks issued from Bank One and returned to Ohio CSPC by the Post Office. Counties must print this report daily.

#### CSS02D – Return Deposit Item Report (CTY)

The Return Deposit Item Report provides the CSEA with information regarding check collection items that were returned unpaid to Bank One by the receiving financial institution.

The CSEA should expect that for each item listed on the report (the physical instrument) will be delivered to them via overnight courier the following business day. The counties should wait to receive the physical payment instrument before setting up the recoupment account.

Counties must print this report daily.

#### CSS06D - ACH Enrollment Status Report (CTY)

This report lists case and status information for all direct deposit enrollment applications that are accepted, rejected, or pending. Any application that can not be identified as belonging to a specific county (e.g., the direct deposit applicant did not identify their case number on an application) will display in the state-wide section of this report.

Counties must print this report daily. For additional information relating to this report, please see the ACH Enrollment Error Code Key page.

#### CSS07D – Direct Deposit Error Status Report (CTY)

This report lists case and check information for all direct deposits that are rejected.

Counties must print this report daily.

#### CSS08D – Daily Check Disbursement Authorized by SETS (REC)

This report lists all disbursement checks that SETS authorizes Bank One to issue for the day. This report should mirror the check section of the QFR004 report. If a check was authorized to issue

but failed to print at Bank One, CSS08D report will still display the check as being issued.

Counties must print this report daily.

**CSS14D – Daily Collection ZBA Verification Report (REC)**  
The Daily Collection ZBA Verification Report is used by the counties to confirm daily bank account balance and all transactions posted to the county Collection ZBA for current and prior day activity. This report is used in conjunction with the Daily Disbursement ZBA Verification Report.

This report consists of three sections:

Section I - Day 1 Deposit Activity  
Section II - Previous Day Deposit Activity  
Section III - Recap Summary

This is a reconciliation report and may be printed daily by the county for informational purposes.

**CSS15D – Deposit Verification Discrepancy Report (REC)**  
This report is used to show any discrepancies in the Daily Collection ZBA Verification Reports. CSS is required to apply a force balance in the event the SETS Collection Data File and the Bank One BAI2 Prior Day posting file do not balance.

This report will show the amount of the difference and the reason. The CSEA will be responsible for making a financial correction into SETS if required.

The report consists of four sections:

Section I: County Deposit Package  
Discrepancy Detail · Section IA: County  
Deposit Package Discrepancy Detail of  
Previous Undetermined Error  
Section II: EFT Discrepancy Detail  
Section III: Previous Date Deposit  
Discrepancy  
Section IV: Recap

This is a reconciliation report and may be printed daily by the county for informational purposes.

**CSS16D - Daily Disbursement Verification Report (REC)**  
The Daily Disbursement Verification Report provides the CSEA with detailed disbursement information for the county specific disbursement ZBA. This report is used in conjunction with the Daily Collection Verification Report to determine the total funds on deposit in the Master Concentration Account belonging to the reporting county.

The report is consists of five sections:

Section I: Void/Stop/Pull  
Section II: Checks Paid  
Section III: EFT Paid  
Section IV: Miscellaneous Debits/Credits  
Section V: Recap

This is a reconciliation report and may be printed daily by the county for informational purposes.

LBX001D - Lockbox Image Address Changes Report (ODJ)  
PAC sends an e-mail with the address change information on this report to the counties for processing in SETS.

This is a daily report. It is not necessary to print this report as the information the counties need is sent by PAC.

LBX002D - Lockbox Image Correspondences Report (ODJ)  
PAC sends an e-mail with the correspondence information on this report to the counties for processing.

It is not necessary to print this report as the information the counties need is sent by PAC.

LBX003D - Deposit Transaction Adjustment Report (ODJ)  
PAC workers use this report to determine if a financial correction should be entered to SETS. CSS generates this report after the verification process for the Lockbox Postable/Unpostable transaction. This report provides detail of any adjustments or corrections made to a deposit previously posted to the Lockbox Zero Balanced Account (ZBA) and to SETS.

This is a daily report. If there were no adjustments to the Lockbox ZBA, then no report will be produced.

LBX004D – Return Deposit Item Report (ODJ)  
PAC workers use this report to view all data associated with deposit items that were returned to Bank One as unpaid.

This is a daily report.

LBX005D – NSF Offender Report (ODJ)

PAC workers use this report to obtain detailed information about the status of repeat NSF offenders.

This is a daily report.

**LBX009D - Adjustment Detail Report (ODJ)**

This report provides PAC workers with a basis to view the "before" and "after" pictures" of a financial correction.

**LBX015D - Postable EFT/EDI Payment Detail Report (LBX)**

This report details the listing of all EFT payments posted to SETS via Lockbox, CSS and the Payment Analysis Center. This report is county specific and is used in conjunction with the Payments Posted to SETS - Summary Report to enable the CSEA to reconcile SETS.

Counties are recommended to print or view this report daily.

**LBX016D - Unpostable EFT/EDI Detail Report (State Level) (LBX)**

Use this report to obtain the detailed remitter data for all open unpostable EFT payments. This report is used in conjunction with the Unpostable Items - Summary Report to allow ODJFS to determine the current balance of unpostable dollars for each business day.

Counties are recommended to print this report daily

**LBX017D - Payments Posted to SETS - Detail Report (LBX)**

This report details the listing of all check payments posted to SETS via Lockbox, CSS and the Payment Analysis Center. This report is county specific and is used in conjunction with the Payments Posted to SETS - Summary Report to enable the CSEA to reconcile SETS.

Counties are recommended to print or view this report daily.

**LBX018D - Unpostable Items - Detail Report (LBX)**

Use this report to obtain the detailed remitter data for all open unpostable checks. This report is used in conjunction with the Unpostable Items - Summary Report to allow ODJFS to determine the current balance of unpostable dollars for each business day.

Counties are recommended to print this report daily.

**LBX019D - Permanently Unresolved Report (ODJ)**

This report is used by PAC to view information on all payments that cannot be posted to a case in SETS and must be returned to the sender and be permanently unresolved in the CSS application.

LBX029D – Daily Unpostable Balance Report (ODJ)  
Central Reconciliation uses this report to reconcile  
the Master Demand Deposit account.

LBX030D – Daily Postable Balance Report (ODJ)  
Central Reconciliation uses this report to reconcile  
the Master Demand Deposit account.

LBX039D – Unreconciled Balance Report (ODJ)  
Central Reconciliation uses this report to reconcile  
the Master Demand Deposit account.

## Report Samples

The Report Samples section defines sample report layouts produced by the overall application to include daily, weekly, monthly, quarterly and annual reports.

### Report Specification

The table below specifies requirements for the standard report template. This standard template will be followed for all reports generated from CSS, for daily web distribution. This report template provides required reporting standards only for those reports produced from CSS, ARP reports follow standard Bank One ARP product specifications.

Note: Custodial Deposit Form (CDF) is for use by the Treasurer of State only. The CDF is not distributed via the web and is the only exception to the CSS reporting format standards outlined below.

Report Section	Field/Label	Detailed Instructions
Overall Format	Page Format	– Landscape
	Font	– Arial 10 Point
	Margins	– .5" Top, Bottom, Left, Right
	Header/Footer	– Appears on all pages of report
Report Header	(Ohio Child Support Payment Central Logo)	– Appears in the header of every report page
	<Report No.>	– <b>Report number uniquely assigned to each report.</b> – Should be relatively easy number assignment not exceeding 6 characters. – <b>Bold</b>
	<Report Name>	– Full description of the report name – <b>Bold</b>
	Ohio Child Support Payment Central	– Label
	<b>Run Date:</b> <Run Date>	– Date the report was produced – MM/DD/CCYY

	<b>Run Time:</b> <Run Time>	– Time the report was produced – HH:MM AM/PM
	<b>As of:</b> <As of Date>	– Date of reporting information – MM/DD/CCYY

	<County ID>	– SETS county code – Bold
	<County Name>	– Full name of the county corresponding to the SETS county code – Bold
Column Headings	Format	– Bold – Left justified – Repeated on each page of the report
Report Detail	Format	– Left justified
Footer	<Filename>	– System recognized file name of the report
	Page __ of __	– Page number including the total number of pages

## 1 Undeliverable Mail Report

**Use:** The Undeliverable Mail Report provides information back to the CSEA regarding disbursement checks issued from Bank One and returned to CSS by the Post Office. The CSEA may then use the report information to update SETS accordingly or take appropriate actions on behalf of their client.

**Distribution:** The report will be generated one time daily and made available for viewing or download from a web site.

**Trigger/Schedule:** Include in end of day processing.

**Data:** Create one report for each county with the following data on each report.

- Case Number: SETS Case Number from the disbursement data file.
- Order Number: SETS Order Number from the disbursement data file.
- Payee Name: Payee name from the disbursement data file.
- Check Number: Check Number from the disbursement data file.
- Reason Code: Postal Reason Code entered via Void and Stop Payment Screen.
- New Address: If a new address is not available print “Not Available” on the report.
- Column Headings: Case Number, Payee Name, Order Number, Check Number, Return Reason Code, New Address.
- Alignment: Left justify data within the columns.
- Page Format: Landscape
- Sort by reason code.
- Provide total number of items.

**Format:**

OCSC Logo	<b>CSS01D – Undeliverable Mail Report</b> Ohio Child Support Payment Central
--------------	---

<b>Run Date:</b>	MM/DD/CCYY
<b>Run Time:</b>	HH:MM AM/PM
<b>As of:</b>	MM/DD/CCYY

<County ID >- <County Name>

Case Number	Payee Name	Order Number	Check Number	Reason Code	New Address	
1111111111	Payee	9999999999	1234	PI	233 Main Street, Anytown	IL 60614
2222222222	Payee	8888888888	6789	PI	445 Center Street, Anytown	IL 60660
3333333333	Payee	7777777777	4567	MI	Not Available	
4444444444	Payee	6666666666	3456	MI	Not Available	
5555555555	Payee	5555555555	5678	MI	Not Available	

Total 5

## 1. Return Deposit Item Report

**Use:** The Return Deposit Item Report provides the CSEA with information regarding check collection items that were returned unpaid to Bank One by the receiving financial institution. The county may use this report to make any updates to SETS or begin appropriate collection enforcement procedures. The CSEA should expect that for each item listed on the report, the physical instrument will be delivered to them via overnight courier the following business day.

**Distribution:** The report will be generated one time daily and made available for viewing or download from a web site.

**Trigger/Schedule:** Include in end of day processing.

**Data:** Create one report for each county that had returned deposit items posted to the CSS repository, with the following data on each report. All data for the Return Deposit Item Report is keyed to the Return Deposit Item Screen on the CSS Application and stored in the CSS Repository.

- Print Date: The date the report was created MM/DD/YYYY
- Report Header: Report Name, County Name, County ID.
- Processing Date: Processing Date of posting.
- Case Number
- Order Number
- Remitter Name
- Account Number
- Check Number
- Dollar Amount
- Date of Original Deposit
- Return Reason: Description of the return reason.
- Memo
- Column Headings: Remitter Name, Case, Order, Account Number Check Number, Dollar Amount, Date of Deposit, Return Reason, Memo.
- Alignment: Left justify data within the columns.
- Page Format: Landscape
- Sort by Remitter Name
- Provide total number of items.
- Provide total number of orders.
- Note: ODHS has also requested the SETS Receipt Number and Receipt Amount fields are included in this report. ODHS has stated that this change can occur after the April 13 implementation date. Therefore the request for the addition of these two fields has been entered into Change Control. The request number is KL0126.

**Format:**

OCSC	<b>CSS02D – Returned Deposit Item Report</b>
Logo	Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

<County ID >- <County Name>

Remitter Name	Order Number	Case Number	Account Number Check Number	Dollar Amount	Date of Deposit	Return Reason	Memo
John Doe	2222222222	9999999999	1234567890 1234	250.00	04/20/2000	NSF	
XYZ Corp	3333333333	8888888888	987654321 4355	500.00	04/19/2000	NSF	
XYZ Corp	4444444444	7777777777	987654321 4355	500.00	04/19/2000	NSF	
Mike Payer	5555555555	6666666666	234567 4578	320.00	04/20/2000	STOP	
Mom n' Pop Grocery	7777777777	1111111111	87654321 5567	1000.00	04/22/2000	STOP	
Not Available			22345678900 44556	300.00	04/20/2000	STOP	

Total Items 5

Total Orders 6

## 1. Employer EDI Collections – Manual Posting Report

**Use:** The EDI Payments Report will provide the CSEAs information regarding employer EFT transactions that cannot be conclusively identified as belonging to SETS. The report allows the CSEA to enter the collection information into the county system and provides the dollar amount deposited to the CSEA bank account to cover the reported collections.

There will be two separate versions of this report created. One for counties converted to CC&D and one for counties not yet converted to CC&D.

**Distribution:** The report will be generated one time daily and made available for viewing or download from a web site.

**Trigger/Schedule:** Generate report when the process to extract manual post cases from the Bank One Obligor Detail Collections File has completed.

**Data:** Create one report daily for each county that received non-SETS employer EFT collections. Report the following totals from the EDI Posting File.

Check the CCD flag on the repository to determine if the transaction belongs to a CC&D county or non-CCD county.

– Sub-header: Create one sub-header per employer with the following information (see sample for layout):

- Case Identifier: Case Identifier from DED02.
- Pay Date: Pay Date from DED03.
- Pay Amt: Payment Amount from DED04.
- NCP SSN: Non-Custodial Parent Social Security Number from DED05
- NCP Name: Non-Custodial Parent Name from DED07
- FIPS Code: FIPS Code from DED08
- Med Sup: Medical Support from DED06
- Empl Term: Employment Termination Indicator from DED09

– SETS Search Results:

- Place label in a text box 2 ¼ point line format.
- SSN Matches: SSN and Name from SETS Master File
- Case No Matches: Case Number and Order Number from SETS Master File
- Order No Matches: Order Number and Case Number match from SETS Master File.
- Pre-SETS ID Matches: Pre-SETS ID ID and Case Number from SETS Master File.

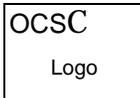
– Sub-Total # of Payments: Sub-Total of number of payments per employer in sub-header.

– Sub-Total Amount: Sub-total dollar amount of payments per employer in sub-header.

– Total Number of Employers: Grand total of employers included on the report.

– Total Number of Payments: Grand total of payments included on the report.

– Total Amount: Grand total dollar amount included on the report.



**CSS03D- EDI Payments Transferred to Local County Account**  
**[CCD/non/CCD Indicator]**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

<County ID >- <County Name>

**Employer Name:** ABC Corporation

Employer Case Identifier	Pay Date	Pay Amt	NCP SSN	NCP Name	FIPS Code	Med Sup?	Empl Term?
1234567890	2/1/2000	\$200.00	123-45-6789	Doe, John A.	OH343	N	N

SETS Search Results

-----SSN Matches-----		-----Case No. Matches-----		-----Order No. Matches-----		-----Pre-SETS ID Matches-----	
SSN	Name	Case No.	Order No.	Order No.	Case No.	Pre-SETS ID	Case No.
123-45-6789	Doe, John A.	1234567890	JD123400000OH091				
	Smith, John		JD273737727OH031				

Employer Case Identifier	Pay Date	Pay Amt	NCP SSN	NCP Name	FIPS Code	Med Sup?	Empl Term?
JD233842889	2/1/2000	\$300.00	333-33-3333	Smith, Jane	OH343	N	N

SETS Search Results

-----SSN Matches-----		-----Case No. Matches-----		-----Order No. Matches-----		-----Pre-SETS ID Matches-----	
SSN	Name	Case No.	Order No.	Order No.	Case No.	Pre-SETS Case No.	Case No.
				JD233842889	2384848588		

**Sub-Total # of Payments: 2      Sub-Total Amount: \$500.00**

**Employer Name:** Widgets R Us

Employer Case Identifier	Pay Date	Pay Amt	NCP SSN	NCP Name	FIPS Code	Med Sup?	Empl Term?
JD3IWEUU	2/1/2000	\$100.00	323-23-4444	Rabbit, Peter	OH343	N	N

SETS Search Results

-----SSN Matches-----		-----Case No. Matches-----		-----Order No. Matches-----		-----Pre-SETS ID Matches-----	
SSN	Name	Case No.	Order No.	Order No.	Case No.	Pre-SETS ID	Case No.
323-23-4444	Rabbit, Peter						

Employer Case Identifier	Pay Date	Pay Amt	NCP SSN	NCP Name	FIPS Code	Med Sup?	Empl Term?
JD233842889	2/1/2000	\$300.00	122-34-4590	Contrary, Mary	OH343	N	N

SETS Search Results

-----SSN Matches-----		-----Case No. Matches-----		-----Order No. Matches-----		-----Pre-SETS ID Matches-----	
<u>SSN</u>	<u>Name</u>	<u>Case No.</u>	<u>Order No.</u>	<u>Order No.</u>	<u>Case No.</u>	<u>Pre-SETS ID</u>	<u>Case No.</u>
122-34-4590	Contrary, Mary					JD233842889	2334934192

**Sub-Total # of Payments: 2      Sub-Total Amount: \$400.00**

**Total Number of Employers: 2      Total Number of Payments: 4      Total Amount: \$900.00**

**1. Custodial Deposit Form**

Use: Used by the TOS to validate daily cash position with Bank One.

**Distribution:** The report will be generated one time daily and made available for viewing or download from a web site.

**Trigger/Schedule:** Generate Custodial Deposit Form after completion of Collections Transaction Verification and Disbursement Transaction Verification processes.

**Data:** The data requirements are outlined in the table below. CSS is in the process of determining how the data will be obtained due to the fact the Bank One BTR system cannot generate a BAI2 file on the Master Account for delivery to CSS and the TOS.

**Format:**

Treas. Remit No. \_\_\_\_\_  
Date \_\_\_\_\_

Agency Name \_\_\_\_\_

**Deposit Funds To:**

**Custodial Account**  
Custodial Account: Child Support Payment Account  
Agency Remit No \_\_\_\_\_

**Treasury Contingency Account**  
Agency Remit No \_\_\_\_\_  
Agency No \_\_\_\_\_

**Detailed Description**

**Amount**

Authorized Signature \_\_\_\_\_  
-

Total Prior Deposit \_\_\_\_\_  
Total Wire Deposit \_\_\_\_\_  
Total Transfer \_\_\_\_\_  
Total Cash \_\_\_\_\_  
\_\_\_\_\_ Total Checks  
\_\_\_\_\_

**Grand Total Deposit** \_\_\_\_\_

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- \_ One daily CDF for all deposits posting to the Ohio Master Concentration Account.
- \_ One daily CDF for all disbursements posting to the Ohio Master Concentration Account.

The form will contain the following information.

Field	Requirement
Agency Name	Valid value = ODHS
Treas. Remit No.	Valid value = blank
Date	Valid value = Current Posting Date to DDA
Custodial Account	Valid value = 629819384
Treasury Contingency Account	Valid value = blank
Agency Remit Number	User defined
Agency Number	User defined
Detailed Description Amount	<p>For Deposit CDF Valid value = Listing of all transactions transferred from CSEA Collection Accounts, EFT Account, Lockbox Account to Master Concentration Account. List by transaction type as follows:</p> <p>All occurrences of internal transfers from 90 subordinate account.</p> <p>All occurrences of wire transfers into the Master Account.</p> <p>All occurrences of batch deposits into the Master Account.</p> <p>All occurrences of adjustments and corrections made to the Master Account.</p> <p>For Disbursement CDF Valid value = Listing of total disbursements transferred from CSEA disbursement Accounts, EFT Account. List by transaction type as follows:</p> <p>All occurrences of internal transfers from 90 subordinate accounts.</p> <p>List ACH disbursements and check disbursements separately.</p> <p>All occurrences of wire transfers out of the Master Account.</p> <p>All other withdrawals from the Master Account listed by transaction type.</p>
Authorized Signature	Valid value = CSS contact
Totals	Totals from detail listing above.
Grand Total	Valid value = sum of all transaction listing.

## 1. Daily Collection ZBA Verification Report

Use: The Daily Collection ZBA Verification Report is used by the counties to confirm daily bank account balance and all transactions posted to the county Collection ZBA for current and prior day activity. This report is used in conjunction with the *Daily Disbursement ZBA Verification Report*.

The report is bundled in three sections:

- \_ Section I Day 1 Deposit Activity
- \_ Section II Previous Day Deposit Activity
- \_ Section III Recap Summary

**Distribution:** The report will be generated one time daily and made available for viewing or download from a web site.

**Trigger/Schedule:** Report triggered through user entry on Balance and Reconciliation Application. User cannot trigger report generation until all accounts balance indicator = Y.

**Data:** Create one report daily for each county. Report the following data on each report.

- \_ Prior Day Activity - SETS:
  - County Deposit Package: sum of the following payment types on the SETS Collection Data file: CC, CH, MO, TC, CE.
  - EFT Transfers: sum of the following payment types on the SETS Collection Data file: CA, DC, EF, MC, VI.
- \_ Prior Day Activity – Bank One:
  - County Deposit Package: Total posted to the DDA per the daily BAI2 from Bank One. Sum transaction codes 175 and 174.
  - EFT Transfers: Total wire and ACH credits posted to the DDA per the daily BAI2 from Bank One. Sum transaction codes 165 and 195.
  - Corrections: Proof corrections posted to the DDA per the daily BAI2 from Bank One. List all occurrences of transaction code 552.
  - Adjustments: Bank One adjustments posted to the DDA per the daily BAI2 from Bank One. List all occurrences of transaction codes 172 (credit) and 695 (debit).
  - Reversals: Bank One-deposit reversals posted to the DDA per the daily BAI2 from Bank One. List all occurrences of transaction codes 694 and 552.
  - Return Deposit Items: List all occurrences of transaction code 555.
- \_ Provide subtotals in each category.
- \_ CDP Deposit Verification Discrepancy
  - Extra Check in CDP: Error code B15 keyed to Force Balance Data Entry Screen. List all occurrences.

- CDP Missing Check: Error code B01 keyed to Force Balance Data Entry Screen. List all occurrences.
  - Discrepant Amount of Check in CDP: Error codes B02, B03, B06 and B07 keyed to Force Balance Data Entry Screen. List all occurrences.
  - 
  - Prior Day Adjustment: Error Code B16 keyed to Force Balance Data Entry Screen. List all occurrences.
  - Deposit Reversal: Error Code B17 keyed to Force Balance Data Entry Screen. List all occurrences.
- Provide subtotals in each category.
  - Net dr/cr to SETS: If the sum of the discrepancies results in a net debit to SETS then display the sum of all discrepancies as Net Debit to SETS. If the sum of all discrepancies results in a net credit to SETS then display the sum of all discrepancies as Net Credit to SETS.
- EFT Deposit Discrepancy
    - Surplus EFT transaction (more money in EFT than on SETS Deposit Transaction Datafile).
    - Short EFT transaction (less money in EFT than on SETS Deposit Transaction Datafile).
    - File Discrepancy (no transactions on SETS Deposit Transaction Datafile but received EFT or received transactions on SETS Deposit Transaction Datafile but did not receive an EFT).
    - EFT Reversal: List all occurrences of transaction code 552 on the Bank One BAI2 file.
  - Provide subtotals in each category.
  - Net dr/cr to SETS: If the sum of the discrepancies results in a net debit to SETS then display the sum of all discrepancies as Net Debit to SETS. If the sum of all discrepancies results in a net credit to SETS then display the sum of all discrepancies as Net Credit to SETS.
- Employer EFT Collections in Master Concentration Account
    - ACH Collection Transactions: ACH items on the Obligor Detail Collection File from EPOS. Determine all transactions belonging to the reporting county based on the SETS case number and list each transaction.
    - EDI Collection Transactions: EDI items on the Obligor Detail Collection File from EPOS. Determine all transactions belonging to the reporting county based on the SETS case number and list each transaction.
    - ACH Collection Returns: ACH returns based on the CSS matching logic.
    - EDI Collection Returns: EDI returns based on the CSS matching logic.
- Provide subtotals in each category.
  - Provide Totals for each subtotal category and report the grand total as Total County Funds Transferred to Master Concentration Account: Sum of all debits and credits. Validate this value against the BAI2 Summary File for the Master Account.

OCSC Logo	<b>CSS14D – Daily Collection ZBA Verification Report</b> <b>Section I Prior Day Account Posting Activity</b> Ohio Child Support Payment Central
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Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

!

<County ID >- <County Name>

Section I of the Daily Collection ZBA Report captures all collection account activity directly related to the County Deposit Package and EFT posting for the close of the previous business day.

**Prior Day Activity – SETS Posting Date 04/03/2000**

County Deposit Package (CDP)	EFT Transfers to Bank One CC&D Account
125,000.00	5400.00
30,000.00	
Subtotal: 155,000.00	5400.00
Total SETS Deposit	160,400.00

**Prior Day Activity – Bank One Collection ZBA Posting Date 04/04/2000**

County Deposit Package (CDP)	Corrections	Reversals
125,000.00	100.00 cr	0.00
30,100.00		
Subtotal: 155,100.00	100.00 cr	0.00
Total Bank One CDF Deposit	160,500.00	

EFT Transfers to Bank One Account	Over EFT Transaction	Short EFT Transactions	File Discrepancy
5400.00	0.00	0.00	0.00

Subtotal:  
5400.00

	0.00	0.00	0.00
--	------	------	------

Total Bank One EFT Deposit 5400.00

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<b>Employer ACH Collections</b>	<b>Employer EDI Collections</b>
---------------------------------	---------------------------------

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0.00	25,000.00
------	-----------

Subtotal:  
25,000.00

Total Employer EFT Collections in Master Account 25,000.00

Recap:

Total Bank One CDF Deposit	160,500.00
Total Bank One EFT Deposit	5400.00
Total Employer EFT Collections in Master Account	25,000.00
<b>Total Collections Posted to DDA Account 04/04/2000</b>	<b>190,000.00</b>



**CSS14D - Daily Collection ZBA Verification Report**  
**Section II Previous Day Deposit Debits and Credits**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

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<County ID >- <County Name>

This section of the Daily Collection ZBA Verification Report captures all miscellaneous debits and credits to the collection account that posted to the account balance as of the prior business day with an original date of deposit in the past.

County Deposit Package – Bank One Collection ZBA Posting Date 04/04/2000

Adjustments	Corrections	Reversals	Original Date of Deposit
100.00 cr	0.00	0.00	03/31/2000
200.00 dr			03/31/2000
Subtotals			
Credits 100.00	0.00	0.00	
Debits 200.00			
Total 100.00 dr	0.00	0.00	

EFT Transfers – Bank One ZBA Posting Date 04/04/2000

EFT Reversal	Original Date of Deposit
0.00	
Subtotals	
0.00	
Total 0.00	

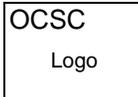
Employer EFT Collections in Master Account – Bank One Posting Date 04/04/2000

ACH Reversal	Original Date of Deposit	EDI Reversal	Original Date of Deposit
0.00		0.00	

Subtotals  
0.00  
  
Total0.00

Return Deposit Items – Bank One ZBA Posting Date 04/04/2000 (Must foot to Return Deposit Item Report detail.)

Dollar Amount	Dollar Amount	Dollar Amount	Dollar Amount
100.00	150.00	100.00	50.00
200.00	150.00	100.00	200.00
Subtotals 300.00	300.00	200.00	250.00
Total1050.00			



**CSS14D – Daily Collection Verification Report**  
**Section III Recap**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

!

<County ID > <County Name>

Prior Day Activity – SETS

Prior Day Activity – Bank One Collection ZBA

County Deposit Package (CDP)	EFT Transfers	County Deposit Package (CDP)	EFT Transfers	Corrections	Adjustments	Reversals	Return Deposit Items
XXXXXX.XX	XXX.XX	XXXXXX.XX	XXX.XX	XXX.XX			XX.XX

Subtotal : XXXXXX.XX      XXX.XX      XXXXXX.XX      XXX.XX      XXX.XX      xx.xx

CDP Deposit Verification Discrepancy (Must foot to Daily Deposit Verification Discrepancy Report detail.)

Extra Check in CDP	CDP Missing Check	Discrepant Amount of Check in CDP	Prior Day Adjustment	Deposit Reversal
XXX.XX	XXX.XX	XX.XX		

Subtotal: XXX.XX      XXX.XX      XX.XX

Net dr/cr to SETS:                      xx.xx cr

OCSC Logo	<b>CSS14D – Daily Collection Verification Report</b> <b>Section III Recap</b> Ohio Child Support Payment Central
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**Run Date:**            MM/DD/CCYY  
**Run Time:**         HH:MM AM/PM  
**As of:**                MM/DD/CCYY

!

<County ID >- <County Name>

**EFT Deposit Discrepancy**

Surplus EFT Transactions	Short EFT Transactions	File Discrepancy	EFT Reversal
XXX.XX	XXX.XX	XX.XX	

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Subtotals:            XXX.XX            XXX.XX            XX.XX  
 Net dr/cr to SETS:            xxx.xx dr

**Employer EFT Collections in Master Concentration Account**

ACH Collection Transactions	EDI Collection Transactions	ACH Collection Returns	EDI Collection Returns
xxxx.xx	xxxx.xx	xxx.xx	xxx.xx

Subtotals:            xxxx.xx            xxxx.xx            xxx.xx



**CSS14D – Daily Collection Verification Report**  
**Section III Recap**  
 Ohio Child Support Payment Central

**Run Date:**        MM/DD/CCYY  
**Run Time:**        HH:MM AM/PM  
**As of:**            MM/DD/CCYY

|

<County ID >- <County Name>

**County Collections**

Discrepancy Totals

County Specific ZBA Activity	
County Deposit Package Credit	50,000.00
Local Collections EFT Credit	100.00
Returned Deposit Item Debit	(100.00)
Adjustment Debit	(0.00)
Adjustment Credit	100.00
<b>Subtotal</b>	<b>50,100.00</b>

Discrepancies Against SETS	0.00
County Specific ZBA Deposit Discrepancy To Be Researched	
County Deposit Package Discrepancy	100.00
EFT Discrepancy	0.00
<b>Subtotal</b>	<b>100.00</b>

County CSPC Direct and CSPC Through a Financial Institution

EFT Employer Credit	1000.00
EFT Employer Reversal Debit	(0.00)
<b>Subtotal</b>	<b>1000.00</b>

Total County Funds Transferred to Master Account            51,100.00

## 6 Deposit Verification Discrepancy Report

**Use:** This report is used by the CSEA when CSS is required to apply a force balance, in the event the SETS Collection Data File and the Bank One BAI2 Prior Day posting file do not balance. CSS will report to the CSEA the amount of the difference and the reason. The CSEA will be responsible for making a financial correction into SETS if required.

**Distribution:** The report will be generated daily, when required, and made available for viewing and download from a web site.

**Trigger/Schedule:** Report triggered through user entry on Balance and Reconciliation Application. User cannot trigger report generation until all accounts balance indicator = Y.

**Data:** This report will be generated daily for each county. If the county has not adjustments or corrections then produce a null report.

### Summary Information

- \_ Dollar Amount Expected for Deposit/Dollar Amount Deposited:
  - The dollar amount expected to be deposited. This amount is the total from the Deposit Transaction Datafile.
  - The detail for this amount is the total dollar amount for each payment method.
    - The actual dollar amount deposited according to the BAI2 File.
    - The dollar amount by which expected and actual amounts are discrepant.

### Summary Information

- \_ Amount of Instruments Expected for Deposit/Amount of Instruments Deposited:
  - Total number of receipts from Deposit Transaction Datafile.
  - Detail on the number of each of the payment methods included in the datafile.
  - CA = Cash; CC = Certified Check; CH = Check; DC = Debit Card; EF = EFT; MC = Mastercard; MO = Money Order; TC = Traveler's Check; VI = Visa

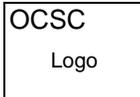
Rules for determining expected instrument numbers:

- \_ Cash is not included in the instrument count (this is under the assumption that cash will be transferred via EFT – if it turns out that the process is to send a check or money order, then the cash should be expected as one instrument).
- \_ Receipts with common first ten digits in the receipt number are counted as one instrument
- \_ Each single payment is counted as one instrument

### Detail Information:

Discrepancy Information: Describes the discrepancy.  
Messages

- \_ Check included in county pack/not found in listing of approved batches.
- \_ Receipt included in sets payment posting data/not found in county pack
- \_ Identifying information on the an extra check in county pack matches identifying information on a receipt from the approved batch listing. The amounts are discrepant.
- \_ Possible duplicate entry into SETS.
- \_ Multiple instrument identifiers for one instrument
- Instrument identifier = 1<sup>st</sup> ten digits of the receipt number***
  - Actual Amount of Check: Amount of check included in the BAI2 file.
  - Amount Posted to SETS: Amount of receipt listed in the SETS Deposit Transaction Datafile.
  - If cash, the amount should be the total of all cash payments.
  - If referring to a third party receipt, this amount should be the total of all receipts with common first ten digits.
    - SETS Receipt Number:
- \_ List all receipt numbers when referring to the cash and credit/debit instrument.
- \_ Display the Ten digits followed by 7 'x's when referring to a third party receipt. Then list all associated receipt numbers.
- \_ Display all 17 digits when referring to a single obligor payment.
  - SETS Posting Information: When the SETS receipt number is known list the following information for all receipts with the common first ten digits:
- \_ Obligor SSN
- \_ Obligor Participant Number
- \_ Case Number
- \_ Order Number



**CSS15D – Deposit Verification Discrepancy Report**  
**Section I County Deposit Package Discrepancy Detail**  
 Ohio Child Support Payment Central

**Run Date:** MM/DD/CCYY  
**Run Time:** HH:MM AM/PM  
**As of:** MM/DD/CCYY

<County ID > <County Name>

This section of the Deposit Verification Discrepancy Report captures detail items listing for discrepancies between the Bank One DDA deposit and the SETS County Deposit Package posting for the prior business day.

Check included in County Pack/Not Found in Approved Batch Listing

Amount of Check	SETS Posting Data	Remitter Name	Address on Check	SSN On Check	Case Number on Check	Order Number on Check
100.00	N/A	Joe Smith	1234 Main St Columbus, OH 43215	123-45-6789	Not provided.	JUV1234
50.00	N/A	John Adams	1234 Main St Columbus, OH 43215	123-45-6789	Not provided.	JUV1234
50.00	N/A	Jane Jones	1234 Main St Columbus, OH 43215	123-45-6789	70000009999	Not provided.
Total Number of Items	3					
Total Dollar Amount	200.00					

 <p>OCSC Logo</p>	<p><b>CSS15D – Deposit Verification Discrepancy Report</b>  <b>Section I County Deposit Package Discrepancy Detail</b>                  Ohio Child Support Payment Central</p>
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Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

<County ID >- <County Name>

Payment posted to SETS for the wrong amount.

Amount of Check	Amount posted to SETS	SETS Receipt Number	SETS Posting Information	Check Information
800.00	600.00	10000000010190000	Obligor SSN 123-45-6789 Obligor Participant ID 52000009018 Case Number 6000001000 Order Number JUV1234	Remitter Name Joe Smith Address 1234 Main Street Columbus, OH 43215 SSN 123-45-6789 Order Number JUV1234
Total Number of Items 1		Total Dollar Amount 800.00		

Receipt posted twice to SETS.

Amount Posted to SETS	Receipt Number	Obligor SSN	Obligor Participant ID	Case Number	Order Number
200.00	10000000000901000	123-45-6789	52000009018	7000000001010	JUV1234
Total Number of Items 1		Total Dollar Amount 200.00			

Individual check listed but not included in County Deposit Package.

Amount Posted to SETS	Receipt Number	Obligor SSN	Obligor Participant ID	Case Number	Order Number
200.00	10000000000901000	123-45-6789	52000009018	7000000001010	JUV1234
Total Number of Items 1		Total Dollar Amount 200.00			



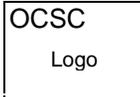
**CSS15D – Deposit Verification Discrepancy Report**  
**Section I County Deposit Package Discrepancy Detail**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

<County ID >- <County Name>

Employer check listed but not included in County Deposit Package.

Receipt Number		Information Posted to SETS
10000000009010000	275.00	Obligor SSN 123-45-6789 Obligor Participant ID 52000009018 Case Number 70000001010 Order Number JUV12345 Amount Posted 25.00  Obligor SSN 99-87-6543 Obligor Participant ID 520000001000 Case Number 70000003030 Order Number ad1234 Amount Posted 75.00 Obligor SSN: 123-00-0000 Obligor Participant Number: 520000009018 Case Number: 70000001010 Order Number: juv12345 Amount Posted: 25.00 Obligor SSN: 123-12-1234 Obligor Participant Number: 520000007000 Case Number: 70000004040 Order Number: ad5678 Amount Posted: 125.00
Total Number of Items	1	
Total Dollar Amount	275.00	



**CSS15D – Deposit Verification Discrepancy Report**  
**Section II EFT Discrepancy Detail**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

<County ID >- <County Name>

EFT in SETS not Posted to Bank One DDA

SETS Miscellaneous Payments	Payment Type	Receipt Number	Case Number	Order Number
100.00	VI	1000000000901000	70000001234	JUV890
50.00	CA	1000000000901234	70000034567	JUV123

Total Number of Items 2  
 Total Dollar Amount 150.00

EFT Posted to Bank One not in SETS

Dollar Amount	Previous Deposit Carry Over
100.00	100.00

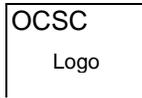
Total Number of Items 1  
 Total Dollar Amount 100.00

EFT Discrepancy SETS to Bank One

SETS Amount	Bank One Amount	SETS Over	SETS Under
400.00	200.00	0.00	200.00

SETS Miscellaneous Payments	Payment Type	Receipt Number	Case Number	Order Number
200.00	DC	100000000009000	70000004567	JUV456
200.00	VI	100000090000300	700000000089	JUV678

Total Number of Items 2  
 Total Dollar Amount 400.00



**CSS15D – Deposit Verification Discrepancy Report**  
**Section III Previous Day Deposit Adjustment**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

<County ID >- <County Name>

Adjustments						
Adjustment Reason	Tape Total	Date Original Deposit	Posted Amount	Actual Amount	Case Number Order Number	Amount of Adjustment
Encoding Error	30,000.00	05/01/2000	1000.00	100.00	70000034567 JUV678	900.00
Total Number of Items	1					
Total Dollar Amount	900.00					

OCSC Logo	<b>CSS15D – Deposit Verification Discrepancy Report</b> <b>Section IV Recap</b> Ohio Child Support Payment Central
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**Run Date:** MM/DD/CCYY  
**Run Time:** HH:MM AM/PM  
**As of:** MM/DD/CCYY

<County ID >- <County Name>

Posting Date to Bank One DDA MM/DD/YYYY	
Discrepancy	Amount
Check In County Pack/Not Found in Approved Batch	200.00
Payment Posted to SETS for Wrong Amount	800.00
Receipt Posted Twice	200.00
Individual Check Listed not in County Pack	200.00
Employer Check Listed not in County Pack	275.00
EFT in SETS not posted to Bank One	150.00
EFT Posted to Bank One not in SETS	100.00
EFT Discrepancy SETS to Bank One	200.00
Previous Deposit Adjustments	900.00
<b>Total</b>	<b>3005.00</b>

Note: This amount reflects the net discrepancy amount against SETS, County Deposit Package or EFT information received from the county. This amount does not reflect a debit/credit to the Master Account for your County.

## 11 Daily Disbursement Verification Report

**Use:** The Daily Disbursement Verification Report provides the CSEA with detailed disbursement information for the county specific disbursement ZBA. This report is used in conjunction with the Daily Collection Verification Report to determine the total funds on deposit in the Master Concentration Account belonging to the reporting county.

The report is bundled in five sections:

Section I: Void/Stop/Pull

Section II: Checks Paid

Section III: EFT Paid

Section IV: Miscellaneous Debits/Credits

Section V: Recap

**Distribution:** The report will be generated daily, and made available for viewing and download from a web site.

**Trigger/Schedule:** Report triggered through user entry on Balance and Reconciliation Application. User cannot trigger report generation until all accounts balance indicator = Y.

**Data:** This report will be generated daily for each county.

- Account Activity that affects “cash balance” - this report category is designed to capture disbursement activity that affected clearance or availability of funds in the account. Sort in date paid order.
- Check Disbursements Paid
  - Subtotal by transactions
  - Subtotal by monies
  - Detailed Transactions
  - Date of Original Issues
  - Date Paid
  - SETS Check number
  - Payee
- EFTs Paid Today - Subtotal by transactions
  - Subtotal by monies
  - Detailed transactions

- Date of Original Issue
- Date Paid
- SETS Check Number (EFT #)
- Payee

- Total number of items.
- Total dollar amount.
- Stop Payments Placed on Account. Sort in date order.

- Subtotal by transactions
- Subtotal by monies
- Detailed transactions
- Date of Original Issue
- Date Stop Payment Placed
- SETS Check Number
- Payee
- Stop Payment Reason Code

- Void Instruments. Sort in date order.

- Subtotal by transactions, sorted by reason code
- Subtotal by monies, sorted by reason code
- Detailed transactions
- Date of original issue
- Payee
- Date void placed
- Source of void (e.g. county CSEA versus undeliverable mail)
- SETS Check Number
- Void reason code

- Miscellaneous Debits/Credits

- Subtotal on number of transactions, sorted by category (debit/credit)
- Subtotal on amount of deposit, sorted by category (debit/credit)
- Detailed transaction listing, including reason code that identifies source, date and reason for transaction posting



**CSS16D – Daily Disbursement Verification Report**  
**Section I Void/Stop/Pulls**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

<County ID >- <County Name>

**Void Disbursements**

Check Number	Dollar Amount	SETS Disbursement Number	Date of Issue	Participant ID/TPN	Payee Name	Case Number Order Number	Check Status Old SETS Status New SETS Status Reason Code	CSS Reference Number Requestor
XXXXX	111.11	12345	05/01/2000	1234567890	Obligee	1234567890 334455	Void OOT HVD PI	XXXXXXX Worker Name

Subtotal Number of Items 1  
 Subtotal Dollar Amount 111.11

**Stop Disbursements**

Check Number	Dollar Amount	SETS Disbursement Number	Date of Issue	Participant ID/TPN	Payee Name	Case Number Order Number	Check Status Old SETS Status New SETS Status Reason Code	CSS Reference Number Requestor
XXXXX	111.11	12345	05/01/2000	1234567890	Obligee	1234567890 334455	Stop OOT HSP CKS	XXXXXXX Worker Name

Subtotal Number of Items 1  
 Subtotal Dollar Amount 111.11



**CSS16D – Daily Disbursement Verification Report**  
**Section I Void/Stop/Pulls**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

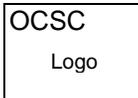
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<County ID >- <County Name>

**Pulled Disbursements**

Check Number	Dollar Amount	SETS Disbursement Number	Date of Issue	Participant ID/TPN	Payee Name	Case Number Order Number	Check Status Old SETS Status New SETS Status Reason Code	CSS Reference Number Requestor
XXXXX	111.11	12345	05/01/2000	1234567890	Obligee	1234567890 334455	PUL OOT HVD Pulled	XXXXXXX Worker Name

Subtotal Number of Items 1  
 Subtotal Dollar Amount 111.11



**CSS16D – Daily Disbursement Verification Report**  
**Section II Checks Paid**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

!

<County ID >- <County Name>

Current Day Activity – Check Disbursements Paid Date MM/DD/YYYY

SETS Check Number	Payee Name	Case Number	Order Number	Dollar Amount
XXXX	Mary Payee	70000009876	JUV123	100.00
XXXX	Jane Payee	70000123456	JUV567	100.00
XXXX	Lola Payee	70000000009	AD987	100.00
XXXX	John Payee	76543210000	AD988	100.00
XXXX	Medicare	70099887766	Juv999	100.00
XXXX	Legal Aid	70000000876	JUV1234	100.00
XXXX	Lab Fees	70000000012	JUV555	100.00
XXXX	Jeanne Payee	70000012345	AD989	100.00

Subtotal Number of Transactions 8  
 Subtotal Dollar Amount 800.00



**CSS16D – Daily Disbursement Verification Report**  
**Section III EFT Paid**  
 Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

!

<County ID >- <County Name>

Current Day Activity – EFT Direct Deposits Paid Date MM/DD/YYYY

SETS Check Number	Payee Name	Case Number	Order Number	Dollar Amount
XXXX	Mary Payee	70000009876	JUV123	100.00
XXXX	Jane Payee	70000123456	JUV567	100.00
XXXX	Lola Payee	70000000009	AD987	100.00
XXXX	John Payee	76543210000	AD988	100.00
XXXX	Medicare	70099887766	Juv999	100.00
XXXX	Legal Aid	70000000876	JUV1234	100.00
XXXX	Lab Fees	70000000012	JUV555	100.00
XXXX	Jeanne Payee	70000012345	AD989	100.00

Subtotal Number of Transactions 8  
 Subtotal Dollar Amount 800.00



**CSS16D – Daily Disbursement Verification Report**  
**Section IV Miscellaneous Debits and Credits**  
Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
Run Time: HH:MM AM/PM  
As of: MM/DD/CCYY

<County ID >- <County Name>

**Miscellaneous Debits**

Amount	Date of Deposit	Reason Code
--------	-----------------	-------------

Subtotal Transactions  
Subtotal Dollar Amount

**Miscellaneous Credits**

Amount	Date of Deposit	Reason Code
--------	-----------------	-------------

Subtotal Transactions  
Subtotal Dollar Amount



**CSS16D – Daily Disbursement Verification Report**  
**Section V Recap Summary**  
Ohio Child Support Payment Central

Run Date: MM/DD/CCYY  
Run Time: HH:MM AM/PM  
As of: MM/DD/CCYY

<County ID >- <County Name>

|  
|

Posting Date to Bank One DDA MM/DD/YYYY

Disbursement Status	Amount
Voids	111.11
Stops	111.11
Pulls	111.11
Checks Paid	800.00
EFT Paid	800.00
Miscellaneous Debits	0.00
Miscellaneous Credits	0.00
Total	2733.33
Total Disbursed From ZBA Account	1600.00

## 9 ACH Enrollment Status Report

**Use:** The ACH Enrollment Status Report informs the CSEA of pending enrollments and errors encountered in the enrollment process.

**Distribution:** The report will be generated on time daily and made available for viewing or download from a web site.

**Trigger/Schedule:** Include in the end of day processing.

**Data:** Create one report for each county with the following data on each report.

- Name: Obligee name from the Enrollment Database.
- SETS Case Number: SETS Case Number
- Social Security Number: Obligee SSN from the WIP database
- Status: enrollment status from WIP database. Valid values = pending or complete. Complete enrollments will only appear on the report one business day. Pending enrollments will appear on the report until a status change or expired.
- Error Code: enrollment error reason code from WIP database
- Expiration Date: date the enrollment information will purge from WIP. Records will remain on the database for 45 days.
- Alignment: Left justify data within the columns
- Orientation: Landscape

**Format:**

OCSC	<b>CSS06D – ACH Enrollment Status Report</b>
Logo	
Ohio Child Support Payment Central	

Run Date: MM/DD/CCYY  
 Run Time: HH:MM AM/PM  
 As of: MM/DD/CCYY

<County ID >- <County Name>

Name	SETS Case Number	SSN	Status	Error Code	Expiration Date
Jane Doe	1234567890	XXXXXXXX	Pending		05/01/2000
Mary Simon	1234567890	XXXXXXXX	Pending	Missing SETS SSN	03/01/2000
Jill Jones	1234567890	XXXXXXXX	Pending	Failed Pre-Note	05/01/2000

Totals

## 9 ACH Direct Deposit Error Report

**Use:** The ACH Direct Deposit Error Report alerts the CSEA that CSS initiated a direct deposit for an obligee, and the receiving financial institution returned the deposit. The county may then take appropriate action in SETS to issue payment in the form of a check.

**Distribution:** The report will be generated one time daily and made available for viewing or download from a web site.

**Trigger/Schedule:** Generate one report per county when a return is received in the data return file from Meret. Do not create a report for an account that does not have a return.

**Data:** Create one report per county based on the data return file from Meret. Include the following information.

- Date: The date the report was created MM/DD/YYYY
- Report Header: Report Name, County Name, County ID
- Case Number: SETS Case Number
- Payee: Recipient Name
- Disbursement Number: Disbursement number from the SETS Disbursement File.
- Check Number: Check Number from the SETS Disbursement File.
- Issue Date: Issue date from the CSS Repository.
- Amount: dollar amount from data return file
- Reason Code: NACHA return reason from data return file
- Sort by Reason Code
- Alignment: Left justify data within the columns
- Page Format: Landscape

**Format:**

OCSPC	<b>CSS07D – Direct Deposit Error Status Report</b> Ohio Child Support Payment Central
Logo	

<b>Run Date:</b>	MM/DD/CCYY
<b>Run Time:</b>	HH:MM AM/PM
<b>As of:</b>	MM/DD/CCYY

<County ID >- <County Name>

Case Number	Payee	Disbursement Number	Check Number	Issue Date	Amount	ACH Reason Code SETS Reason Code
1234567890	Obligee	123456	1234	04/01/2000	230.00	R02 Account Closed INR
1234567890	Obligee	123456	1223	04/01/2000	340.00	R02 Account Closed INR
1234567890	Obligee	123456	1234	04/01/2000	540.00	R16 Account Frozen INR

Totals

## 10. Daily Check Disbursements Authorized by SETS Report

**Use:** This report is used to report back to the CSEA the check disbursements authorized by SETS for issue the prior business day.

**Distribution:** The report will be generated daily, and made available for viewing and download form a web site.

**Trigger/Schedule:** Generate report daily as part of the CSS end of day processing. Generate report for every county.

**Data:** Generate report daily for every county. If a county did not have any issues the previous business day generate a null report. Include the following data on the report.

- Current Day Activity - this summary section is designed to report only on activity authorized by SETS or county staff (i.e. represent physical activity of Bank One/CSS operations
  - Disbursements Authorized by SETS -
    - Checks Issued from yesterday's Batch
    - Subtotals of transactions
    - Subtotals of monies

**Format:**

OCSPC Logo	<b>CSS07D – Daily Check Disbursement Authorized by SETS Re</b> Ohio Child Support Payment Central	Run Date: Run Time: As of:	MM/DD/CCYY HH:MM AM/PM MM/DD/CCYY
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<County ID >- <County Name>

Current Day Activity – Check Disbursements Authorized by SETS

SETS Check Number	Payee Name	Case Number	Order Number	Dollar Amount
XXXX	Mary Payee	70000009876	JUV123	100.00
XXXX	Jane Payee	70000123456	JUV567	100.00
XXXX	Lola Payee	70000000009	AD987	100.00
XXXX	John Payee	76543210000	AD988	100.00
XXXX	Medicare	70099887766	Juv999	100.00
XXXX	Legal Aid	70000000876	JUV1234	100.00
XXXX	Lab Fees	70000000012	JUV555	100.00
XXXX	Jeanne Payee	70000012345	AD989	100.00

Subtotal Number of Transactions      8  
 Subtotal Dollar Amount                800.00

## 10. Notification of Change Report

Use: CSS will utilize this report to data enter any Notification of Change (NOC) request sent on the NACHA file by the receiving financial institution. CSS will key the requested changes to the Enrollment Database, via the Customer Service Application. This report will only be available to CSS.

**Distribution:** To be determined.

**Trigger/Schedule:** Generate report when any Reason Codes C01 through C13 is received on the ACH Returns File.

**Data:** Create on report for all NOC records on the Return File. The data listed below is required on the report. Follow current EFTPS format.

- \_ Entry Date/Time: Date and time the report is produced.
- \_ Company Name: Anexsys – Columbus
- \_ Description: Ohio Child Support Payment
- \_ TC: Transaction Code
- \_ Routing: Transaction Routing Number from the Return File.
- \_ Account Number: Transaction Account Number from the Return File.
- \_ Individual ID: Individual identification on the transaction. This should be SSN from the original transaction.
- \_ Individual Name: Name on the transaction.
- \_ Amount: Dollar amount of the transaction.
- \_ Assigned Trace: Transaction trace number.
- \_ Dist: Date transaction was issued.
- \_ Settle: Date transaction settled.
- \_ TC: Reason Code and description.
- \_ Orig Trace: Trace number of the original transaction.
- \_ Addenda: Report all information included on the Addenda record of the transaction.
- \_ Batch Totals for Settlement Date:
  - Debits: Item Count, Addenda Count, Amount
  - Credits: Item Count, Addenda Count, Amount

Format:

Entry Date/Time:

**Anexsys – Columbus  
Ohio Child Support Payments  
Notification of Change**

TC	Routing	Account Number	Individual ID	Amount	Assigned Trace	Dist	Settle
26	123456789	3344556677	223336666	0.00	XXXXXXXXXXXXXXXXXX	01/27	01/27
C01 Incorrect DFI Account Number					Original Trace: xxxxxxxxxxxxxxxxx	Orig RDFI: 1234566	

Addenda Information: 1234567890

Batch Totals

Settlement Date	<u>Debits</u>			<u>Credits</u>		
01/27/00	Item Count	Addenda Count	Amount	Item Count	Addenda Count	Amount
	1	1	0.00	0	0	0.00
Total	1	1	0.00	0	0	0.00

## 8. ARP

The reports listed below will be sent to CSS in a data file on the fifth business day of the month. CSS will pull the data from the monthly ARP reports to balance to the Monthly Bank Statement. After bank statement reconciliation is complete the ARP reports will be made available to the CSEA via the Web Reporting process.

- ARP Cover Sheet
- Recap of Posted Items
- Reconciliation Diagnostic Summary Report
- Miscellaneous Credits Report
- Miscellaneous Debits Report
- Paid Only Report
- Unpaid Only Report
- Consolidated Report
- Aged Issues Report

ARP Report Samples are only available in hard copy and have been sent to ODHS via overnight courier.

# SUPPLEMENTAL INFORMATION TRAILER

This page is the last page of supplemental information for this competitive document. If you received this trailer page, all supplemental information has been received.

Note: portions of the supplemental information provided may or may not contain page numbers. The total number of pages indicated on the cover page does not include the pages contained in this supplement.