



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION

**REQUEST FOR PROPOSALS # 31701-05042
AMENDMENT # 3
FOR PREPAID DEBIT CARD SERVICES**

DATE: January 25, 2016

RFP # 31701-05042 IS AMENDED AS FOLLOWS:

1. This RFP Schedule of Events updates and confirms scheduled RFP dates. Any event, time, or date containing revised or new text is highlighted.

EVENT	TIME (central time zone)	DATE
1. RFP Issued		December 4, 2015
2. Disability Accommodation Request Deadline	2:00 p.m.	December 9, 2015
3. Pre-response Conference	10:00 a.m.	December 11, 2015
4. Notice of Intent to Respond Deadline	2:00 p.m.	December 14, 2015
5. Written "Questions & Comments" Deadline	2:00 p.m.	December 17, 2015
6. State Response to Written "Questions & Comments"		January 25, 2016
7. Response Deadline	2:00 p.m.	February 12, 2016
8. State Completion of Technical Response Evaluations		February 22, 2016
9. State Opening & Scoring of Cost Proposals	2:00 p.m.	February 23, 2016
10. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	February 26, 2016
11. End of Open File Period		March 4, 2016
12. State sends contract to Contractor for signature		March 7, 2016
13. Contractor Signature Deadline	2:00 p.m.	March 14, 2016

2. State responses to questions and comments in the table below amend and clarify this RFP.

Any restatement of RFP text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFP document.

QUESTION / COMMENT	STATE RESPONSE
<p>Note: in the questions that follow, any vendor's restatement of the text of the Request for Proposals (RFP) is for reference purposes only and shall not be construed to change the original RFP wording.</p>	
<p>1. Pg 1 1.1.3. Due to increased scrutiny from CFPB and NCLC, is the State willing to look at other alternatives to State assistance other than monthly rebates based on cardholders?</p>	<p>The State is aware of the draft regulation by the CFPB and reports prepared by the NCLC, a non-governmental agency. The rebate presented in RFP Section 1.1.3 is voluntary, and the scoring for the rebate in RFP Attachment 6.3, Cost Proposal & Scoring Guide, also reflects the non-mandatory character of the rebate.</p>
<p>2. Pg 8 Schedule of Events. If the State is able to compile some answers to the responder's questions before the January 8th due date, would the State be willing to release that partial list of Q&A's before January 8th?</p>	<p>The Schedule of Events was amended in RFP Amendment #2 and the new date for the release of the State's Response to Written Comments is January 25, 2016. The State does not agree to release Responses early.</p>
<p>3. Pg 8 Schedule of Events Q&A Response Date Due to the January 18th MLK holiday responses will need to be mailed by January 15th. This gives responders only 4-5 business days to complete proposals after reviewing the Q&A. Would the State be willing to either respond earlier to the Q&A's or extend the due date a few more days?</p>	<p>See the State's Response to Question #2 above.</p>
<p>4. Pg 30 A.4.c. There is no distinction made in the RFP between in-network and out of network ATM's. Generally, pricing is very different between the two types of machines. How will you score respondents on in-network vs out-of-network ATM access? How will the total number of in-network ATM's in the State of Tennessee be scored in the RFP?</p>	<p>In-network and out-of-network pricing is being added to the required cost proposal.</p> <p>In addition to the pricing, the RFP also requires information on the in-network ATM system by completion of Item C.4 in the Technical Response & Evaluation Guide, which asks for a presentation on the cash access plan, including ATM access throughout the State. The evaluation factor indicates the importance of this requirement.</p> <p>The State is amending all appropriate sections of the RFP and <i>pro forma</i> contract to detail in-network and out-of-network ATM access.</p> <p>See RFP Release 2 in Item #3 below.</p>
<p>5. Pg 30 A.4.d. Could you provide more information on the use of these cards? Who ultimately has ownership of the funds on the card, the State or the cardholder? What types of MCC restrictions are required?</p>	<p>Yes. The ownership of the funds on these cards rests with the Cardholder, not the State. The cards would be used for educational services, health care services, social services, health care equipment, etc. At the onset of implementation the contractor would meet with department staff to determine the best scope of MCC restrictions.</p> <p>Please note the State has revised RFP Section 1.1.5.d.</p> <p>See RFP Release 2 in Item #3 below.</p>
<p>6. Pg 40 A.4.m.ii Can you provide further clarification</p>	<p>It is the view of the State that EMV requirements benefit the Cardholder, the Contractor, and other</p>

QUESTION / COMMENT		STATE RESPONSE
	around your requirement for EMV?	users of the national credit/debit card system. As required in Contract Section A.4.m.ii, the Contractor must provide Cards that are magnetic stripe and EMV/chip PIN enabled.
7.	Pg 42 A.9.a.ii. "the Contractor shall provide Cardholder data and...", Who are we providing cardholder data to?	The State has changed the word "provide" to "protect." Thank you. See RFP Release 2 in Item #3 below.
8.	Page 3, 1.1.5 Background, b. Department of Labor and Workforce Development Unemployment Insurance Payment Distribution The RFP states, "As of January 2015, there were 21,170 transacting accounts for the Department of Labor and Workforce Development, including card spend of \$10,991.00." [a] Is the quoted monthly card spend value a typo and if so, what is the correct amount for that month? [b] In addition, can you please confirm the monthly total value loaded to cards for the past 12 months for the unemployment and retirement card programs?	[a] Yes, the total card spend for January 2015 should be \$10,991,328. [b] See additional information provided in RFP Attachment 6.13. Regarding Retirement, in the last twelve (12) months, the Treasury Department has loaded an average of 585 debit cards with an average monthly total of \$323,960. See RFP Release 2 in Item #3 below.
9.	General Volume Information Question Please ask your current Debit Card vendor to provide, as they have done in other recent procurements, the monthly summary data for: Value loads, In-Network ATM Withdrawals, Out-Of-Network ATM Withdrawals, # ATM Withdrawals in each category that were assessed a fee, # of Decline ATM transactions, # of ATM Balance Inquiries, % of ATM Balance Inquiries that were assessed a fee for each of the existing programs.	Some of this information is of a proprietary nature and cannot be provided. The additional information the State was able to obtain on monthly summary data is provided in RFP Attachment 6.13. See RFP Release 2 in Item #3 below.
10.	Page 4, 1.1.5 Background, d. Tennessee Department of Education What is the total annual budget anticipated for the IEA program? What is the expected average quarterly payment to an IEA account?	The Department of Education has estimated approximately \$5,745,681 would be available for the IEA program during fiscal year 2016 – 2017, involving approximately 1,100 students. Quarterly payments are estimated at \$1,590.72. Since this is a new program and will only be operational at the beginning of 2017, these are only initial estimates.
11.	Page 9, 3.1.2 Cost Proposal, 3.1.2.1, RFP Attachment 6.3 It is required that the respondent only record the proposed costs and rebates exactly as required by the RFP Attachment 6.3. This response structure does not allow for the insertion of additional innovative services for the cardholders; the adjustment and/or elimination of fee ranges and types; or allow for issuers to propose alternatives for in-network ATM access, rebate structures or Non-EMV enabled pricing; etc. It is our experience	[a] The State neither encourages nor discourages the proposal of additional services; this is a business decision for the Vendor. However, as stated in RFP Section 3.6, if the Vendor chooses to propose additional services, the costs for any such services <u>must be included in existing cost items</u> in the Cost Proposal, and the costs <u>must conform to the Cost Proposal format</u> found in RFP Attachment 6.3. The Vendor may <u>not</u> charge the State or the Cardholders any additional fee for the services in question.

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<p>and it is also recommended by federal agencies and consumer advocacy groups like the National Consumer Law Center (NCLC) alike that providers of government benefits card programs should focus on offering comprehensive services and reasonable access and fee structures to recipients. We believe revenue share/rebate structures bear significant reputational risk for both the issuer and the State of Tennessee. The NCLC and others have suggested that the earning of rebates based on consumer activity and/or adoption is not best practice in the industry and may result in a conflict of interest for the agency.</p> <p>Will the State please revise the submission requirements for Attachment 6.3</p> <p>[a] to provide more flexibility for respondents to propose the addition of services to recipients and</p> <p>[b] to also provide issuers the opportunity to propose alternative and potentially superior fee structures/schedules – including free in-network ATM access, fee ranges, and appropriate alternative structures to agency rebates that can help the state achieve their goal of covering their program-related transition expenses?</p>	<p>[b] The State's intent is to seek the best possible services for the Cardholders with reasonable fees. However, the State cannot make an open-ended agreement to allow alternative fee structures from each Vendor.</p> <p>The State does not agree to alter the Cost Proposal structure.</p> <p>Also, see the State's Response to Question #1.</p>
<p>12. Page 19, RFP Attachment 6.1</p> <p>The Statement of Certifications and Assurances, it does not allow for any clarification or exception with any provision, requirement, service and/or terms and conditions within the RFP, yet the attachment must be signed.</p> <p>[a] Where can a respondent address clarifications and/or exceptions?</p> <p>[b] Should the respondent leave unsigned and insert clarifications?</p>	<p>[a] Clarifications and exceptions will be discussed during negotiations with the apparent best-evaluated Respondent.</p> <p>The State will consider, on a limited basis, suggested alternative changes to contract language during the post award process, subject to any mandates or restrictions imposed on the State by applicable state and federal law. The State reserves the right to unilaterally reject all suggested changes to the <i>pro forma</i> contract and responses to the solicitation must be based on the assumption that only the <i>pro forma</i> contract language will be used in the execution and performance of the contract. Extensive changes to the <i>pro forma</i> contract language or responses conditioned upon acceptance of the Respondents' suggested changes to the <i>pro forma</i> contract terms may be deemed as non-responsive to the solicitation and will not be further evaluated or considered for award.</p> <p>[b] No, the Respondent shall not leave the Statement of Certifications and Assurances unsigned or include any clarifications, exceptions, or qualifications. Please note that the State has amended RFP Attachment 6.1, item 3, to indicate the position stated above in [a].</p>

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		See RFP Release 2 in Item #3 below.
13.	<p>Page 20, RFP Attachment 6.2</p> <p>Item Ref. # A.4, credit bureau documentation request, appears to be directed at non-financial institution providers. What would you require here for a financial institution?</p>	<p>Historically, financial institutions have been able to provide the credit bureau documentation required by the State.</p> <p>See the State's Response to Question #28.</p>
14.	<p>Page 40, A.4, m. ii</p> <p>The State has made EMV/chip enabled cards a firm RFP requirement, while most other state government programs are still only magnetic-stripe enabled. Since counterfeit card losses continue to remain very low on prepaid cards, EMV has not yet been widely adopted. Due to the significant increased expenses related to EMV cards, issuers may need to vary their proposed pricing based on whether Tennessee decides their new program must be issued as EMV enabled. We ask the State allow issuers the opportunity to present alternative Non-EMV fee schedules so that you may receive the most competitive pricing proposals and options.</p>	See the State's Response to Question #6.
15.	<p>Response due date</p> <p>We respectfully request an extension to the proposal due date of January 19th to allow sufficient time to thoroughly respond to the solicitation after the receipt of answers to the submitted questions and to accommodate for the multiple holidays that fall within the RFP timeframe (Christmas Day, New Year's Day, Martin Luther King, Jr. Day – which falls the day prior to the response deadline). For these reasons, we are requesting a minimum extension of two weeks from the current response deadline of January 19th.</p>	See the State's Response to Question #2.
16.	<p>Response to Written Questions & Comments</p> <p>Can the State provide responses to bidder's question(s) as they are available?</p>	The State does not agree to provide responses as they are available.
17.	<p>Pg 3, A.4.b. - Are telephone claimants able to opt into a direct deposit? If not, will the State consider a change on that due to increased regulatory scrutiny?</p>	Yes, the phone claimant can opt into direct deposit as an alternative method of payment.
18.	<p>Pg 3, A.4.c. TCRS - Employee Retirement Income Security Act (ERISA) requires an "opt-in" in regard to prepaid cards rather than a default when not using direct deposit. How will the State and the prepaid provider comply with this regulation?</p>	The Tennessee Consolidated Retirement System is not governed by the Employee Retirement Security Act (ERISA) as it is a government pension plan, and excluded from regulation under ERISA.
19.	<p>Pg 3, A.4.d. DoE Cards</p> <p>a. Are these Federal or Title IV funds?</p> <p>b. Are these reloadable cards?</p>	<p>[a] These funds are federal, state and local.</p> <p>[b] Yes, these are reloadable cards that would be held by the parent or the guardian of a special needs child.</p>

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	<p>c. How often are disbursements loaded onto the cards, weekly, monthly, etc.?</p> <p>d. Will funds be loaded just during the school year or year-round?</p> <p>e. Approximately how large (in dollar amount) are the average loads onto the cards?</p> <p>f. Since these cards function so much differently than the child support, unemployment, and pension cards (no ATM, MCC restrictions, no firm participation amount) can responders propose separate pricing for this program?</p>	<p>[c_d] Initial planning suggests the funds would be loaded at the beginning of each quarter during the State fiscal year.</p> <p>[e] Funding estimates are provided in the State's response to Question #10.</p> <p>[f] Yes, the State has included a separate pricing structure in Contract Section C.4 and the Cost Proposal in RFP Attachment 6.3.</p> <p>See RFP Release 2 in Item #3 below.</p>
20.	<p>Pg 10, 3.1.2.2 - If there are any major regulatory or industry changes during the life of the contract, will the successful bidder have the ability to either re-negotiate pricing or terminate the contract?</p>	<p>The State is ultimately responsible for the delivery of benefit payment services through the debit card system to tens of thousands of citizens who depend on these payments for their livelihood. However, the State cannot make an agreement to re-negotiate pricing or terminate the contract based on unknown future regulatory and industry changes.</p> <p>In the event there are major changes, the State will be reasonable and work towards a mutually agreeable solution.</p>
21.	<p>Pg 12, 3.6. Additional Services - Will the successful bidder be able to determine pricing of any additional programs? Would they be able to negotiate whether or not to develop a new product for the State? Section 4.11 seems to indicate it's negotiable but this section does not.</p>	<p>RFP Section 3.6 refers to services that may be offered by the Vendor in addition to the State's requirements as expressed in this RFP. See the State's Response to Question #11 [a] above.</p> <p>RFP Section 4.11 refers to new services that the State requests that are in addition to the general scope of the contract and the RFP.</p> <p>In the event new services are required during the term of the contract, an amendment will be required to add those services and the Vendor will propose the fee for the new service at that time.</p>
22.	<p>Pg 13, 4.4. Subcontracting – If the State refuses a subcontractor of the successful bidder, will the bidder be able to terminate the contact with the State?</p>	<p>It is unlikely, but not impossible, that the State would disapprove a proposed subcontractor. In the unlikely event that the State did so, the State would entertain reasonable negotiations to arrive at a mutually beneficial solution.</p> <p>See also the State's response to Question #122 below.</p>
23.	<p>Pg 13, 4.5. – We aren't able to dictate our subcontractor personnel. Would the State consider removing the subcontractor provision in this requirement?</p>	<p>It is unlikely, but not impossible, that the State would disapprove a proposed subcontractor. However, the State will not waive its right to refuse personnel.</p>
24.	<p>Pg 14, 4.8.1. – Would the State be amenable for us to co-own the material?</p>	<p>See the State's Response to Question #12.</p>
25.	<p>Pg 15, 4.10. Contractor Performance. "All goods or services are subject to inspection and evaluation by the State." – Is the State asking for</p>	<p>RFP Section 4.10 refers to the State's rights to inspect and approve goods and services delivered.</p>

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	onsite audit rights at the contractor and subcontractor locations?	However, the State also has a general audit right that is expressed in Contract Section D.8, <u>Records</u> .
26.	Pg 19, STATEMENT OF CERTIFICATIONS AND ASSURANCES – Since we would like to negotiate some of the T&C’s of the contract, how do you advise we handle this signature page to avoid disqualification?	See the State’s Response to Question #12.
27.	Pg 20 Section A.3. - Mandatory Requirement Items - As one of the largest banks in the country, our relationships with other banks typically revolve around the processing of transactions. Given our size, we don't rely on other financial institutions for credit, account related or similar needs which the above question seems to lean towards. Would the State allow a simple statement of our interactions with other banks in lieu of the bank reference letter?	Yes, as described/required in paragraph two of Item Ref. A.3., “If the Respondent is a financial institution that maintains no relationships with other financial institutions, thus cannot provide the standard documentation required, the Respondent should provide explanation of this in its Proposal.”
28.	Pg 21 Section A.4. - Given the overall credit quality of our institution, any many other large financial institutions, the rating agencies don’t always review and provide a credit report on a quarterly basis. It is possible that we only are reviewed once per year unless there is some material change that would require a more recent review. Would the State consider amending the above question to say "... and dated within the past three months or the most recently completed within the past year... “?	The State agrees to modify this requirement. See RFP Release 2 in Item #3 below.
29.	Pg 22, B.7. - We do not have provisions to obtain this information from our subcontractors. Could “subcontractors” be removed from the requirement?	The State does not agree to the revision. As stated in Item B.7, the response shall be “to the Respondent’s knowledge.”
30.	Pg 23, Section B.15 - General Qualifications and Experience Items - The question regarding business relationships requires vendor names, contact names, phone numbers, etc. As a bank-wide policy, we do not disclose the names of those vendors we do business with or participation percentages. Would the State allow respondents to alter their responses to the questions in this section (specifically b and c) to allow us to describe our overall commitment to diversity from a bank level and then more specifically within the Tennessee market and provide more general statistics around these questions?	Yes, the State will allow the Respondents to modify their response as described in the question.
31.	Pg 28, C.&.e. – [a] Does this include subcontractors? [b] We do not have the ability to perform unscheduled inspections from our subcontractors. [c] Could subcontractors be removed from the requirement?	The State assumes the vendor means Item C.7.e. [a] Yes, subcontractors are included. [b] The State agrees to remove “unscheduled inspections.” See RFP Release 2 in Item #3 below. [c] The State does not agree to remove subcontractors from this requirement.

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32.	Pg 29, Cost Proposal – Can inactivity fees be charged? Can a first replacement card fee in a 12 month period and a second replacement card fee in a 12 month period be added to the scoring?	No, the State does not agree to these revisions. However, please note that the State has added separate fees for PIN-based and Signature-based POS transactions. See RFP Release 2 in Item #3 below.
33.	Pg 30 A.4.c. - Will respondents need to map the locations of their ATM network in the State? If so, we would need to start the process long before the January 8 th due date for the Q&A.	Yes, see the State's Response to Question #4.
34.	Pg 39, A.4.c. “...via a bank teller, with no withdrawal fee, at participating Visa and MasterCard banks.” - Can this be changed to “Visa <u>or</u> MasterCard” depending on which company the offeror proposes?	Yes, the State agrees to revise the language. See RFP Release 2 in Item #3 below.
35.	Pg 40, A.4.j. – The timeframe in this requirement may be greater than the Reg E. Could this be removed?	The State provides information and training materials to Cardholders and State employees and needs advance notice to implement any significant changes.
36.	Pg 40, A.4.i.i - Are <u>all</u> representatives required to be bilingual? Can a cardholder be transferred to a Spanish speaking rep and still be in compliance?	No, all representatives are not required to be bilingual. Yes, transfer to Spanish speaking staff is acceptable and still in compliance. Contract Section A.4.i.i has been revised. See RFP Release 2 in Item #3 below.
37.	Pg 40, A.4.m.ii Can your requirement for EMV be optional? Adding EMV cards will require most issuers to increase their cardholder fees.	No. See the State's Response to Question #6.
38.	Pg 41, A.4.p – Confirming that this is only in regard to a monthly maintenance fee.	Yes, this is correct. The Contractor may not charge a monthly account fee or maintenance fee to the Cardholder; with the exception of the Department of Education. See the revision to Contract Section A.4.p. See RFP Release 2 in Item #3 below.
39.	Pg 41, A.5. – Operating procedures can change often, generally providing better client and cardholder experiences. It would be cumbersome for both the State and the offeror to have to amend this statement of work every time a procedure or protocol changes. Could this requirement be removed?	No. Our experience is that having agreed-upon operating procedures has improved customer service and avoided miscommunication between State staff and the Contractor. The operating procedures are intended as several pages of agreed upon steps that cover basic program events, such as “What happens when a cardholder calls the contractor with a new address?” or “What happens when a cardholder calls the state office and says their card has been lost?” Having a common FAQ is a vehicle to ensure that the details of program administration are discussed prior to roll-out, and that there is a common format for training among the many 100's of State employees involved. This document is not intended to cover all

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		events, or to be an onerous requirement.
40.	Pg 42, A.8.a, Additional Cards – [a] Is the State referring to replacement cards here, or requesting additional cards, for example, for family members? [b] Also, please define “issue” in the last sentence. Does the State mean produce, mail to or received by?	[a] This refers to an additional card for a family member, custodian or guardian. [b] “Issue” means “mail.” The State has revised this sentence. See RFP Release 2 in Item #3 below.
41.	Pg 42, A.9.e. – While we would have no intention of keeping cardholder information longer than required, generally cardholders remain clients of the past offeror until the cards obtain a zero balance. Could this requirement be changed to fit that situation?	Yes, this language will be revised to accommodate the continued services for Cardholders. See RFP Release 2 in Item #3 below.
42.	Pg 43, A.11. – Would be we able to negotiate a timeline greater than two hours?	No, two hours is preferred.
43.	Pg 44, A.15.a. – Can we stipulate that the successful bidder will not be held responsible for a start date later than July 1, 2016 if the hold-up is due to the State’s actions or inactions?	No, the State does not agree to this change. Prior to the release of this RFP, the program area reached out to the respective departmental programs making them aware of the transition timeframe and the process involved.
44.	Pg 45, A.c.iii. – Could the State expand on why they would require this quarterly report?	From the State’s perspective there are many stakeholders in a debit card initiative that provides services to multiple programs. For instance, oversight is provided by the State Legislature, and federal agencies are involved to some extent in the funding of all of the programs. It is useful to have current operational information available when requested. See the State’s revision to Contract Section A.15.c.iii.
45.	Pg 47, D.5, 6, 7, and 8 - Would be we able to negotiate some of these requirements based on our inability to force some of our current subcontracts to comply?	See the State’s Response to Questions #12 and #52.
46.	Pg 18,, D.18. - Since we are not dealing with HIPAA Compliant goods or services, could this be removed?	See the State’s Response to Question #12 above.
47.	Pg 49, E.2. – Could “or by EMAIL or facsimile transmission” verbiage be removed?	See the State’s Response to Question #12 above.
48.	Pg 50, E.4. – How can we best deal with our “principals” as a publicly-traded company?	The requirement in Section E.4 is “to the best of its (the ‘Contractor’s’) knowledge and belief.” This is the standard of compliance for this requirement; it is up to the Contractor to manage its relationships in a compliant manner.
49.	Pg 51, E.7. Disclosure of Personal Identity Information – Could we negotiate timing and type of notification?	See the State’s Response to Question #12 above.
50.	Pg 5,1 E.8. Incorporation of Additional	See the State’s Response to Question #12 above.

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	Documents – Request to be able to negotiate.	
51.	Pg 51, E.10 - We cannot indemnify the State to the extent the State is negligent or engages in misconduct. Is that acceptable?	See the State's Response to Question #12 above.
52.	Pg 52, E.11. a. and c. TRANSFER OF CONTRACTOR'S OBLIGATIONS – How is "immediately" defined? Can we negotiate?	The State is deleting Contract Section E.11., <u>Transfer of Contractor's Obligations</u> , in its entirety and revising Contract Section D.5, <u>Assignment and Subcontracting</u> . See RFP Release 2 in Item #3 below.
53.	Pg 53, E.12 Breach of Security – Is the State open to negotiating mutually beneficial requirements in this section?	See the State's Response to Question #12 above.
54.	For each program— [a] Child Support, [b] Pension, [c] Payroll & [d] Education fund-- how many times, on average, does a cardholder receive a disbursement per month?	[a] Over the past 12 months, child support Cardholders received an average of 2.69 disbursements per month. [b] A pension payment is made once a month. The average pension disbursement through the debit card program is \$554.00. [c] Payroll payments are made twice a month. [d] Information on the Dept. of Education proposed IEA program payments is provided in the State's Response to Question # 19.
55.	For each program – [a] Child Support, [b] Pension, [c] Payroll & [d] Education fund-- what is the average number of disbursements a cardholder receives over the life of a claim?	The State is unsure of the Vendor's question. "Life of a claim" is usually identified only with unemployment benefits where the Cardholder's average claim is 10-13 weeks up to a maximum of 26 weeks. The average number of disbursements for Child Support on a debit card cannot be determined by the Department of Human Services at this time, in part because obligations of the non-custodial parent change over time. However, many child support recipients receive child support benefits for a number of years.
56.	What is the average per card disbursement amount for Child Support?	Child support Cardholders, over the past twelve (12) months, received an average of \$4,681.11 per Cardholder.
57.	What is the average per card disbursement amount for Pension?	\$554.00
58.	What is the anticipated average disbursement for the education?	See the State's Response to Questions #10 and #19.
59.	What is the average check amount for payroll?	See RFP Section 1.1.5.e.
60.	[a] What is the estimated number of payroll recipients who will switch to prepaid? [b] Will the state mandate electronic payment of	[a] This information is included in Section 1 of the RFP. [b] The current expectation is that the State will provide only ACH deposit or debit card options

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	either direct deposit or prepaid for payroll? Or will checks remain an option?	to employees for payroll.
61.	General - Would the State please provide a copy of all current cardholder materials that are sent to cardholders, including terms and conditions, by program?	No, materials currently in use, including the Cardholder terms and conditions, are owned and copyrighted by the current vendor.
62.	1.3.3 Statement of Procurement Purpose, Pg. 1 - The RFP instructs bidders to not include any fee or rebate information in the technical response. Would the State allow bidders to indicate if something is "free" or has "no cost" in their technical submission, if warranted?	As stated in RFP Section 3.1.1., "NOTICE: A technical response <u>must not</u> include <u>any</u> pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical response, the state may deem the response to be non-responsive and reject it."
63.	1.1.5.a, Background - Department of Human Services, Pg. 2 – The RFP provides January 2015 information for child support payments . To ensure bidders have the most current information to develop their cost models, would the State please provide more recent information (such as October or November 2015 information) on active accounts, transacting accounts, new accounts, and the break out of transactions for POS, ATM, etc.?	See additional information provided in RFP Attachment 6.13. See RFP Release 2 in Item #3 below.
64.	1.1.5.b, Background - Department of Labor and Workforce Development Unemployment Insurance Payment Distribution, Pg. 2 - The RFP provides January 2015 information for UI payments . To ensure bidders have the most current information to develop their cost models, would the State please provide more recent information (such as October or November 2015 information) on active accounts, transacting accounts, new accounts and the break out of transactions for POS, ATM, etc.?	See additional information provided in RFP Attachment 6.13. See RFP Release 2 in Item #3 below.
65.	1.1.5.a Child Support Overview, paragraph 3; Pg. 2, and 1.1.5.d TN Dept. of Education, Pg. 4 – [a] Is the Debit Card the default for child support payments? [b] Will the State provide for each program the default payment method and whether or not direct deposit is offered and/or check?	For child support benefits, recipients are offered the option of direct deposit to their personal bank accounts. If this is not possible or desired, the debit card option is the default payment solution. For the proposed Department of Education IEA program, debit cards will be the means of payment.
66.	1.1.5.b Unemployment, Pg. 2-3 - Would the State please provide for January 2015 the number of active accounts and new UI accounts? Only transacting accounts were provided for this program, though active and new were provided for the other two existing programs.	See additional information provided in RFP Attachment 6.13. See RFP Release 2 in Item #3 below.
67.	RFP Section 2.2. Schedule of Events, Item 6, Pg.8 - Due to the holidays, and to ensure the State receives the most detailed technical proposals and thoughtful cost submissions, would the State extend the due date from January 19th to February 2nd?	See the State's response to Questions #15 and #16 above.

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	Additionally, would the State please consider releasing answers to "Questions and Comments" sooner than the stated date of January 8, 2016, to allow adequate time for bidders' responses?	
68.	3.1.1.2 Technical Response, Pg. 9 - Would the State confirm that vendors can use font smaller than 12 point for headers, footers, requirement text, tables, and font within exhibits?	<p>The Technical Response requirements are to ensure legible, readable responses for the evaluators.</p> <p>In general, 12-point font should be used wherever practical. However, there may be limited cases in which a smaller font is more practical. In such cases, it is acceptable to use a smaller font.</p> <p>In the event there are preexisting documents that do not conform to the font size or page numbering requirements, the State will accept those as is.</p>
69.	3.1.1.2 Technical Response, Pg. 9 - Several requested documents/samples do not comply with font restrictions and they are not available in a native MS Office format for font adjustments. Please confirm that it is permissible to submit those documents as is.	See the State's Response to Question #68.
70.	3.1.1.2 Technical Response, Pg. 9 - Some pre-existing documents required for submission (e.g., financial reports) have existing page numbering and some pages may not be numbered. Because these are long and complex documents, may bidders leave them unaltered?	See the State's Response to Question #68.
71.	3.1.2, Cost Proposal, Pg. 9 - Regarding submission of the Cost Proposal, will the State provide an MS Excel version for the Cost Proposal scoring guide to ensure calculations are correct for all bidders?	An Excel version of the Cost Proposal is unnecessary. The columns under the title heading "State Use ONLY" have calculations that will be performed by the State and are not the responsibility of the Respondent.
72.	3.3.2, Response & Respondent Prohibitions, Pg. 11 - The RFP states: "A response must not restrict the rights of the State or otherwise qualify either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal." Does this requirement prohibit the bidder from copyrighting its proposal?	In accordance with RFP Section 4.8.1, "All materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Selection or rejection of a response does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee."
73.	Attachment 6.2 B.15 (c), Estimated Participation, Pg. 23 - The requirement asks vendors to, "Provide an estimated level of participation by business enterprises owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises if a contract is awarded to the Respondent pursuant to this RFP." How are points assigned to bidders to provide MBE and DBE participation?	The Governor's Office for Diversity Business Enterprise (Go-DBE) will assess the Respondent's response utilizing assessment indicators of 1 through 4 with 4 being the highest to compile a Diversity Overview. Respondents may earn up to a maximum of sixteen (16) assessment indicators for accurately responding to the diversity language. The Diversity Overview is provided to the RFP Solicitation Coordinator to be used by the

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		evaluators in the final scoring of the Technical Proposal.
74.	Cost Proposal, Pg. 29 - Recent guidelines from the CFPB in their proposed rules for prepaid cards appears to forbid employers (or agencies) from receiving monetary compensation as a result of implementing prepaid cards. As final rules are due the beginning of 2016, and in light of bidders potentially being prohibited from having a rebate, would the State remove the requirement and points associated to bid a rebate to the State?	The State does not agree to remove the Monthly Rebate. See the State's Response to Question #1.
75.	Cost Proposal, Pg. 30 - How do bidders indicate their price for in-network vs. out of network ATM transactions?	The State has revised the Cost Proposal format (RFP Attachment 6.3) to accommodate separate pricing for in-network and out-of-network ATM transactions; as well as in-network and out-of-network POS- and Signature-based transactions. NOTE: In accordance with RFP Section 3.1.2, "NOTICE: If a Respondent fails to submit a cost proposal <u>exactly</u> as required, the State may deem the response to be non-responsive and reject it." The Respondent must use caution to ensure that the most current Cost Proposal is submitted in the Respondent's sealed Cost Proposal package. See RFP Release 2 in Item #3 below.
76.	Cost Proposal, Pg. 30 – [a] How do bidders indicate other program fees that are not currently included on the fee schedule? [b] Are the International ATM withdrawal fee or International currency conversion fee charged by the card associations?	[a] See the State's Response to Question #11. [b] Usual and customary "foreign" ATM fees and international currency conversion fees are permissible and may be passed along to the Cardholder. See Contract Sections A.4.c. and C.5.
77.	Scope of Services, Item S.i., Pg. 41 - The State indicates the requirement for EMV PIN enabled cards. As the State does not incur any loss for fraud and is 100% borne by the bidders, would the state either: 1) Remove the requirement for EMV; 2) Allow bidders to charge the State for the additional cost of EMV issued plastics (per card) or; 3) Allow two cost schedules to be submitted, one with EMV cost and the second without EMV issued cards?	See the State's Response to Question #6.
78.	Scope of Services, Item S.i., Pg. 41 - The RFP indicates that the bidder must send an electronic file to [NAME REDACTED] to verify card activation prior to funding the account. As Federal laws require child support funds to be disbursed in 48 hours, can the State please clarify the rationale for requiring the cardholder to activate the card prior to distributing deposit to the card? (This seems	The Department of Human Services has determined that child support funds are disbursed to our clients in a more timely fashion by requesting that a new card is activated before depositing funds to the debit card. This method has ensured that the card has reached the Cardholder. The Department continues to disburse child support funds by paper check or by direct deposit until the

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	counterproductive for both the State—additional checks being issued—and the cardholder.)	new debit card is activated.
79.	<p>A.8 Card Issuance, Pg. 42 - What is the difference between Additional Cards and Replacement Cards? The RFP states, "The Cardholder shall have the option to request additional Cards upon establishment of the Account and all Cards shall be issued in the name of the Cardholder."</p> <p>Is the State requiring multiple active cards to be issued to the State cardholder? There are security reasons for ensuring a cardholder has only a single card. Would the State please amend this requirement?</p>	<p>A replacement card replaces a lost or stolen card. An additional card is an active second card on a single account. Requests for additional cards are typically infrequent. They may be useful for a retired couple who both want access to pension monies, or to a relative of a disabled program participant.</p> <p>The State has modified Contract Sections A.8.a. and A.8.b.</p> <p>See RFP Release 2 in Item #3 below.</p>
80.	Scope of Services, A.14, Pg. 44 - Bidders may have other contracts with the State and/or pursuing other business with other State Agencies. Can the State clarify this requirement and/or limit the requirement to obtaining permission as it pertains to services outlined in this procurement?	<p>The State is amending Contract Section A.14.</p> <p>See RFP Release 2 in Item # 3 below.</p>
81.	General - May vendors propose <u>additional</u> contract provisions beyond those contained in the <i>pro forma</i> contract?	See the State's Response to Question #12 above.
82.	General - The <i>pro forma</i> contract is silent on the issue of ownership of vendor hardware and software tools used to deliver the services. Given the service nature of this RFP, it is our assumption that all tools will remain the exclusive property of vendor. Would the State please confirm that our assumption is correct?	Yes, the Vendor's assumption is correct.
83.	5.3.5 Contract Award Process, Pg. 17 - The provision indicates that the State may entertain limited negotiations prior to contract signing. May vendors propose <u>modifications</u> to the <i>pro forma</i> contract at time of proposal submission?	No, the Respondents must <u>not</u> propose modifications to the <i>pro forma</i> contract at the time of proposal submission. Please see the State's Response to Question #12.
84.	Attachment 6.2, B.13, Pg. 23 - In regards to personnel requirements stated in RFP Section B.13, can the State clarify how bidders should estimate the number of hours each individual should devote to contract performance? Would the State accept hours per person as a percentage of time? If so, would the State prefer the percentage of time to be presented by total contract hours per year or by week or some other timeframe?	The State does not have a preference with regard to how the Respondent describes this commitment. The State will accept numbers of hours, percentages, full time equivalent (FTE), or other reasonable descriptions and timeframes. Evaluators will evaluate accordingly.
85.	Attachment 6.2, C.5 Customer Service Center, Pg. 27 - Will the State give any preference to in-state call centers?	In accordance with Contract Section A.4.1.ii., the State requires the call center to be located in the United States. A proposed evaluation team, made up of three or more state employees, will independently evaluate and score the response to each item.
86.	Attachment 6.2, c.3 (a), Pg. 45 - Would the State confirm examples of third party bank and/or network	Yes, see Contract Sections C.3.a., C.3.b., and C.5.

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	charges related to ATM usage that are passed through include ATM owner surcharges, network balance inquiries, foreign interchange currency fees, etc.?	
87.	RFP Attachment 6.6 (Pro Forma Contract) Section D.3 (Termination for Convenience), Pg. 47 - The provision indicates that in the event of a termination for the convenience of the State, the "Procuring Party" (defined as the vendor) must compensate the State for completed services. While we acknowledge that a Monthly Rebate amount may be due to the State for active Cardholder accounts, it is our assumption that the State would be liable towards vendor for any unamortized start-up costs and reasonable wind down expenses incurred by vendor. Would the State please confirm that our assumption is correct? If the assumption is incorrect, please clarify how vendor would recoup its upfront investment on this program should the State terminate for convenience.	No, the State does not confirm the Vendor's assumption. The State cannot be held liable for such costs in this contract. However, it is the State's intent is to procure a contract for the full term of five (5) years.
88.	RFP Attachment 6.6 (Pro Forma Contract) Sections E.10 (Hold Harmless), Pg. 51 - Would the State agree to negotiate a reasonable aggregate limitation on Contractor's liability in connection with this program?	See the State's Response to Question #12 above.
89.	Section A- Dept of Education, Subsection d ii - Please outline the current process for obtaining cardholder approval allowing vendor review of transaction history	As described in Section 1 of the RFP, this program is not yet in place, and will be initiated by the State in the year 2017. See the State's Response to Question #19 for revisions to the IEA program.
90.	Section A- Dept of Education, Subsection d iii - Please clarify who owns the funds, is it the state or cardholder? What are the criteria for "freeze activity?" Once an account is in a "freeze status what is the process to return the funds to the state	The Cardholder owns the funds. The State has revised RFP Section 1.1.5.d. See the State's Response to Question #19 for additional information on the IEA program. See RFP Release 2 in Item #3 below.
91.	Section A- Dept of Education, Subsection d iv - Please elaborate on the online bill pay function? Can you describe the functionality used today by the cardholder?	The online bill pay function is now acceptable on all benefit programs. See Contract Section A.4.w.
92.	Section A- Dept of Education, Subsection m ii - Please clarify request "cards will be magnetic stripe and EMV chip PIN enabled. Will both swipe and EMV be offered? Does the type of program distinguish what will be offered?	Yes, see the State's Response to Question #6. No, the magnetic stripe and EMV/chip PIN enabled card is required by all benefit programs.
93.	Monthly Spend - Can you share the total load to cards for Unemployment and Retirement Benefits as you did for child support	See additional information provided in RFP Attachment 6.13. See RFP Release 2 in Item #3 below.
94.	Section C- c.6 - Undelivered prepaid debit cards can you share the current process today for returned mail – physical card/envelope? Is the	Below are the current processes for undelivered Cards. These processes will be revisited after contract award with the winning vendor when the Contractor assists the State in developing mutually

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	process the same for all card programs? Would destruction of envelope and cards complete by card vendor on behalf of the state be acceptable as part of the Operating Procedures?	agreed upon Operating Procedures according to Contract Sections A.5, <u>Operating Procedures</u> . For unemployment benefits, undelivered Cards are currently returned to the Contractor. The Contractor then informs the State agency, which in turn contacts the Cardholder to determine the correct address. Destruction of undelivered cards is the responsibility of the Contractor. For child support and retirement benefits, undelivered cards are returned to the Contractor.
95.	[Vendor Name Redacted] would like to request that the State consider an extension to the response due date of January 19, 2016	See the State's Response to Question #15 above.
96.	Does the Department have specific criteria for closing and deactivating accounts?	Yes, there are currently specific criteria for closing and deactivating accounts. However, during implementation, the criteria will be reviewed by the new Contractor and the State Agency program managers. Any modifications to the existing procedures for the process of closing and deactivating accounts will be added and become part of the Operating Procedures identified in Contract Section A.5.
97.	Will the card transition require a transfer of balances from the current card to the new card, or will the new card receive new loads only?	No, the card transition will not require a transfer of balances. The new card will receive new loads only. State program managers are therefore anticipating that for a period of time, program recipients may have funds on two cards, the new card, and the card from the previous vendor while those funds are spent.
98.	RFP Page #1, 41 - RFP Paragraph #1.1, A.4.S.i. – 1.1. "For child support payments, before the State will transfer the funds, the Contractor must send an electronic file to the State verifying the Cardholder has successfully activated the Card." A.4.S.i. "Before the State will transfer the funds, the Contractor must send an electronic file to the State verifying the Cardholder has successfully activated the Card. The electronic file must be sent to the State within twenty-four (24) hours of activation." [a] How many cards are issued but not activated? [b] Will the State allow funds to be loaded to cards not yet activated after an agreed upon number of days from mailing?	[a] Complete data is not available at this time. [b] No, see the State's Response to Question #78.
99.	RFP Page #1, 11 - RFP Paragraph #1.1.3, 3.3.6 - "Any fee or rebate information must be included in the sealed Cost Proposal detailed in RFP Section 3.1.2. Cost Proposal." "A Respondent must not submit more than one Technical Response and one	No, the State does <u>not</u> agree to allow submission of two separate cost proposals. In accordance with RFP Section 3.1.2, " NOTICE: If a Respondent fails to submit a cost proposal exactly as required, the State may deem the

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	<p>Cost Proposal in response to this RFP, except as expressly requested by the State in this RFP.”</p> <p>Would the State allow a Contractor to provide two Cost Proposals—one that includes a rebate and the cardholder fee schedule required to support the rebate and a second one that does not include a rebate?</p>	<p>response to be non-responsive and reject it.”</p>
100.	<p>RFP Page #3 - RFP Paragraph #1.1.5.b - “Once the deposits are received on the debit card, the claimant can use the Card as they would any other debit card, the only exception being paying at the pump for gas.”</p> <p>Is the contractor required to allow pay at the pump transactions for programs other than Unemployment Insurance?</p>	<p>No. From the inception of the debit card program, pay at the pump has been avoided due to problems associated with negative balances, and this has been included in our customer service and training materials.</p> <p>However, this is a policy decision and we are open to discussing new developments for pay at the pump procedures at a later date after program implementation.</p> <p>Also, see the State’s Response to Question #117.</p>
101.	<p>RFP Page #3 - RFP Paragraph #1.1.5.c - “A debit card would be issued to new retirees not providing direct deposit authorization or that choose to specifically receive payment via the debit card.”</p> <p>What percentage of retirees sign up for direct deposit within the month after receiving the debit card?</p>	<p>At the present time, the vast majority of retirees receive pension funds through direct deposit, as they did with payroll funds while employed.</p> <p>A very small number of retirees sign up for direct deposit within a month or two after receiving the debit card. Conversely, several sign up for the debit cards after receiving direct deposit.</p>
102.	<p>RFP Page #9 - RFP Paragraph #3.1.1 - “NOTICE: A technical response must not include any pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical response, the state may deem the response to be non-responsive and reject it.”</p> <p>Is referencing “free” or “no cost” considered pricing or cost information? If yes, is it okay for Contractors to indicate compliance with the State’s no cost requirements within the technical response?</p>	<p>See the State’s Response to Question #62 above.</p>
103.	<p>RFP Page #26-28 - RFP Paragraph # Technical Response and Evaluation Guide</p> <p>“SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Respondent must address all items (below) and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.”</p> <p>Items C.1 to C.12 include specific references to some, but not all, requirements of the section A. Scope of Services provided in pages 39 to 45.</p> <p>Does the State desire responses to the A. Scope of</p>	<p>The State requires responses to the specific topics and contractual sections detailed in C.1 through C.12, in accordance with RFP Section 3.1.1.3.</p> <p>Items C.1 and C.2 should include as requested, a description of how the Respondent will meet the State’s requirements, project schedule, and a summary of meeting the specific requirements delineated in the Scope of Services section of the contract. It is possible there may be some duplication between the response to C.1 and C.2 and the responses to some of the following questions.</p> <p>Beginning with Item C.3, and those following, are opportunities for the Respondent to discuss how they will meet some of the specific requirements</p>

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	<p>Services requirements that are not specifically referenced in C.1 to C.12? If yes, does the State have a preference where each of the items in A. are addressed within C.1 to C.12? Because of the Section C instructions referenced above and the fact that the C.1 to C.12 items are weighted differently for evaluation, it seems placement of responses might be of significance to the State in evaluating responses.</p>	<p>that State agency benefit managers consider essential to the success of the debit card program.</p>
104.	<p>RFP Page #30-32 - RFP Paragraph # Cost Proposal B</p> <p>The cost evaluation factor appears to weight some fees more heavily than others, indicating that perhaps ATM withdrawal and POS fees are more important to the State than other fees. In practice, however, because the sum of the weighted costs is used for comparison and transaction volumes for each fee are not considered, fees that are typically higher in cost but fewer in volume than those for ATM withdrawal and POS will more heavily impact the outcome of the cost evaluation. For example, fees of 25, 50, and 75 cents are of little consequence in the sum compared to fees of \$15 and \$20.</p> <p>Can the State confirm or clarify its intent with regard to the fee weighting methodology for cost evaluation?</p>	<p>Because not all usage and costs were available for every cost item, real world weighting was not deemed an appropriate methodology for this cost proposal.</p> <p>Based on the goal to obtain reasonable fees for Cardholders, the State used a relational weighting methodology where the items that were used the most were assigned a higher evaluation factor versus those that were used least but could possibly have a high cost. For example, the current vendor did not charge for expedited card delivery; therefore, no data was available to the State for usage volume or vendor's fee. It is possible that the new vendor will charge for expedited delivery and in relation to an ATM withdrawal, it is reasonable to assume that the expedited delivery would be used less but cost more.</p> <p>The State has modified the Cost Proposal in RFP Attachment 6.3.</p> <p>NOTE: In accordance with RFP Section 3.1.2, "NOTICE: If a Respondent fails to submit a cost proposal exactly as required, the State may deem the response to be non-responsive and reject it."</p> <p>The Respondent must use caution to ensure that the most current Cost Proposal is submitted in the Respondent's sealed Cost Proposal package.</p> <p>See RFP Release 2 in Item #3 below.</p>
105.	<p>RFP Page #30, 45 - RFP Paragraph # Cost Proposal B, C.3.a</p> <p>"ATM Cash withdrawal fee (fee charged by Contractor) for the 2nd withdrawal of the month, each (See Contract Section A.4.c.)".</p> <p>Would the state consider changing this requirement to allow the Respondent to offer free withdrawals per deposit instead of usage by the month?</p>	<p>No, the State does not agree to this change.</p> <p>The State believes that fees associated with a set number of withdrawals per month can more easily be understood and managed by Cardholders.</p>
106.	<p>RFP Page #31 - RFP Paragraph # Cost Proposal B</p> <p>"Overdraft charge or Negative Balance Fee, each (See Contract Section A.4.i.)"</p> <p>In order to contain expenses and keep Cardholder fees low for all Cardholders, would the State add an</p>	<p>No, the State does not agree to this change.</p>

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<p>ATM and POS Decline Fee due to non-sufficient funds? This fee is used to encourage Cardholders to use one of the many no cost options for obtaining their balance prior to making a purchase instead of receiving a decline for not having sufficient funds, which is costly to the Contractor.</p>	
<p>107. RFP Page #31, 46 - RFP Paragraph # RFP Attachment 6.3 C.3.b</p> <p>In order to determine the appropriate cardholder fees, please provide the monthly volumes for the last twelve months of the following: total number of IVR calls, total number of customer service representative (CSR) calls requiring English and Spanish-speaking assistance, average length of IVR call, average length of CSR call, average hold time, average abandonment rate.</p>	<p>IVR and CSR totals for the unemployment insurance program and the child support program for three (3) months ending in October are provided in the new RFP Attachment 6.13. Additional breakdown of data is not currently available.</p> <p>See RFP Release 2 in Item #3 below.</p>
<p>108. RFP Page # 32- RFP Paragraph # Cost Proposal B, A.8</p> <p>“Expedited Card Fee, each (See Contract Sections A.4.u., A.4.v., and A.8.)”</p> <p>Contractors that issue cards in 2-3 days have a small percentage of Cardholders requesting expedited cards. Since this fee is likely tied to usage by a small percentage of Cardholders, would the State consider reducing the amount of time to issue a card and shifting some of the evaluation points assigned to the Expedited Card fee to another fee that is used by all or most Cardholders or eliminating the evaluation points and allow the Expedited Card Fee to be a pass through to the Cardholder?</p>	<p>The State does not agree to the revisions.</p> <p>The goal is to have some assurance that reasonable fees will be passed along to Cardholders.</p>
<p>109. RFP Page #40 - RFP Paragraph # A.4.f</p> <p>“The Cardholder shall not make deposits or add value to the Card.”</p> <p>For programs other than Unemployment Insurance, will the Department consider allowing cardholders to add value to their cards through direct deposit of other types of payments such as payroll and tax refund payments?</p> <p>For consideration of this issue, we offer the following information: The 2013 FDIC survey (published in October 2014) on the unbanked and underbanked indicates that 9.7 percent of Tennessee households are unbanked, well above the national average of 7.7 percent. Additionally, 18.7 percent of Tennessee households are underbanked, indicating a large percentage of households are relying on non-bank alternatives. Unbanked/underbanked consumers spend \$800 or more per year in cashing checks and paying their bills. The survey and the data on the high cost of</p>	<p>The State agrees to consider adding a function for the deposit of additional funds to a Card. See Contract Sections A.4.f. and C.3.b.</p> <p>At the present time, this function would not be used for Cards with Child Support and Unemployment Benefits. This function may be considered for Payroll Cards referenced in RFP Section 1.1.5.e.</p> <p>See RFP Release 2 in Item # 3 below.</p>

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	<p>non-bank financial services highlight the need for affordable, secure FDIC insured prepaid debit cards.</p> <p>The prepaid debit card sought by the RFP can offer these citizens the opportunity to access their funds conveniently and for less money than is charged by banks or other alternative financial service providers. Tennessee citizens who are unbanked or underbanked would benefit greatly from a debit card that allows them to load and access their personal funds. Other State debit card programs are allowing the direct deposit of payroll and tax refunds and have found that this option is widely used indicating a need for this service.</p>	
110.	<p>RFP Page #40 - RFP Paragraph # A.4.m.ii "The Cards shall be magnetic stripe and EMV/chip PIN enabled."</p> <p>Will the Department consider allowing the debit card to be only magnetic striped and PIN enabled versus magnetic striped and EMV/chip PIN enabled?</p>	No, see the State's Response to Question #6.
111.	<p>RFP Page #40, 54 - RFP Paragraph # A.4.h E.13.a.ii</p> <p>A.4.h. "The Cardholder shall have the ability to request a new PIN. The Contractor shall provide a simple means for establishing and changing the PIN."</p> <p>E.13.a.ii. "New accounts shall be established and new Cards and PIN numbers mailed within ten (10) calendar days, or less if agreed to by the State and the Contractor."</p> <p>Will the Contractor be required to mail PINs, or may other and more secure methods be proposed for establishing PINs?</p>	The Contractor is not required to mail PINS. The current card carrier provides instructions for the Cardholder to call customer service to activate the card and select a PIN once they correctly enter security keys. Cardholder can change their PIN via the IVR system at any time.
112.	<p>RFP Page #41 - RFP Paragraph # A.4.r "In the event a Cardholder is a recipient of program benefits from more than one program, such as child support and unemployment insurance benefits, the Contractor shall provide separate Cardholder accounts for each program."</p> <p>Please clarify if the cardholder has an account in more than one program, will the Department allow the contractor to issue one card per cardholder, or are additional cards required for each program?</p>	<p>There are usually some individuals who are recipients of both child support and unemployment insurance. At the present time, it is better if separate cards are issued and funds are not comingled on one card. However, after contract award, the State is open to discussion of issuing one card that can meet the needs of all parties.</p> <p>Contract Section A.4.r has been revised.</p> <p>See RFP Release 2 in Item # 3 below.</p>
113.	<p>RFP Page #42 - RFP Paragraph #A.8 Please provide the average number per month for the preceding 12 months for each of the following items: 1) Cardholder paper statements, 2)</p>	This information is not available from the suite of standard reporting provided by the current vendor.

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114.	<p>Replacement cards, and 3) Expedited cards.</p> <p>Page 51, E.8 Incorporation of Additional Documents and Page 11, Section 3.3.1 In most of our existing government programs, the agencies have been amenable to including the bank's normal treasury client terms and conditions – as many common types of program operating terms and the responsibilities of the parties may not be specifically included in the text of a State's RFP. In these cases, we place both documents under an umbrella agreement where order of precedence is provided by the RFP if there should be any conflicting terms. Our additional terms and conditions benefit both parties in clearly understanding the program and service, as well as the rules and regulations applicable to the provision of these services.</p> <p>Would the State of Tennessee please consider adopting a similar approach to make it easier for issuers to participate in your RFP and speed the negotiation process by enabling the State to see all issuers' terms and conditions, as submitted with our response? Please allow the issuer's terms and conditions to fall in the final position in the order of precedence the State has outlined in E.8.</p>	<p>See the State's Response to Questions #12 and #83.</p>
115.	<p>Page 1, 1.1 Statement of Procurement Purpose 1.1 Excerpts: “For child support payments, before the State will transfer the funds, the Contractor must send an electronic file to the State verifying the Cardholder has successfully activated the Card.”</p> <p>“Other State agency programs may be added at the State's sole discretion and if additional programs are added in the future, the above described activation methods, or other methods, will be utilized as directed by the State. One potential future implementation includes payment of services for parents or guardians of special needs children as administered by the State Department of Education. See RFP Section 1.1.5.d. below.”</p> <p>[a] What is the average number of days before card activation in the Child Support program? What happens if the cardholder does not activate the card? What percentage of accounts remain inactivated?</p> <p>[b] The State asks for the ability to expand this contract for programs not currently named in the RFP, upon the request and sole discretion of the State. Our bank generally is delighted to support new programs. However, it is important to note that</p>	<p>[a] Complete information is not available at this time.</p> <p>[b] See the State's Response to Question #132.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>programs vary greatly in size, frequency of payment, average load amount and cardholder usage behaviors, and may have unique functional requirements therefore not all programs would be appropriately added to the subject contract. In addition, some disbursements (such as TANF) may be subject to distinct regulations and need to be established and monitored differently.</p> <p>We respectfully request the State modify this requirement to be subject to mutual approval for the addition of any new programs. Schedule and pricing modifications may be required dependent upon the unique needs of any new programs.</p>	
<p>116. Page 1, 1.1.4 Does the State have the ability to extend their current contract beyond this date if there are other delays outside the control of the issuer? For example, if the State were to delay the deal award date by 30 days, would the expected implementation date be adjusted by the same amount?</p>	<p>At the present time the current contract ends July 19, 2016. If this were to change, the State would likely revisit the implementation schedule and all appropriate parties would be informed.</p>
<p>117. Page3, 1.1.5 Background, b. 1.1.5, b Excerpt: “Once the deposits are received on the debit card, the claimant can use the Card as they would any other debit card, the only exception being paying at the pump for gas.”</p> <p>Both Visa and MasterCard have introduced new rules around pay at the pump, expediting clearing options and providing enhanced cardholder satisfaction. Today, pay at the pump transactions are one of the most common transactions across the industry and a key convenience for cardholders. Will the State amend to remove the requirement to block Pay at the Pump transactions? If not, can you please provide more details on why you are opposed to offering this transaction type?</p>	<p>The State established restrictions on pay at the pump with the consultation of its current vendor due to problems associated with negative card balances. Pay at the pump restrictions have generally been included in training and educational materials provided to Cardholders. This is a policy decision and we are open to discussing new developments for pay at the pump procedures at a later date after program implementation.</p>
<p>118. Page 9, 2.1 Schedule of Events Will the State please consider expediting the date for their response to questions and/or release answers to questions as the State has them available? In particular, it is key for issuers to receive the historical deposit information and “in” and “out of network” usage rates of your existing programs to complete our financial modeling.</p>	<p>See the State’s Response to Questions #9 and #16.</p>
<p>119. Page 9, 3.1.1 Technical Response Segregation of Cost Information from Technical Proposal: It is always challenging to fully accomplish this in a card proposal. We often wish to disclose the full strength of the offer being evaluated. Is the referencing of the ATM network strength, any free ATM access, or reference to the elimination of fee types acceptable in the technical</p>	<p>See the State’s Response to Question #62.</p>

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	proposal? Can you offer bidders guidance on this topic please?	
120.	<p>Page 12, 3.6 Additional Services.</p> <p>[a] As you evaluate new card providers, some may be able to bring forward new, innovative services and features that your current RFP may not request. To keep Tennessee's card programs competitive with other States offerings, will you please amend this requirement and/or add a new "Optional Features and Services" one that allows card providers more flexibility to propose new product features or services for TN and receive evaluation credit for features or services that TN may be interested in exploring further?</p> <p>[b] Additionally, some new features may have reasonable and customary cardholder fees associated. We request the State to allow us to share those types of costs with them so the agencies can evaluate their interest in adding the service to their program.</p>	<p>[a] No, the State does not agree to the revision. See the State's Response to Questions #11 and #21.</p> <p>[b] As we are in an active procurement, the State cannot allow an open discussion of new products and services at this time.</p>
121.	<p>Page 13, Section 4.4, Assignment and Subcontracting</p> <p>Many prepaid card providers' partner with other key strategic suppliers for the provision of their programs. These providers are used to service all of our prepaid clients and are not being engaged specifically for this deal with the State of Tennessee. We ask the State to please consider limiting this requirement only to vendors that are specifically engaged to service only the State of Tennessee programs.</p> <p>We generally can agree to the State's own right to transfer and assign, as long as we are provided with written notice of the change and the assignment is appropriately documented. We ask the State to modify its requirement to provide for notice and completion of bank documentation requirements.</p>	The State will not agree to the suggested modifications.
122.	<p>Page 13, Section 4.5, Right to Refuse Personnel or Subcontractors</p> <p>By entering into a treasury management services agreement with you, the bank is assuming responsibility for providing the covered services, regardless of any agents, employees or subcontractors (vendors) which the bank may employ in providing the services. In the performance of treasury management services it is the bank's general practice to work closely with our customers to address any issues that occur with respect to their services. The bank (and our vendors) reserve the right to deal with any issues with its own employees in accordance with applicable law, our policies and as dictated by the</p>	<p>[a] Please note that the wording of RFP Section 4.5 is already limited to "personnel of the prime contractor or a subcontractor providing goods or services <u>in the performance of a contract resulting from this RFP</u>" [emphasis added].</p> <p>[b] The State does not agree to modify its requirements. It is not the State's intent to unreasonably refuse Contractor personnel. RFP Section 4.5 will not be deemed to give the State the right to require the Contractor to terminate any Contractor employee's employment. Rather, this provision is intended to give the State only the right to require that the Contractor discontinue using an employee in the</p>

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<p>individual circumstances. The bank's Code of Conduct provides guidelines of business practice, and professional and personal conduct that all associates must adopt and uphold.</p> <p>We ask the State to please amend this requirement to be limited to the only key client team members directly servicing the State of Tennessee and your staff. The bank is not in a position to control the employment decisions of entities retained to provide services for all of our clients. Additionally, please note that while the bank can agree to give the State written notice, should a key team member need to be changed for any reason, any changes made to Key Personnel would need to remain in the control of the bank.</p>	<p>performance of services for the State.</p>
<p>123. Page 14, 4.8 Disclosure of Response Contents Other states allow bidders to clearly and specifically identify any portion(s) of the Proposal that a Bidder believes constitute(s) trade secrets or proprietary or personnel information exempt from disclosure. Will the State allow bidders to provide an appropriately redacted version for public disclosure?</p>	<p>The State cannot agree to allow a redacted version of a proposal.</p> <p>Pursuant to RFP Section 4.8.3: "Upon completion of response evaluations, indicated by public release of a Notice of Intent to Award, the responses and associated materials will be open for review by the public in accordance with <i>Tennessee Code Annotated</i>, Section 10-7-504(a)(7)."</p> <p>See also the State's Response to Question #72 above.</p>
<p>124. Page 22, RFP Attachment 6.2, Section B, B.7 To the best extent possible, our bank will make a good faith effort to comply with the spirit of this provision in the RFP. In accordance with our job application and applicant acknowledgement form, employment with the bank is contingent upon a satisfactory criminal background check. In accordance with the bank's practice, the bank does not hire applicants with convictions for FDIC regulated offenses, felony crimes of violence, felony convictions, any crimes against children, and the illegal manufacture, sale distribution of or trafficking in controlled substances, among other crimes. Further, in accordance with our job application and applicant acknowledgment form, employment with the bank in the United States is contingent upon a satisfactory background check, including criminal background check. The purpose of the US-based background check program is to reduce the risk of hiring individuals who could jeopardize the safety and security of the bank's customers, shareholders and employees.</p> <p>Our bank and key service providers employ thousands of people to provide our banking services. We ask the State of Tennessee to limit this requirement to the bank providing attestation for compliance with having such hiring policies and</p>	<p>See the State's Response to Question # 29.</p>

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	limit attestation of specific employee compliance to just the primary client servicing team for your prepaid programs. Please note: banks generally cannot share the individual results of background checks with third parties.	
125.	<p>Page 22, RFP Attachment 6.2, Section B, B.8 As a large financial institution, bankruptcy filings by either our individual consumer banking customers or our commercial clients is commonplace activity and occurs on a regular basis – making this disclosure requirement impractical for banks to comply with. We ask the State to please consider modifying this requirement to limit disclosure to any bankruptcy filings made by our bank and/or our affiliates?</p>	<p>The State is unclear as to the Respondent’s definition of “our individual consumer banking customers or our commercial clients.” However, if the State understands these entities to be customers and clients, it does not appear that these entities would be “Respondents” to this RFP, and therefore the requested revision is not necessary.</p> <p>The State does not agree to the requested revision.</p>
126.	<p>Page 22, RFP Attachment 6.2, Section B, B.9 We request that the State review and accept the following standard language in response, and to please modify your requirements accordingly.</p> <p>The bank is a large and diversified institution and is routinely involved in litigation in various state and federal courts. The bank makes all disclosures required by its regulators, including all required disclosures in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are updated in Reports on Form 8-K (the “Reports”), all of which are filed with the Securities and Exchange Commission. Those Reports include disclosures of investigations and other matters as required by federal law and are publicly available. The bank cannot confirm or deny the existence of any other, non-public investigation conducted by any government investigator unless required to do so by law. The bank is unable to provide an opinion of counsel related to our performance ability as a result of any pending litigation.</p>	<p>The State does not agree to modify its requirements. Item B.9 is an evaluation item. The Respondent should make its best effort to provide a complete response or provide an explanation that they cannot meet this requirement and the evaluators will review the response accordingly.</p>
127.	<p>Page 22, RFP Attachment 6.2, Section B, B.10 We request that the State review and accept the following standard language in response, and to please modify your requirements accordingly?</p> <p>The bank is a large and diversified institution and is routinely involved in litigation in various state and federal courts. The bank makes all disclosures required by its regulators, including all required disclosures in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are updated in Reports on Form 8-K (the “Reports”), all of which are filed with the Securities and Exchange Commission. Those Reports include disclosures of investigations and other matters as required by federal law and are publicly available. The bank cannot confirm or deny the existence of any other, non-public investigation conducted by any</p>	<p>The State does not agree to modify its requirements. Item B.10 is an evaluation item. The Respondent should make its best effort to provide a complete response or provide an explanation that they cannot meet this requirement and the evaluators will review the response accordingly.</p>

QUESTION / COMMENT		STATE RESPONSE
	government investigator unless required to do so by law. The bank is unable to provide an opinion of counsel related to our performance ability as a result of any pending or regulatory matters.	
128.	Page 23, RFP Attachment 6.2, Section B, B.14 Many prepaid card providers' partner with other key strategic suppliers for the provision of their programs. These providers are used to service all of our prepaid clients and are not being engaged specifically for this deal with the State of Tennessee. We ask the State to please consider limiting this requirement only to vendors that are specifically engaged to provide services for the State of Tennessee card programs.	The State does not agree to this revision.
129.	Page 25, RFP Attachment 6.2, B.18 Given the broad nature and varied business lines of large financial institutions, we cannot agree to provide details of all terminated contracts or civil cases and/or judgments that the bank is involved with, and particularly details regarding whether or not we have had contracts terminated for default. This information is not tracked and, therefore, cannot be provided. We ask the State to please consider removing this requirement as large banks will not be able to comply.	The State does not agree to modify its requirements. Item B.18 is an evaluation item. The Respondent should make its best effort to provide a complete response or provide an explanation that they cannot meet this requirement and the evaluators will review the response accordingly.
130.	Page 27, RFP Attachment 6.2, C.7.c. Financial institutions and card networks are the prime and never-ending target of fraudsters looking to breach our networks and security systems. Constant attempted breaches are an unfortunate reality of a bank's daily operating environment. [a] Can the State please provide more detail about the audit trail that is being requested? [b] Additionally, due to the large number of attempts banks would have to report, we ask that you remove "attempted breaches" as part of your requirement.	[a] The State is not asking for a specific type of audit trail. This is an evaluation item where the State is asking the Respondent to "describe its approach to security" which includes an audit trail. [b] The State agrees to modify Contract Section E.11.d. and remove "attempted breaches." See RFP Release 2 in Item # 3 below.
131.	Page 28, RFP Attachment 6.6, C.7.e. Financial institutions, card processing facilities and call centers are highly protected facilities given the very sensitive nature of our business. It is highly unusual for an agency to ask for unscheduled visits by third parties. Our security processes would not permit such types of visits. We respectfully ask the State to modify your requirements to reasonable standards that bidders can comply with.	The State agrees to remove unscheduled visits. See RFP Release 2 in Item # 3 below.
132.	Page 39, Attachment 6.6, Pro Forma Contract, A.2 The State asks for the ability to expand this contract for programs not currently named in the RFP, upon the request and sole discretion of the State. Our bank generally is delighted to support new programs. However, it is important to note that	The State agrees to modify this requirement in Contract Section A.2 as well as RFP Section 1.1. See RFP Release 2 in Item # 3 below.

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<p>programs vary greatly in size, frequency of payment, average load amount and cardholder usage behaviors, and may have unique functional requirements. Therefore, not all programs would be appropriately added to the subject contract. In addition, some disbursements (such as TANF) may be subject to distinct regulations and need to be established and monitored differently.</p> <p>We respectfully request the State modify this requirement to be subject to mutual approval for the addition of any new programs. Schedule and pricing modifications may be required dependent upon the unique needs of any new programs.</p>	
<p>133. Page 39, A.4.c. The State has not outlined any requirements or evaluation criteria to assess the strength of a bidders ATM network within the State of TN to provide cardholders with surcharge free access to funds. A bidder with one ATM would be scored the same as a bidder with hundreds. [a] Can the State please provide more insight on how they will view and score these differences in bidder's responses? [b] Please provide the total number of surcharge and fee free "in-network" ATM access points are provided in the current contract?</p>	<p>[a] See the State's Response to Question #4.</p> <p>Also, the Respondent's response to Item C.4 of RFP Attachment 6.2, Technical Response & Evaluation Guide, provides an opportunity for the Respondent to indicate the cash access plan proposed by the Respondent. Because of the importance of cash access, this item is included as a separate question in the Technical Response Section.</p> <p>[b] The current in-network ATM system is Moneypass which has over 250 locations in the state of Tennessee.</p>
<p>134. Page 39, A.4.d. The RFP has described functionality more similar to corporate credit card programs (where the funds are owned by the business) versus a typical consumer-based government disbursement card (where the cardholder owns the funds and expects normal bank privacy and funds protection from unauthorized withdrawals). Can the State please provide more information about who "owns the funds" in the program you are planning? Are there any state laws or other regulations about your program that establishes the States right to monitor cardholder use and redact funds? Can the State also provide more details about the types of MCC blocks that will be required? Can the agency please provide more detail on the needs for online bill pay versus just allowing cardholder to use the cards directly with merchants who accept cards for bill payment? Will the agency permit typical industry cardholder fees for bill pay services?</p>	<p>See the State's Response to Question #19.</p>
<p>135. Page 40, A.4.k. [a] Can the State please confirm that in your current program, the 4 free customer service calls per month, does that count include both IVR and live agent calls? [b] Some consumer advocacy groups have been vocal against charging customer service fees to cardholders. Is the State willing to consider allowing</p>	<p>[a] Yes, under the current program IVR calls are included in the count of allowable free service calls.</p> <p>[b] The fee structure is dependent upon bids received from vendors. The State understands there is cost involved in the operation of an IVR system, and recovery beyond a certain basic</p>

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	higher rates in other fee types, more aligned to like programs in other states, in order to allow bidders flexibility to provide free customer service instead?	service level is not unreasonable.
136.	<p>Page 42, Attachment 6.6, Pro Forma Contract, A.9 Security, b.</p> <p>Large financial institutions and our key service providers are subject to a variety of internal and independent security and penetration tests of our systems and processes on a regular basis. Banks are generally amenable to sharing the results of own such testing when required by our clients but we cannot support each individual client's individual penetration testing efforts. We request the State remove this requirement and limit the requirement to annual reviews with our key security personnel to review our procedures and testing results with the State's staff.</p>	<p>The State agrees to revise this requirement to allow the Vendor to provide independent third party scan results.</p> <p>See RFP Release 2 in Item # 3 below.</p>
137.	<p>Page 42, Attachment 6.6, Pro Forma Contract, A.9 Security, c.</p> <p>The bank performs all collection, disbursement, and debit card services covered by this RFP in the United States. For transparency, the bank is disclosing that it may utilize third party vendors and affiliates which are located outside the United States (including in India) to perform certain limited support functions (such as repairing a check) in connection with such services the bank provides to all of its customers, not just the State of TN. Since this limited support is provided for all the bank's customers and not just the State of TN under this contract, the bank does not consider these limited support functions to be services as defined by the RFP.</p>	<p>If the State understands the example given, the third party vendors and affiliates are located outside of the United States and could provide services to the State of Tennessee. If those third party vendors and affiliates do not have the ability to access or download State of Tennessee Cardholder data associated with this contract, the State does not have an issue.</p>
138.	<p>Page 42, Attachment 6.6, Pro Forma Contract, A.9 Security, d.</p> <p>We can comply with this requirement by securing the State's card data during transmission through encrypted files and connections. Once the bank performs the initial file decryption, the file is passed onto our mainframe systems where it will reside and it is not re-encrypted. We employ strict security and access protocols to the mainframe systems. We enforce segregation of duties to ensure no one person has complete access and we employ industry leading physical security measures at all data facilities. Accordingly, we ask the state to please modify its requirement for data to be encrypted at rest.</p>	<p>The State does not agree to remove the encryption at rest requirement.</p>
139.	<p>Page 42, Attachment 6.6, Pro Forma Contract, A.9 Security, e.</p> <p>Banks typically maintain a standard retention policy for all program data at seven years to comply with laws and regulation. These legal requirements for banks survive past contract termination. Furthermore, banks will need to continue to use</p>	<p>The State agrees to modify this requirement.</p> <p>See the State's Response to Question #41.</p> <p>See RFP Release 2 in Item # 3 below.</p>

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	confidential cardholder information following the contract termination to continue to provide servicing to accounts that have remaining balances. We ask the state to modify this requirement accordingly to allow for the bank to retain confidential program information as required by law or as needed to provide account servicing.	
140.	Page 45, A.15 Transition Services, c. Transition Out Services, iii. Can the State please better define the report types and timeframe required for post-transition reporting?	The State has revised Section A.15.c.iii. See RFP Release 2 in Item # 3 below.
141.	Page 47, Attachment 6.6, Pro Forma Contract, D.5 Subcontracting For large financial institutions, it is not feasible for us to directly pass through obligations from our client contracts to our key suppliers. The bank will provide attestation that we hold our vendors to the banks own high security, confidentiality and operating standards and obtain standard industry contractual obligations to ensure we can meet or exceed our client's expectations. Our bank offers a wide array of services to its clients. Each service has many features and options. In the course of providing these services we may employ agents, employees or vendors to service all of our clients utilizing a service in general rather than to service a particular client. In general, we will disclose in a proposal response only agent, employees or subcontractors retained by us exclusively for, and which are dedicated solely to, the provision of services to a specific client and/or contract. We request the state to limit this requirement only to suppliers engaged exclusively to support the State of Tennessee's card programs.	See the State's Response to Questions #12 and #52.
142.	Page 48, D. 18 HIPAA Compliance Can the State please provide more context for this requirement? Government prepaid cards are not typically subject to HIPPA compliance requirements – as no medical-related/HIPAA-covered data is exchanged between the bidder and the State. Generally, banks must comply with the consumer privacy requirements as defined by Graham-Leach-Bliley and Regulation P. Can the state either update this requirement to reference industry appropriate regulations or provide more information on how HIPPA applies to your card programs?	See the State's Response to Question #12.
143.	Page 50, Attachment 6.6, Pro Forma Contract, E.4 Debarment and Suspension Are you willing to modify this provision to exclude clause (d) surrounding the provision of agreements terminated for cause or default?	See the State's Response to Question #12.
144.	Page 51, Attachment 6.6, Pro Forma Contract, E.7 Disclosure of Personal Identity Information	See the State's Response to Question #12.

QUESTION / COMMENT		STATE RESPONSE
	<p>Banks can generally comply with the State's notification requirements upon learning of a confirmed breach. However, investigations by federal agencies following a breach can sometimes include our client's personnel as a potential source of the breach and/or fraud event. In this type of rare case, law enforcement may directly prevent us from making notifications until their investigations are complete in order not to compromise the investigation. We ask the state to modify this requirement to recognize the bank's legal obligations.</p> <p>Further, depending on the source of the breach, credit monitoring may be provided by the breached merchant vs. the issuer. This occurred several times in the industry in the last 24 months. As issuers have no control over these events, we ask the State to modify its credit monitoring requirement to accommodate negotiations in each situation.</p>	
145.	<p>Page 51, Attachment 6.6, Pro Forma Contract, E.10 Hold Harmless</p> <p>We are generally unable to give indemnities with respect to third-party claims growing out of card payment disbursement services we provide to our clients. Such claims relate to the relationship, including contractual relationships, which the third parties have with our clients, not with us. We are unable to anticipate and control those relationships. However, it is customary in similar state programs for us to agree to mutual non-indemnification, whereby neither party indemnifies the other. The issuer's liability typically remains limited to actual, direct damages for failure to exercise reasonable care when providing services and typically subject to a reasonable dollar cap. We ask the State to please modify your requirement to allow issuers to propose alternate terms.</p>	See the State's Response to Question #12.
146.	<p>Page 52, Attachment 6.6, Pro Forma Contract, E.11 Transfer of Contractor's Obligations, a.</p> <p>Most banks are publicly traded companies, and as such, are subject to SEC and other regulations prohibiting the disclosure of information about proposed security deals prior to them becoming public knowledge. We cannot agree to notify our clients prior to required public disclosures being made. We ask the State to modify their requirement accordingly so that we may comply with law.</p>	See the State's Response to Question #52.
147.	<p>Page 53, E.12 Breach of Security, a.</p> <p>We ask the State to strike the phrase "or should be aware" from this requirement. We will provide notice following actual discovery of an incident of breach.</p>	<p>The State agrees to remove the phrase "or should be aware."</p> <p>See RFP Release 2 in Item # 3 below.</p>
148.	<p>Pages 59 – 87 – File Layout Formats and Requirements</p> <p>The State has indicated that Bidders must conform</p>	No, the State does not agree to revise the file layout requirements.

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	to your file layout requirements – which were developed for another bank’s system. It is customary in the transition of a program for the agencies to adopt the file requirements of their new issuers system. Can the State please modify your file layout requirements to allow for collaboration between the parties on modifying your files and processes as needed to accommodate the requirements of your new issuer’s systems?	However, the State will be agreeable to discuss minor modifications with the winning vendor but the State shall have sole discretion as to whether the modifications are implemented or not.
149.	Page 74 Refresh File Record Layout Is this file used for cardholder profile demographic updates only (name/address)? The format seems to indicate changes to card or account status, which is typically not initiated by our clients? Can you please provide more information on what this file accomplishes?	This Unemployment Benefits Refresh File contains changes to Account and Card status that are initiated by the current vendor. This would occur in a specific situation where a Cardholder has moved and a card has been returned, the State has contacted the Cardholder to confirm the correct address, the State has transferred that new information to the current vendor, and the current vendor sends the Tennessee Department of Labor and Workforce Development a record of the card status change.

3. **Delete RFP # 31701-05042, in its entirety, and replace it with RFP # 31701-05042, Release # 2, attached to this amendment.** Revisions of the original RFP document are emphasized within the new release. **Any sentence or paragraph containing revised or new text is highlighted.**

4. **RFP Amendment Effective Date.** The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFP not expressly amended herein shall remain in full force and effect.



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION

REQUEST FOR PROPOSALS
FOR
PREPAID DEBIT CARD SERVICES

RFP # 31701-05042

RELEASE 2

RFP CONTENTS

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6.13. Additional Transaction Activity

1. INTRODUCTION

The State of Tennessee, Department of Finance and Administration, hereinafter referred to as "the State," has issued this Request for Proposals (RFP) to define minimum contract requirements; solicit responses; detail response requirements; and, outline the State's process for evaluating responses and selecting a contractor to provide the needed goods or services.

Through this RFP, the State seeks to procure necessary goods or services at the most favorable, competitive prices and to give ALL qualified businesses, including those that are owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises, an opportunity to do business with the state as contractors, subcontractors or suppliers.

1.1. Statement of Procurement Purpose

The State intends to secure a contract for a Prepaid Debit Card (hereinafter called the Card) that is Visa or MasterCard branded to deliver State agency program benefits to recipients (hereinafter called the Cardholder). Current programs delivering benefits by Card are for child support payments, unemployment insurance payments, and Tennessee Consolidated Retirement System (TCRS) retirement payments.

Each program will operate differently in regards to the timing between the activation of the Card and posting of the funds. For child support payments, before the State will transfer the funds, the Contractor must send an electronic file to the State verifying the Cardholder has successfully activated the Card. For unemployment insurance payments, once the Contractor issues the Card, the benefits can be posted upon State approval regardless of whether or not the Cardholder has activated the Card.

Other State agency programs may be added at the State's sole discretion and if additional programs are added in the future, the above described activation methods, or other methods, will be utilized as directed by the State. **The addition of the programs will be mutually agreeable to the State and the Contractor with the State having final discretion.** One potential future implementation includes payment of services for parents or guardians of special needs children as administered by the State Department of Education. See RFP Section 1.1.5.d. below.

- 1.1.2. The Card shall provide a secure, convenient and accurate payment delivery mechanism for State payments sent to Cardholders. Payments must be promptly posted to the Cards and the Cardholder must have immediate access to the funds. The Contractor shall provide "Regulation E" coverage.
- 1.1.3. This RFP does not contain any provisions for fees to be charged to the State by the Contractor. The fees charged for the Card will be to the Cardholder and must be structured to ensure convenient and cost effective services. The State is seeking a low-cost solution that balances program cost including access for cash withdrawals with a reasonable level of Cardholder fees. The State hopes that the Cardholder fees would be equal to or less than the Contractor's usual and customary fees. The State prefers a cost structure that offers options such as cash back with debit card use so Cardholders can access funds with minimal or no cost should they so desire. Cash access requirements must also be made available via a bank teller, with no withdrawal fee, at participating Visa and MasterCard banks.

The State encourages the Contractor to pay a Monthly Rebate to the State for each active Cardholder account, **excluding the Department of Education program (RFP Section 1.1.5.d).** **However, this Monthly Rebate is voluntary and the scoring for the rebate in RFP Attachment 6.3, Cost Proposal & Scoring Guide, also reflects the non-mandatory character of the rebate.** The Monthly Rebate is further described in RFP Attachment 6.3 Cost Proposal & Scoring Guide and RFP Attachment 6.6. Pro Forma Contract, Section C.2.

Any fee or rebate information must be included in the sealed Cost Proposal detailed in RFP Section 3.1.2. Cost Proposal. The inclusion of any fee or rebate information in the Technical Proposal shall make the proposal non-responsive and the State shall reject it.

- 1.1.4. The Contractor will work with the State and the existing Electronic Access Card Contractor to assume full responsibility for day-to-day Card operation no later than July 1, 2016.
- 1.1.5. Background:

a. Department of Human Services

Child Support Overview:

The Child Support Enforcement (CSE) Program works to promote family self-sufficiency and child well-being through the collection of child support. The CSE Program (also referred to as IV-D) is a federal/state/local partnership that locates noncustodial parents, establishes paternity when necessary, establishes orders for support, and collects child support payments for families.

The CSE Program was established in 1975 in an effort by Congress to reduce public expenditures on welfare. Through a process referred to as "cost recovery," the government retains child support collected on behalf of welfare recipients in order to help offset welfare benefits. With the passage of legislation by Congress, most notably 1984, 1988 and 1994 legislation, the requirements of the Title IV-D Child Support Program were greatly expanded. During the 1980s and 1990s, welfare was transformed from a cash assistance program that eligible families could rely on indefinitely, to a time-limited benefit (called-Temporary Assistance for Needy Families –TANF) aimed at moving families to work and self-sufficiency. Given the low wages available to many former welfare recipients, child support was increasingly recognized as an important additional source of income for helping families develop and maintain self-sufficiency. As a result, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) included distribution rules that enable former welfare recipients to receive more of the child support collected on their behalf. PRWORA requires each state to establish a central collection unit to process all IV-D child support payments as well as non-IV-D child support payments that are deducted from the employee's wages by the employer through the "income assignment" process. Legislation affecting both the Title IV-D Child Support and the Temporary Assistance for Needy Families programs has resulted in the routine issuance of a significant number of checks by the state.

The Department of Human Services (DHS) initiated the deposit of child support funds into custodial parents' bank accounts in October of 2004. In 2006, DHS began a prepaid debit card program for child support. This has now become the preferred payment vehicle for child support payments.

As of January, 2015, there were 152,167 active accounts on file with the current vendor. During this month, there were 92,899 transacting accounts and 1,496 new accounts were established. Total transactions for the month averaged 11.6, with the majority of the average being POS (6.5), then POS Pin (4.1) and then ATM or OTC (1.0). Total payments made for January 2015 were \$34,440,469. 166,686 text notifications were sent out notifying recipients of a deposit. It should be noted that some child support recipients receive more than one deposit per month, depending on payments by the noncustodial parent or the obligor's pay plan on the income assignment order. Many other recipients of child support funds receive no checks during the month, or only partial payment on ordered child support funds. See Attachment 6.7 for additional Transaction Activity information.

Attachment 6.8 provides the child support file requirements and layouts for the prepaid debit card program currently in place. These will be used for the interface between the DHS system and the Contractor system.

b. Department of Labor and Workforce Development Unemployment Insurance Payment Distribution

Employment Security Division Overview:

The Employment Security Division of the Tennessee Department of Labor and Workforce Development is responsible for administering the Unemployment Insurance program for the State of Tennessee under the Provisions of Title III of the Social Security Act and Chapter 50 of the Tennessee Code Annotated. The program provides weekly benefits to unemployed Tennesseans who have lost their jobs through no fault of their own and have qualifying wages in the base period. The program also provides benefits to people who live out of state but have earned wage credits in Tennessee during the base period. Benefits are funded by a tax paid by employers whose payroll meets the conditions for liability and special funding provided by the federal government.

The Tennessee Department of Labor began paying unemployment benefits via prepaid debit cards or direct deposit to a limited number of claimants on December 6, 2010. Since January 18, 2011, all telephone claimants filing for the first time in the State of Tennessee default to the prepaid debit card payment type. For those claimants filing for the first time in the State of Tennessee via the internet, the option for a prepaid debit card or direct deposit payment type is given. Employer-filed first time claims will also automatically default to prepaid debit card. Claimants who have previously filed in the State of Tennessee will default to the last payment type on record unless they actively change that information online. There are a very small percentage of claimants who receive paper checks but this is generally due to either a closed debit account or inadequate banking information on file. When these issues are discovered they are quickly remedied so the claimant begins receiving electronic payments. Currently the payment types are divided with approximately 40.4% of claimants receiving their payments via prepaid debit card, 59.7% via direct deposit and .8% receiving paper checks. During the months of July 2015 through September 2015, undeliverable prepaid debit cards for the Department of Labor averaged approximately 174 per month.

Benefit payments are released on a weekly basis via batch runs done each night from Sunday to Thursday. Once the deposits are received on the debit card, the claimant can use the Card as they would any other debit card, the only exception being paying at the pump for gas. Regardless of the payment method chosen, electronic payments are generally deposited to the claimant's debit card or bank account within 48 – 72 hours after they are released from the state.

As of January 2015, there were 21,170 transacting accounts for the Department of Labor and Workforce Development, including card spend of \$10,991,328.00 for January 2015. Total transactions for the month averaged between 11 and 12 and were primarily POS (at slightly over 6.), followed by POS Pin (slightly over 4.), followed by ATM (less than 2.0). During January 2015, 27,379 texts were sent out notifying recipients of a deposit.

The average unemployment insurance benefit is \$220.25 per week (the maximum is \$275.00 per week). The average claim is for 10 – 13 weeks with the maximum in Tennessee currently at twenty-six (26) weeks.

See Attachment 6.9 which provides additional Transaction Activity information.

Attachment 6.10 provides the unemployment insurance file requirements and layouts for the prepaid debit card program currently in place.

c. Tennessee Consolidated Retirement System (TCRS)

TCRS pays monthly retirement benefits to approximately 125,000 retirees. These benefits are paid by either ACH direct deposit, by debit card, or by paper check. For the July 2015 monthly retired payroll, 99.5% of retirees received their monthly payment via ACH direct deposit, 0.47% received their monthly payment by debit card, and the remaining 0.03% received payment by check. TCRS funds the debit cards on the last business day of each month.

TCRS' objective is to have all retired members paid by direct deposit. For those retired members that do not authorize TCRS to deposit funds into their bank account, we would use a debit card. Paper checks are only issued in special circumstances. A debit card would be issued to new retirees not providing direct deposit authorization or that choose to specifically receive payment via the debit card.

As part of the payroll process, TCRS sends an enrollment file to the selected vendor for new retired members that do not have bank account information on file. TCRS would expect a file containing a bank routing and account number by the next business day. This would allow TCRS to generate a payment to the Card for the current month. During January 2015, there were 871 active accounts, 511 transacting accounts, and 22 new accounts. 233 text notifications were sent out to Cardholders. Payments for January 2015 totaled \$207,544.

See Attachment 6.11 which provides additional Transaction Activity information.

Attachment 6.12 provides the retirement benefits file requirements and layouts for the prepaid debit card program currently in place.

d. Tennessee Department of Education

Tennessee Public Chapter 431 (2015) created a new program, the individualized Education Account (IEA) program, that will give the per pupil amount of the state and required local match of the state education funding formula (the BEP) to parents of eligible students with disabilities to use for a variety of educational options, including, but not limited to, tuition at private schools, therapy, and purchase of curriculum and computer hardware. The Tennessee Department of Education (TDOE) is responsible for implementing and administering the program, including determining the mechanism for distributing funds to parents. **The IEA Cardholder will own the funds.** The program will go into effect **January 2017**, and guidance and training on the funding distribution mechanism will need to be available in **fall** 2016.

The TDOE is unable to estimate the exact number of accounts that will need to be created because parents will have to apply to participate in the program: estimates for 2016 – 2017 are approximately 1,100 students, but participation rates could be much lower (possibly as low as 100 students) or much higher. The TDOE expects participation rates to grow in subsequent years.

e. Department of Finance & Administration – Payroll

Once current programs have been transitioned to the Contractor, the State anticipates adding those employees on the State payroll which are not receiving payment through direct deposit. The payroll office is located with the Department of Finance & Administration, Division of Accounts. Approximately one thousand (1,000) employees now receive checks and would be eligible to receive debit cards under the new program. The estimated average payment for these employees is \$1,900.00 per month.

1.2. **Scope of Service, Contract Period, & Required Terms and Conditions**

The RFP Attachment 6.6., *Pro Forma* Contract details the State's requirements:

- Scope of Services and Deliverables (Section A);
- Contract Period (Section B);
- Payment Terms (Section C);
- Standard Terms and Conditions (Section D); and,
- Special Terms and Conditions (Section E).

The *pro forma* contract substantially represents the contract document that the successful Respondent must sign.

1.3. **Nondiscrimination**

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a Contract pursuant to this RFP or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Contractor pursuant to this RFP shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

1.4. **RFP Communications**

1.4.1. The State has assigned the following RFP identification number that must be referenced in all communications regarding this RFP:

RFP # 31701-05042

1.4.2. **Unauthorized contact about this RFP with employees or officials of the State of Tennessee except as detailed below may result in disqualification from consideration under this procurement process.**

1.4.2.1. Prospective Respondents must direct communications concerning this RFP to the following person designated as the Solicitation Coordinator:

Mitzi Hale
Tennessee Department of Finance and Administration
Office for Information Resources
901 5th Avenue North
Nashville, TN 37243
Phone: 615-741-3735
Email: Mitzi.Hale@tn.gov

1.4.2.2. Notwithstanding the foregoing, Prospective Respondents may alternatively contact:

- a. staff of the Governor's Office of Diversity Business Enterprise for assistance available to minority-owned, woman-owned, Tennessee service-disabled veteran owned, and small businesses as well as general, public information relating to this RFP (visit <http://www.tn.gov/generalservices/article/godbe-general-contacts> for contact information); and
- b. the following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

David Sledge
Title VI Coordinator
Tennessee Department of Finance and Administration
Human Resource Office
21st Floor, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243
Phone: 615.532.4595
Fax: 615.741.3470
E-mail: David.Sledge@TN.gov

- 1.4.3. Only the State's official, written responses and communications with Respondents are binding with regard to this RFP. Oral communications between a State official and one or more Respondents are unofficial and non-binding.
- 1.4.4. Potential Respondents must ensure that the State receives all written questions and comments, including questions and requests for clarification, no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.4.5. Respondents must assume the risk of the method of dispatching any communication or response to the State. The State assumes no responsibility for delays or delivery failures resulting from the Respondent's method of dispatch. Actual or digital "postmarking" of a communication or response to the State by a specified deadline is not a substitute for the State's actual receipt of a communication or response.
- 1.4.6. The State will convey all official responses and communications related to this RFP to the prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to RFP Section 1.8).
- 1.4.7. The State reserves the right to determine, at its sole discretion, the method of conveying official, written responses and communications related to this RFP. Such written communications may be transmitted by mail, hand-delivery, facsimile, electronic mail, Internet posting, or any other means deemed reasonable by the State. For internet posting, please refer to the following website: <http://tn.gov/generalservices/article/request-for-proposals-rfp-opportunities>.
- 1.4.8. The State reserves the right to determine, at its sole discretion, the appropriateness and adequacy of responses to written comments, questions, and requests related to this RFP. The State's official, written responses will constitute an amendment of this RFP.
- 1.4.9. Any data or factual information provided by the State (in this RFP, an RFP amendment or any other communication relating to this RFP) is for informational purposes only. The State will make reasonable efforts to ensure the accuracy of such data or information, however it is the Respondent's obligation to independently verify any data or information provided by the State. The State expressly disclaims the accuracy or adequacy of any information or data that it provides to prospective Respondents.

1.5. **Assistance to Respondents With a Handicap or Disability**

Prospective Respondents with a handicap or disability may receive accommodation relating to the communication of this RFP and participating in the RFP process. Prospective Respondents may contact the Solicitation Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 2, Schedule of Events.

1.6. **Respondent Required Review & Waiver of Objections**

- 1.6.1. Each prospective Respondent must carefully review this RFP, including but not limited to, attachments, the RFP Attachment 6.6., *Pro Forma* Contract, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").
- 1.6.2. Any prospective Respondent having questions and comments concerning this RFP must provide them in writing to the State no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.6.3. Protests based on any objection to the RFP shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the Written Questions & Comments Deadline.

1.7. **Pre-Response Conference**

A Pre-response Conference will be held at the time and date detailed in the RFP Section 2, Schedule of Events. Pre-response Conference attendance is not mandatory, and prospective Respondents may be limited to a maximum number of attendees depending upon overall attendance and space limitations.

The conference will be held at:

State of Tennessee
 Department of Finance and Administration
 Wm Snodgrass Tennessee Tower, 21st Floor, Conference Room A
 312 Rosa L. Parks Ave.
 Nashville, TN 37243

A photo ID is required for entrance into the Wm Snodgrass Tennessee Tower.

A potential Respondent may request information on a dial-in option by submitting a written request (email is sufficient) to the RFP Solicitation Coordinator listed in RFP Section 1.4.2.1.

The purpose of the conference is to discuss the RFP scope of goods or services. The State will entertain questions, however prospective Respondents must understand that the State's oral response to any question at the Pre-response Conference shall be unofficial and non-binding. Prospective Respondents must submit all questions, comments, or other concerns regarding the RFP in writing prior to the Written Questions & Comments Deadline date detailed in the RFP Section 2, Schedule of Events. The State will send the official response to these questions and comments to prospective Respondents from whom the State has received a Notice of Intent to respond as indicated in RFP Section 1.8 and on the date detailed in the RFP Section 2, Schedule of Events.

1.8. **Notice of Intent to Respond**

Before the Notice of Intent to Respond Deadline detailed in the RFP Section 2, Schedule of Events, prospective Respondents should submit to the Solicitation Coordinator a Notice of Intent to Respond (in the form of a simple e-mail or other written communication). Such notice should include the following information:

- the business or individual's name (as appropriate)
- a contact person's name and title
- the contact person's mailing address, telephone number, facsimile number, and e-mail address

A Notice of Intent to Respond creates no obligation and is not a prerequisite for submitting a response, however, it is necessary to ensure receipt of any RFP amendments or other notices and communications relating to this RFP.

1.9. **Response Deadline**

A Respondent must ensure that the State receives a response no later than the response Deadline time and date detailed in the RFP Section 2, Schedule of Events. A response must respond, as required, to this RFP (including its attachments) as may be amended. The State will not accept late responses, and a Respondent's failure to submit a response before the deadline will result in disqualification of the response. It is the responsibility of the Respondent to ascertain any additional security requirements with respect to packaging and delivery to the State of Tennessee. Respondents should be mindful of any potential delays due to security screening procedures, weather, or other filing delays whether foreseeable or unforeseeable.

2. RFP SCHEDULE OF EVENTS

2.1. The following RFP Schedule of Events represents the State's best estimate for this RFP.

EVENT	TIME (central time zone)	DATE
14. RFP Issued		December 4, 2015
15. Disability Accommodation Request Deadline	2:00 p.m.	December 9, 2015
16. Pre-response Conference	10:00 a.m.	December 11, 2015
17. Notice of Intent to Respond Deadline	2:00 p.m.	December 14, 2015
18. Written "Questions & Comments" Deadline	2:00 p.m.	December 17, 2015
19. State Response to Written "Questions & Comments"		January 25, 2016
20. Response Deadline	2:00 p.m.	February 12, 2016
21. State Completion of Technical Response Evaluations		February 22, 2016
22. State Opening & Scoring of Cost Proposals	2:00 p.m.	February 23, 2016
23. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	February 26, 2016
24. End of Open File Period		March 4, 2016
25. State sends contract to Contractor for signature		March 7, 2016
26. Contractor Signature Deadline	2:00 p.m.	March 14, 2016

2.2. **The State reserves the right, at its sole discretion, to adjust the RFP Schedule of Events as it deems necessary.** Any adjustment of the Schedule of Events shall constitute an RFP amendment, and the State will communicate such to prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to section 1.8).

3. RESPONSE REQUIREMENTS

3.1. Response Form

A response to this RFP must consist of two parts, a Technical Response and a Cost Proposal.

- 3.1.1. **Technical Response.** RFP Attachment 6.2., Technical Response & Evaluation Guide provides the specific requirements for submitting a response. This guide includes mandatory requirement items, general qualifications and experience items, and technical qualifications, experience, and approach items all of which must be addressed with a written response and, in some instances, additional documentation.

NOTICE: A technical response must not include any pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical response, the state may deem the response to be non-responsive and reject it.

- 3.1.1.1. A Respondent must use the RFP Attachment 6.2., Technical Response & Evaluation Guide to organize, reference, and draft the Technical Response by duplicating the attachment, adding appropriate page numbers as required, and using the guide as a table of contents covering the Technical Response.
- 3.1.1.2. A response should be economically prepared, with emphasis on completeness and clarity. A response, as well as any reference material presented, must be written in English and must be written on standard 8 ½" x 11" pages (although oversize exhibits are permissible) and use a 12 point font for text. All response pages must be numbered.
- 3.1.1.3. All information and documentation included in a Technical Response should respond to or address a specific requirement detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide. All information must be incorporated into a response to a specific requirement and clearly referenced. Any information not meeting these criteria will be deemed extraneous and will not contribute to evaluations.
- 3.1.1.4. The State may determine a response to be non-responsive and reject it if:
- a. the Respondent fails to organize and properly reference the Technical Response as required by this RFP and the RFP Attachment 6.2., Technical Response & Evaluation Guide; or
 - b. the Technical Response document does not appropriately respond to, address, or meet all of the requirements and response items detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide.
- 3.1.2. **Cost Proposal.** A Cost Proposal must be recorded on an exact duplicate of the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

NOTICE: If a Respondent fails to submit a cost proposal exactly as required, the State may deem the response to be non-responsive and reject it.

- 3.1.2.1. A Respondent must only record the proposed cost exactly as required by the RFP Attachment 6.3., Cost Proposal & Scoring Guide and must NOT record any other rates, amounts, or information.

- 3.1.2.2. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period, including any renewals or extensions.
- 3.1.2.3. A Respondent must sign and date the Cost Proposal.
- 3.1.2.4. A Respondent must submit the Cost Proposal to the State in a sealed package separate from the Technical Response (as detailed in RFP Sections 3.2.3., *et seq.*).

3.2. Response Delivery

3.2.1. A Respondent must ensure that both the original Technical Response and Cost Proposal documents meet all form and content requirements, including all required signatures, as detailed within this RFP.

3.2.2. A Respondent must submit original Technical Response and Cost Proposal documents and copies as specified below.

3.2.2.1. One (1) original Technical Response paper document labeled:

“RFP # 31701-05042 TECHNICAL RESPONSE ORIGINAL”

and seven (7) digital copies of the Technical Response each in the form of one (1) digital document in “PDF” format properly recorded on its own otherwise blank, standard CD-R recordable disc or USB flash drive labeled:

“RFP # 31701-05042 TECHNICAL RESPONSE COPY”

The digital copies should not include copies of sealed customer references, however any other discrepancy between the paper Technical Response document and any digital copies may result in the State rejecting the proposal as non-responsive.

3.2.2.2. One (1) original Cost Proposal paper document labeled:

“RFP # 31701-05042 COST PROPOSAL ORIGINAL”

and one (1) copy in the form of a digital document in “PDF” format properly recorded on separate, blank, standard CD-R recordable disc or USB flash drive labeled:

“RFP # 31701-05042 COST PROPOSAL COPY”

In the event of a discrepancy between the original Cost Proposal document and the digital copy, the original, signed document will take precedence.

3.2.3. A Respondent must separate, seal, package, and label the documents and copies for delivery as follows:

3.2.3.1. The Technical Response original document and digital copies must be placed in a sealed package that is clearly labeled:

“DO NOT OPEN... RFP # 31701-05042 TECHNICAL RESPONSE FROM [RESPONDENT LEGAL ENTITY NAME]”

3.2.3.2. The Cost Proposal original document and digital copy must be placed in a separate, sealed package that is clearly labeled:

“DO NOT OPEN... RFP # 31701-05042 COST PROPOSAL FROM [RESPONDENT LEGAL ENTITY NAME]”

- 3.2.3.3. The separately, sealed Technical Response and Cost Proposal components may be enclosed in a larger package for mailing or delivery, provided that the outermost package is clearly labeled:

“RFP # 31701-05042 SEALED TECHNICAL RESPONSE & SEALED COST PROPOSAL FROM [RESPONDENT LEGAL ENTITY NAME]”

- 3.2.4. A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events at the following address:

Mitzi Hale
 Tennessee Department of Finance and Administration
 Office for Information Resources
 901 5th Avenue North
 Nashville, TN 37243
 Phone: 615-741-3735
 Email: Mitzi.Hale@tn.gov

3.3. Response & Respondent Prohibitions

- 3.3.1. A response must not include alternate contract terms and conditions. If a response contains such terms and conditions, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.2. A response must not restrict the rights of the State or otherwise qualify either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal. If a response restricts the rights of the State or otherwise qualifies either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.3. A response must not propose alternative goods or services (*i.e.*, offer services different from those requested and required by this RFP) unless expressly requested in this RFP. The State may consider a response of alternative goods or services to be non-responsive and reject it.
- 3.3.4. A Cost Proposal must be prepared and arrived at independently and must not involve any collusion between Respondents. The State will reject any Cost Proposal that involves collusion, consultation, communication, or agreement between Respondents. Regardless of the time of detection, the State will consider any such actions to be grounds for response rejection or contract termination.
- 3.3.5. A Respondent must not provide, for consideration in this RFP process or subsequent contract negotiations, any information that the Respondent knew or should have known was materially incorrect. If the State determines that a Respondent has provided such incorrect information, the State will deem the Response non-responsive and reject it.
- 3.3.6. A Respondent must not submit more than one Technical Response and one Cost Proposal in response to this RFP, except as expressly requested by the State in this RFP. If a Respondent submits more than one Technical Response or more than one Cost Proposal, the State will deem all of the responses non-responsive and reject them.
- 3.3.7. A Respondent must not submit a response as a prime contractor while also permitting one or more other Respondents to offer the Respondent as a subcontractor in their own responses. Such may result in the disqualification of all Respondents knowingly involved. This restriction does not, however, prohibit different Respondents from offering the same subcontractor as a part

of their responses (provided that the subcontractor does not also submit a response as a prime contractor).

3.3.8. The State shall not consider a response from an individual who is, or within the past six (6) months has been, a State employee. For purposes of this RFP:

3.3.8.1. An individual shall be deemed a State employee until such time as all compensation for salary, termination pay, and annual leave has been paid;

3.3.8.2. A contract with or a response from a company, corporation, or any other contracting entity in which a controlling interest is held by any State employee shall be considered to be a contract with or proposal from the employee; and

3.3.8.3. A contract with or a response from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six (6) months has been, a State employee shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.

3.4. **Response Errors & Revisions**

A Respondent is responsible for any and all response errors or omissions. A Respondent will not be allowed to alter or revise response documents after the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events unless such is formally requested, in writing, by the State.

3.5. **Response Withdrawal**

A Respondent may withdraw a submitted response at any time before the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events by submitting a written request signed by an authorized Respondent representative. After withdrawing a response, a Respondent may submit another response at any time before the Response Deadline. After the Response Deadline, a Respondent may only withdraw all or a portion of a response where the enforcement of the response would impose an unconscionable hardship on the Respondent.

3.6. **Additional Services**

If a response offers goods or services in addition to those required by and described in this RFP, the State, at its sole discretion, may add such services to the contract awarded as a result of this RFP. Notwithstanding the foregoing, a Respondent must not propose any additional cost amounts or rates for additional goods or services. Regardless of any additional services offered in a response, the Respondent's Cost Proposal must only record the proposed cost as required in this RFP and must not record any other rates, amounts, or information.

NOTICE: If a Respondent fails to submit a Cost Proposal exactly as required, the State may deem the response non-responsive and reject it.

3.7. **Response Preparation Costs**

The State will not pay any costs associated with the preparation, submittal, or presentation of any response.

4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS

4.1. RFP Amendment

The State at its sole discretion may amend this RFP, in writing, at any time prior to contract award. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential Respondents to meet the response deadline and revise the RFP Schedule of Events if deemed appropriate. If an RFP amendment is issued, the State will convey it to potential Respondents who submitted a Notice of Intent to Respond (refer to RFP Section 1.8). A response must address the final RFP (including its attachments) as amended.

4.2. RFP Cancellation

The State reserves the right, at its sole discretion, to cancel the RFP or to cancel and reissue this RFP in accordance with applicable laws and regulations.

4.3. State Right of Rejection

4.3.1. Subject to applicable laws and regulations, the State reserves the right to reject, at its sole discretion, any and all responses.

4.3.2. The State may deem as non-responsive and reject any response that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, the State reserves the right to waive, at its sole discretion, minor variances from full compliance with this RFP. If the State waives variances in a response, such waiver shall not modify the RFP requirements or excuse the Respondent from full compliance, and the State may hold any resulting Contractor to strict compliance with this RFP.

4.4. Assignment & Subcontracting

4.4.1. The Contractor may not subcontract, transfer, or assign any portion of the Contract awarded as a result of this RFP without prior approval of the State. The State reserves the right to refuse approval, at its sole discretion, of any subcontract, transfer, or assignment.

4.4.2. If a Respondent intends to use subcontractors, the response to this RFP must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFP Attachment 6.2., Section B, General Qualifications & Experience, Item B.14.).

4.4.3. Subcontractors identified within a response to this RFP will be deemed as approved by the State unless the State expressly disapproves one or more of the proposed subcontractors prior to signing the Contract.

4.4.4. After contract award, a Contractor may only substitute an approved subcontractor at the discretion of the State and with the State's prior, written approval.

4.4.5. Notwithstanding any State approval relating to subcontracts, the Respondent who is awarded a contract pursuant to this RFP will be the prime contractor and will be responsible for all work under the Contract.

4.5. Right to Refuse Personnel or Subcontractors

The State reserves the right to refuse, at its sole discretion and notwithstanding any prior approval, any personnel of the prime contractor or a subcontractor providing goods or services in the performance of a contract resulting from this RFP. The State will document in writing the reason(s) for any rejection of personnel.

4.6. Insurance

From time-to-time, the State may require the awarded Contractor to provide a Certificate of Insurance issued by an insurance company licensed or authorized to provide insurance in the State of Tennessee. Each Certificate of Insurance shall indicate current insurance coverages meeting minimum requirements as may be specified by this RFP. A failure to provide a current, Certificate of Insurance will be considered a material breach and grounds for contract termination.

4.7. Professional Licensure and Department of Revenue Registration

- 4.7.1. All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Respondent provides for consideration and evaluation by the State as a part of a response to this RFP, shall be properly licensed to render such opinions.
- 4.7.2. Before the Contract resulting from this RFP is signed, the apparent successful Respondent (and Respondent employees and subcontractors, as applicable) must hold all necessary or appropriate business or professional licenses to provide the goods or services as required by the contract. The State may require any Respondent to submit evidence of proper licensure.
- 4.7.3. Before the Contract resulting from this RFP is signed, the apparent successful Respondent must be registered with the Tennessee Department of Revenue for the collection of Tennessee sales and use tax. The State shall not award a contract unless the Respondent provides proof of such registration or provides documentation from the Department of Revenue that the Contractor is exempt from this registration requirement. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. For purposes of this registration requirement, the Department of Revenue may be contacted at: TN.Revenue@tn.gov.

4.8. Disclosure of Response Contents

- 4.8.1. All materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Selection or rejection of a response does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.
- 4.8.2. The State will hold all response information, including both technical and cost information, in confidence during the evaluation process. Notwithstanding the foregoing, a list of actual Respondents submitting timely responses may be available to the public, upon request, after technical responses are opened.
- 4.8.3. Upon completion of response evaluations, indicated by public release of a Notice of Intent to Award, the responses and associated materials will be open for review by the public in accordance with *Tennessee Code Annotated*, Section 10-7-504(a)(7).

4.9. Contract Approval and Contract Payments

- 4.9.1. After contract award, the Contractor who is awarded the contract must submit appropriate documentation with the Department of Finance and Administration, Division of Accounts.
- 4.9.2. This RFP and its contractor selection processes do not obligate the State and do not create rights, interests, or claims of entitlement in either the Respondent with the apparent best-evaluated response or any other Respondent. State obligations pursuant to a contract award shall commence only after the contract is signed by the State agency head and the Contractor and after the Contract is approved by all other state officials as required by applicable laws and regulations.

- 4.9.3. No payment will be obligated or made until the relevant Contract is approved as required by applicable statutes and rules of the State of Tennessee.
- 4.9.3.1. The State shall not be liable for payment of any type associated with the Contract resulting from this RFP (or any amendment thereof) or responsible for any goods delivered or services rendered by the Contractor, even goods delivered or services rendered in good faith and even if the Contractor is orally directed to proceed with the delivery of goods or the rendering of services, if it occurs before the Contract start date or after the Contract end date.
- 4.9.3.2. All payments relating to this procurement will be made in accordance with the Payment Terms and Conditions of the Contract resulting from this RFP (refer to RFP Attachment 6.6., *Pro Forma Contract*, Section C).
- 4.9.3.3. If any provision of the Contract provides direct funding or reimbursement for the competitive purchase of goods or services as a component of contract performance or otherwise provides for the reimbursement of specified, actual costs, the State will employ all reasonable means and will require all such documentation that it deems necessary to ensure that such purchases were competitive and costs were reasonable, necessary, and actual. The Contractor shall provide reasonable assistance and access related to such review. Further, the State shall not remit, as funding or reimbursement pursuant to such provisions, any amounts that it determines do not represent reasonable, necessary, and actual costs.

4.10. **Contractor Performance**

The Contractor who is awarded a contract will be responsible for the delivery of all acceptable goods or the satisfactory completion of all services set out in this RFP (including attachments) as may be amended. All goods or services are subject to inspection and evaluation by the State. The State will employ all reasonable means to ensure that goods delivered or services rendered are in compliance with the Contract, and the Contractor must cooperate with such efforts.

4.11. **Contract Amendment**

After contract award, the State may request the Contractor to deliver additional goods or perform additional services within the general scope of the contract and this RFP, but beyond the specified scope of service, and for which the Contractor may be compensated. In such instances, the State will provide the Contractor a written description of the additional goods or services. The Contractor must respond to the State with a time schedule for delivering the additional goods or accomplishing the additional services based on the compensable units included in the Contractor's response to this RFP. If the State and the Contractor reach an agreement regarding the goods or services and associated compensation, such agreement must be effected by means of a contract amendment. Further, any such amendment requiring additional goods or services must be signed by both the State agency head and the Contractor and must be approved by other state officials as required by applicable statutes, rules, policies and procedures of the State of Tennessee. The Contractor must not provide additional goods or render additional services until the State has issued a written contract amendment with all required approvals.

4.12. **Severability**

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision will not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the State and Respondents will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

4.13. **Next Ranked Respondent**

The State reserves the right to initiate negotiations with the next ranked Respondent should the State cease doing business with any Respondent selected via this RFP process.

5. EVALUATION & CONTRACT AWARD

5.1. Evaluation Categories & Maximum Points

The State will consider qualifications, experience, technical approach, and cost in the evaluation of responses and award points in each of the categories detailed below (up to the maximum evaluation points indicated) to each response deemed by the State to be responsive.

EVALUATION CATEGORY	MAXIMUM POINTS POSSIBLE
General Qualifications & Experience (refer to RFP Attachment 6.2., Section B)	30
Technical Qualifications, Experience & Approach (refer to RFP Attachment 6.2., Section C)	40
Cost Proposal (refer to RFP Attachment 6.3.)	30

5.2. Evaluation Process

The evaluation process is designed to award the contract resulting from this RFP not necessarily to the Respondent offering the lowest cost, but rather to the Respondent deemed by the State to be responsive and responsible who offers the best combination of attributes based upon the evaluation criteria. ("Responsive Respondent" is defined as a Respondent that has submitted a response that conforms in all material respects to the RFP. "Responsible Respondent" is defined as a Respondent that has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

5.2.1. **Technical Response Evaluation.** The Solicitation Coordinator and the Proposal Evaluation Team (consisting of three (3) or more State employees) will use the RFP Attachment 6.2., Technical Response & Evaluation Guide to manage the Technical Response Evaluation and maintain evaluation records.

5.2.1.1. The State reserves the right, at its sole discretion, to request Respondent clarification of a Technical Response or to conduct clarification discussions with any or all Respondents. Any such clarification or discussion will be limited to specific sections of the response identified by the State. The subject Respondent must put any resulting clarification in writing as may be required and in accordance with any deadline imposed by the State.

5.2.1.2. The Solicitation Coordinator will review each Technical Response to determine compliance with RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A—Mandatory Requirements. If the Solicitation Coordinator determines that a response failed to meet one or more of the mandatory requirements, the Proposal Evaluation Team will review the response and document the team's determination of whether:

- a. the response adequately meets RFP requirements for further evaluation;
- b. the State will request clarifications or corrections for consideration prior to further evaluation; or,
- c. the State will determine the response to be non-responsive to the RFP and reject it.

5.2.1.3. Proposal Evaluation Team members will independently evaluate each Technical Response (that is responsive to the RFP) against the evaluation criteria in this RFP,

and will score each in accordance with the RFP Attachment 6.2., Technical Response & Evaluation Guide.

- 5.2.1.4. For each response evaluated, the Solicitation Coordinator will calculate the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Response & Evaluation Guide, and record each average as the response score for the respective Technical Response section.
- 5.2.1.5. Before Cost Proposals are opened, the Proposal Evaluation Team will review the Technical Response Evaluation record and any other available information pertinent to whether or not each Respondent is responsive and responsible. If the Proposal Evaluation Team identifies any Respondent that does not to meet the responsive and responsible thresholds such that the team would not recommend the Respondent for Cost Proposal Evaluation and potential contract award, the team members will fully document the determination.
- 5.2.2. **Cost Proposal Evaluation.** The Solicitation Coordinator will open for evaluation the Cost Proposal of each Respondent deemed by the State to be responsive and responsible and calculate and record each Cost Proposal score in accordance with the RFP Attachment 6.3., Cost Proposal & Scoring Guide.
- 5.2.3. **Total Response Score.** The Solicitation Coordinator will calculate the sum of the Technical Response section scores and the Cost Proposal score and record the resulting number as the total score for the subject Response (refer to RFP Attachment 6.5., Score Summary Matrix).

5.3. Contract Award Process

- 5.3.1 The Solicitation Coordinator will submit the Proposal Evaluation Team determinations and scores to the head of the procuring agency for consideration along with any other relevant information that might be available and pertinent to contract award.
- 5.3.2. The procuring agency head will determine the apparent best-evaluated Response. To effect a contract award to a Respondent other than the one receiving the highest evaluation process score, the head of the procuring agency must provide written justification and obtain the written approval of the Chief Procurement Officer and the Comptroller of the Treasury.
- 5.3.3. The State will issue a Notice of Intent to Award identifying the apparent best-evaluated response and make the RFP files available for public inspection at the time and date specified in the RFP Section 2, Schedule of Events.

NOTICE: The Notice of Intent to Award shall not create rights, interests, or claims of entitlement in either the apparent best-evaluated Respondent or any other Respondent.

- 5.3.4. The Respondent identified as offering the apparent best-evaluated response must sign a contract drawn by the State pursuant to this RFP. The contract shall be substantially the same as the RFP Attachment 6.6., *Pro Forma* Contract. The Respondent must sign the contract by the Contractor Signature Deadline detailed in the RFP Section 2, Schedule of Events. If the Respondent fails to provide the signed contract by this deadline, the State may determine that the Respondent is non-responsive to this RFP and reject the response.
- 5.3.5. Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited negotiation prior to contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, PROVIDED THAT such revision of terms and conditions or performance requirements shall NOT materially affect the basis of response evaluations or negatively impact the competitive nature of the RFP and contractor selection process.

- 5.3.6. If the State determines that a response is non-responsive and rejects it after opening Cost Proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated response.

RFP ATTACHMENT 6.1.**RFP # 31701-05042 STATEMENT OF CERTIFICATIONS AND ASSURANCES**

The Respondent must sign and complete the Statement of Certifications and Assurances below as required, and it must be included in the Technical Response (as required by RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A, Item A.1.).

The Respondent does, hereby, expressly affirm, declare, confirm, certify, and assure ALL of the following:

1. The Respondent will comply with all of the provisions and requirements of the RFP.
2. The Respondent will provide all services as defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma Contract* for the total contract period.
3. The Respondent accepts and agrees that the terms and conditions in the contract awarded pursuant to this RFP shall be substantially the same as the terms and conditions set out in the RFP Attachment 6.6., *Pro Forma Contract.*; provided, however, that the State shall entertain limited negotiations with the apparent best-evaluated Respondent.
4. The Respondent acknowledges and agrees that a contract resulting from the RFP shall incorporate, by reference, all proposal responses as a part of the contract.
5. The Respondent will comply with:
 - (a) the laws of the State of Tennessee;
 - (b) Title VI of the federal Civil Rights Act of 1964;
 - (c) Title IX of the federal Education Amendments Act of 1972;
 - (d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government; and,
 - (e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government.
6. To the knowledge of the undersigned, the information detailed within the response submitted to this RFP is accurate.
7. The response submitted to this RFP was independently prepared, without collusion, under penalty of perjury.
8. No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Respondent in connection with this RFP or any resulting contract.
9. Both the Technical Response and the Cost Proposal submitted in response to this RFP shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFP.

By signing this Statement of Certifications and Assurances, below, the signatory also certifies legal authority to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If the signatory is not the Respondent (if an individual) or the Respondent's company *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to bind the Respondent.

DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO BIND THE RESPONDENT

SIGNATURE:

PRINTED NAME & TITLE:

DATE:

**RESPONDENT LEGAL ENTITY
NAME:**

**RESPONDENT FEDERAL EMPLOYER IDENTIFICATION NUMBER (or
SSN):**

RFP ATTACHMENT 6.2. — Section A

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION A: MANDATORY REQUIREMENTS. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review the response to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Proposal Evaluation Team must review the response and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFP requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		The Response must be delivered to the State no later than the Response Deadline specified in the RFP Section 2, Schedule of Events.	
		The Technical Response and the Cost Proposal documentation must be packaged separately as required (refer to RFP Section 3.2., <i>et. seq.</i>).	
		The Technical Response must NOT contain cost or pricing information of any type.	
		The Technical Response must NOT contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must NOT submit alternate responses (refer to RFP Section 3.3.).	
		A Respondent must NOT submit multiple responses in different forms (as a prime and a sub-contractor) (refer to RFP Section 3.3.).	
	A.1.	Provide the Statement of Certifications and Assurances (RFP Attachment 6.1.) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFP and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall cause to deliver goods or perform services under the contract has a possible conflict of interest (<i>e.g.</i> , employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide a current bank reference indicating that the Respondent's business relationship with the financial institution is in positive standing. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months. If the Respondent is a financial institution that maintains no relationships with other financial institutions, thus cannot provide the standard documentation required, the Respondent should provide explanation of this in its Proposal. If the Respondent is either partnering or proposing in a joint venture relationship with another company (which is not a financial institution), this	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		company must provide the standard bank reference documentation as required by this Section A, Item A.3.	
	A.4.	Provide an official document or letter from an accredited credit bureau, verified and dated within the last three (3) months, or the most recently completed review that is within the past twelve months of the RFP's Issued date, and indicating a satisfactory credit rating for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will <u>not</u> be considered responsive.)	
	A.5.	Provide a written confirmation that the Respondent will have the system fully implemented and operational by the July 1, 2016, Transition Deadline.	
	A.6.	Provide a written confirmation that the Respondent can meet the State's debit card production volume of approximately 98,000 cards by the July 1, 2016, Transition Deadline.	
State Use – Solicitation Coordinator Signature, Printed Name & Date:			

RFP ATTACHMENT 6.2. — SECTION B

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below. Proposal Evaluation Team members will independently evaluate and assign one score for all responses to Section B— General Qualifications & Experience Items.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number of the person the State should contact regarding the response.
	B.2.	Describe the Respondent's form of business (<i>i.e.</i> , individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Respondent has been in business.
	B.4.	Briefly describe how long the Respondent has been providing the goods or services required by this RFP.
	B.5.	Describe the Respondent's number of employees, client base, and location of offices.
	B.6.	Provide a statement of whether there have been any mergers, acquisitions, or change of control of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	B.7.	Provide a statement of whether the Respondent or, to the Respondent's knowledge, any of the Respondent's employees, agents, independent contractors, or subcontractors, involved in the delivery of goods or performance of services on a contract pursuant to this RFP, have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony. If so, include an explanation providing relevant details.
	B.8.	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.9.	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFP or is likely to have a material adverse effect on the Respondent's financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent's performance in a contract pursuant to this RFP. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.10.	Provide a statement of whether there are any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent's performance in a contract pursuant to this RFP.

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.11.	Provide a brief, descriptive statement detailing evidence of the Respondent's ability to deliver the goods or services sought under this RFP (e.g., prior experience, training, certifications, resources, program and quality management systems, etc.).
	B.12.	Provide a narrative description of the proposed project team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to deliver the goods or services required by this RFP.
	B.13.	Provide a personnel roster listing the names of key people who the Respondent will assign to meet the Respondent's requirements under this RFP along with the estimated number of hours that each individual will devote to that performance. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Respondent, and employment history.
	B.14.	Provide a statement of whether the Respondent intends to use subcontractors to meet the Respondent's requirements of any contract awarded pursuant to this RFP, and if so, detail: <ul style="list-style-type: none"> (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the goods each subcontractor involved in the delivery of goods or performance of the services each subcontractor will perform; <u>and</u> (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent's response to this RFP.
	B.15.	Provide documentation of the Respondent's commitment to diversity as represented by the following: <ul style="list-style-type: none"> (a) <u>Business Strategy</u>. Provide a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises. Please also include a list of the Respondent's certifications as a diversity business, if applicable. (b) <u>Business Relationships</u>. Provide a listing of the Respondent's current contracts with business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises. Please include the following information: <ul style="list-style-type: none"> (i) contract description; (ii) contractor name and ownership characteristics (i.e., ethnicity, gender, Tennessee service-disabled); (iii) contractor contact name and telephone number. (c) <u>Estimated Participation</u>. Provide an estimated level of participation by business enterprises owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises if a contract is awarded to the Respondent pursuant to this RFP. Please include the following information: <ul style="list-style-type: none"> (i) a percentage (%) indicating the participation estimate. (Express the estimated participation number as a percentage of the total estimated contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics only and DO NOT INCLUDE DOLLAR AMOUNTS);

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>(ii) anticipated goods or services contract descriptions;</p> <p>(iii) names and ownership characteristics (i.e., ethnicity, gender, Tennessee service-disabled veterans) of anticipated subcontractors and supply contractors.</p> <p>NOTE: In order to claim status as a Diversity Business Enterprise under this contract, businesses must be certified by the Governor's Office of Diversity Business Enterprise (Go-DBE). Please visit the Go-DBE website at https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810 for more information.</p> <p>(d) <u>Workforce</u>. Provide the percentage of the Respondent's total current employees by ethnicity and gender.</p> <p>NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will recognize the positive qualifications and experience of a Respondent that does business with enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises and who offer a diverse workforce.</p>
	B.16.	<p>Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous five (5) year period. If so, provide the following information for all of the current and completed contracts:</p> <p>(a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract;</p> <p>(b) the procuring State agency name;</p> <p>(c) a brief description of the contract's scope of services;</p> <p>(d) the contract period; and</p> <p>(e) the contract number.</p> <p>NOTES:</p> <ul style="list-style-type: none"> ▪ Current or prior contracts with the State are <u>not</u> a prerequisite and are <u>not</u> required for the maximum evaluation score, and the existence of such contracts with the State will <u>not</u> automatically result in the addition or deduction of evaluation points. ▪ Each evaluator will generally consider the results of inquiries by the State regarding all contracts noted.
	B.17.	<p>Provide customer references from individuals who are <u>not</u> current or former State employees for projects similar to the goods or services sought under this RFP and which represent:</p> <ul style="list-style-type: none"> ▪ three (3) of the larger accounts currently serviced by the Respondent or that the Respondent has serviced in the last three years. <p>References from at least three (3) different individuals are required to satisfy the requirements above, e.g., an individual may provide a reference about a completed project and another reference about a currently serviced account. The standard reference questionnaire, which <u>must</u> be used and completed, is provided at RFP Attachment 6.4. References that are not completed as required may be deemed non-responsive and may not be considered.</p> <p>The Respondent will be <u>solely</u> responsible for obtaining fully completed reference questionnaires and including them in the sealed Technical Response. In order to obtain and submit the completed reference questionnaires follow the process below.</p> <p>(a) Add the Respondent's name to the standard reference questionnaire at RFP Attachment 6.4. and make a copy for each reference.</p>

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>(b) Send a reference questionnaire and new, standard #10 envelope to each reference.</p> <p>(c) Instruct the reference to:</p> <ul style="list-style-type: none"> (i) complete the reference questionnaire; (ii) sign and date the completed reference questionnaire; (iii) seal the completed, signed, and dated reference questionnaire within the envelope provided; (iv) sign his or her name in ink across the sealed portion of the envelope; and (v) return the sealed envelope directly to the Respondent (the Respondent may wish to give each reference a deadline, such that the Respondent will be able to collect all required references in time to include them within the sealed Technical Response). <p>(d) <u>Do NOT open the sealed references upon receipt.</u></p> <p>(e) Enclose all <u>sealed</u> reference envelopes within a larger, labeled envelope for inclusion in the Technical Response as required.</p> <p>NOTES:</p> <ul style="list-style-type: none"> ▪ The State will not accept late references or references submitted by any means other than that which is described above, and each reference questionnaire submitted must be completed as required. ▪ The State will not review more than the number of required references indicated above. ▪ While the State will base its reference check on the contents of the sealed reference envelopes included in the Technical Response package, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references. ▪ The State is under <u>no</u> obligation to clarify any reference information.
	B.18.	<p>Provide a statement and any relevant details addressing whether the Respondent is any of the following:</p> <ul style="list-style-type: none"> (a) is presently debarred, suspended, proposed for debarment, or voluntarily excluded from covered transactions by any federal or state department or agency; (b) has within the past three (3) years, been convicted of, or had a civil judgment rendered against the contracting party from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) is presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above; and <p>has within a three (3) year period preceding the contract had one or more public transactions (federal, state, or local) terminated for cause or default.</p>
		<p>SCORE (for <u>all</u> Section B—Qualifications & Experience Items above): (maximum possible score = 30)</p>

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
<i>State Use – Evaluator Identification:</i>		

RFP ATTACHMENT 6.2. — SECTION C

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Respondent must address all items (below) and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value 1 = poor 2 = fair 3 = satisfactory 4 = good 5 = excellent

The Solicitation Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's Raw Weighted Score for purposes of calculating the section score as indicated.

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.1.	Provide a narrative that illustrates the Respondent's understanding of the State's requirements and project schedule.		10	
	C.2.	Provide a narrative that illustrates how the Respondent will complete the scope of services, accomplish required objectives, and meet the State's project schedule.		10	
	C.3.	<p>Provide an Implementation Schedule including specific plans for meeting the Scope of Services (RFP Attachment 6.6, <i>Pro Forma</i> Contract, Section A.) and required objectives. See specifically, Section A.15.b. The State may review and adjust the Implementation Schedule in coordination with the Respondent.</p> <p>The Implementation Schedule at a minimum should include:</p> <ol style="list-style-type: none"> a. Identification of the timeframes for each key implementation activity and requirements to meet the July 1, 2016, Transition Deadline; b. Identification of project manager to oversee start-up and implementation; c. A description of system testing that will be performed on all components and functional areas of the Card programs, including pilot test of selected Cardholders for each program area. Prior to the pilot, the Respondent should conduct an interface test(s) between the State agency systems and the Respondent's system to ensure that files transmitted from the State to the Respondent are properly received, accepted and processed; d. Prior to implementation, validation to the State that the automated response unit properly accepts, processes, and responds to calls within the contract specifications. e. Prior to implementation, validation that reporting 		20	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		capabilities are operational.			
	C.4.	The Respondent should describe cash access methods to ensure the availability of cash withdrawals for Cardholders. This should include a description of the ATM in-network locations. Do NOT include any costs in methods described.		15	
	C.5.	Customer Service Center The Respondent shall: <ul style="list-style-type: none"> a. provide the location of the customer service center (city and state). b. provide information on the customer service center's average speed of response to telephone calls. c. describe the flexibility of the customer service center to handle fluctuations in call volume resulting from program, benefit, or new enrollment changes. 		10	
	C.6.	Describe the Respondent's approach to each of the following customer service issues: <ul style="list-style-type: none"> a. How customer complaints are resolved, including timeframes associated with process, and the types of issues anticipated being raised. b. How the following situation is resolved from the point of view of the customer and the merchant: a card is presented at checkout, the customer believes money is in his/her account, the card is declined. c. How errors are resolved and appropriate timeframes. d. Procedures and timelines for card replacement. e. How returned mail (monthly statements, promotional information) is handled. f. What services are available to Cardholders who live outside the continental U.S. and those with Foreign Post Office and Army Post Office addresses. g. Overdraft on prepaid debit card. 		5	
	C.7.	Security		9	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>The Respondent shall describe its approach to security including the ability to meet the following requirements:</p> <ul style="list-style-type: none"> a. Ensure implementation and maintenance of Payment Card Industry and MasterCard/Visa standard security guidelines, protocols and procedures. b. Address issues such as misuse and fraud. c. Provide an audit trail identifying all network security breaches. d. Ensure full cooperation with law enforcement agencies in case of security breaches involving criminal and/or non-criminal activities. e. Accommodate scheduled inspections by state personnel or designees including auditors or law enforcement personnel for risk assessment of network security. 			
	C.8.	Describe the Respondent's approach to developing the operating procedures and protocols as described in RFP Attachment 6.6, <i>Pro Forma</i> Contract, Section A.5, <u>Operating Procedures</u> .		5	
	C.9.	Describe the Respondent's approach and ability to meet the requirements as described in RFP Attachment 6.6, <i>Pro Forma</i> Contract, Section A.10, <u>Alternate Site and System</u> .		5	
	C.10.	Describe the Respondent's approach and ability to meet the reporting requirements as described in RFP Attachment 6.6, <i>Pro Forma</i> Contract, Section A.13, <u>Reporting</u> .		5	
	C.11.	Describe the Respondent's approach and ability to meet the secure website requirements as described in RFP Attachment 6.6, <i>Pro Forma</i> Contract, Section A.4.o. Do NOT include any costs in the response provided.		3	
	C.12.	Describe the Respondent's approach and ability to meet the requirements as described in RFP Attachment 6.6, <i>Pro Forma</i> Contract, Section A.4.d., for the Department of Education.		3	
<p><i>The Solicitation Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.</i></p>				<p>Total Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i></p>	
<p>Total Raw Weighted Score</p>			<p>X 40</p>		<p>= SCORE:</p>
<p>Maximum Possible Raw Weighted Score <i>(i.e., 5 x the sum of item weights above)</i></p>			<p><i>(maximum possible score)</i></p>		

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
<i>State Use – Evaluator Identification:</i>					
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>					

RFP ATTACHMENT 6.3.

COST PROPOSAL & SCORING GUIDE

NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED

COST PROPOSAL SCHEDULE— The Cost Proposal, detailed below, shall indicate the proposed price for goods or services defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma* Contract and for the entire contract period. The Cost Proposal shall remain valid for at least one hundred twenty (120) days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFP. All monetary amounts shall be in U.S. currency and limited to two (2) places to the right of the decimal point.

The Respondent may propose an amount of zero in a Proposal cell but should **NOT** leave any Proposal cells blank. For evaluation purposes, the State will interpret a blank in a Proposal cell as a proposed amount of zero (0) for the item in question.

PLEASE NOTE: In Section A (Monthly Rebate) below; if all Respondents choose to propose an amount of zero (0) for the Monthly Rebate, a divisional error will occur. In the event this occurs, for evaluation purposes, all Respondents will receive a zero (0) for this section.

In any given cell, do **NOT** propose more than a single Fee and do **NOT** propose a range of Fees.

NOTICE: The Evaluation Factor associated with each cost item is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Respondent.

Notwithstanding the cost items herein, pursuant to the second paragraph of the *Pro Forma* Contract section C.1. (refer to RFP Attachment 6.6.), "The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract."

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the Respondent to the provisions of this RFP and any contract awarded pursuant to it. If said individual is not the *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to legally bind the Respondent.

RESPONDENT SIGNATURE:	
PRINTED NAME & TITLE:	
DATE:	
RESPONDENT LEGAL ENTITY NAME:	

Cost Item Description	Proposed Cost	State Use ONLY
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RFP ATTACHMENT 6.3. (continued)

	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
A. Monthly Rebate:								
Monthly Rebate paid to State for each active Cardholder account, excluding the Department of Education IEA program (See Contract Sections A.4.p.i. and C.2.)	\$ Number per Each		1					
EVALUATION COST AMOUNT (sum of evaluation costs above):								
The Solicitation Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.								
$\frac{\text{evaluation cost amount being evaluated}}{\text{highest evaluation cost amount from all proposals}}$						$\times 1$ (maximum section score)	= SCORE:	
State Use – Solicitation Coordinator Signature, Printed Name & Date:								

Cost Item Description	Proposed Cost					State Use ONLY		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
B. Cardholder Usage Fees, excluding the Department of Education IEA program:								
In-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 2 nd withdrawal of the month, each (See Contract Section A.4.c.)	\$ Number per 2 nd Withdrawal		1,000					

RFP ATTACHMENT 6.3. (continued)

Cost Item Description	Proposed Cost					State Use ONLY		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
In-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 3 rd withdrawal or each one thereafter of the month (See Contract Section A.4.c.)	\$ Number per 3 rd Withdrawal or More	\$ Number per 3 rd Withdrawal or More	\$ Number per 3 rd Withdrawal or More	\$ Number per 3 rd Withdrawal or More	\$ Number per 3 rd Withdrawal or More		1,000	
Out-of-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 2 nd withdrawal of the month, each (See Contract Section A.4.c.)	\$ Number per 2 nd Withdrawal		1,000					
Out-of-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 3 rd withdrawal or each one thereafter of the month (See Contract Section A.4.c.)	\$ Number per 3 rd Withdrawal or More	\$ Number per 3 rd Withdrawal or More	\$ Number per 3 rd Withdrawal or More	\$ Number per 3 rd Withdrawal or More	\$ Number per 3 rd Withdrawal or More		1,000	
ATM balance inquiries, each (See Contract Section A.4.i.)	\$ Number per Inquiry		30					
In-Network PIN-based POS transaction, each (See Contract Section A.4.a.)	\$ Number per Each		1,000					
Out-of-Network PIN-based POS transaction, each (See Contract Section A.4.a.)	\$ Number per Each		1,000					

RFP ATTACHMENT 6.3. (continued)

Cost Item Description	Proposed Cost					State Use ONLY		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
In-Network Signature-based POS transaction, each event (See Contract Section A.4.a.)	\$ Number per Each		1,000					
Out-of-Network Signature-based POS transaction, each event (See Contract Section A.4.a.)	\$ Number per Each		1,000					
Web-based balance inquiries, each (See Contract Section A.4.i.)	\$ Number per Each		30					
Overdraft charge or Negative Balance Fee, each (See Contract Section A.4.i.)	\$ Number per Each		10					
Fee for customer service calls via toll free phone number for the 5 th call or each one thereafter, within a given month, per Card (See Contract Sections A.4.k. and A.4.l.)	\$ Number per Call		500					
Monthly Cardholder Statement (paper) (See Contract Section A.4.i.)	\$ Number per Each		10					
Additional Cards on account, each (See Contract Section A.8.)	\$ Number per Each		10					

RFP ATTACHMENT 6.3. (continued)

Cost Item Description	Proposed Cost					State Use ONLY		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Replacement Card Fee, each (See Contract Sections A.4.u., A.4.v., and A.8.)	\$ Number per Each		10					
Expedited Card Fee, each (See Contract Sections A.4.u., A.4.v., and A.8.)	\$ Number per Each		10					
On-Line Bill Pay Fee (See Contract Section A.4.w.)	\$ Number per Each		10					
Deposit of Additional Funds Fee (See Contract Section A.4.f.)	\$ Number per Each		10					
EVALUATION COST AMOUNT (sum of evaluation costs above):								
The Solicitation Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.								
$\frac{\text{lowest evaluation cost amount from all proposals}}{\text{evaluation cost amount being evaluated}}$						$\times 26$ (maximum section score)	= SCORE:	
State Use – Solicitation Coordinator Signature, Printed Name & Date:								

Cost Item Description	Proposed Cost	State Use ONLY
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RFP ATTACHMENT 6.3. (continued)

	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
C. Department of Education IEA Program, (Contract Section A.4.d.):								
Monthly Cardholder Fee paid to Contractor for each open IEA Cardholder account (See Contract Sections A.4.p. and C.4)	\$ Number per Each		5					
In-Network PIN-based POS transaction, each (See Contract Section A.4.a.)	\$ Number per Each		1					
Out-of-Network PIN-based POS transaction, each (See Contract Section A.4.a.)	\$ Number per Each		1					
In-Network Signature-based POS transaction, each event (See Contract Section A.4.a.)	\$ Number per Each		1					
Out-of-Network Signature-based POS transaction, each event (See Contract Section A.4.a.)	\$ Number per Each		1					
Web-based balance inquiries, each (See Contract Section A.4.i.)	\$ Number per Each		1					
Overdraft charge or Negative Balance Fee, each (See Contract Section A.4.i.)	\$ Number per Each		1					
Fee for customer service calls via toll free phone number for the 5 th call or each one thereafter, within a given month, per Card (See Contract Sections A.4.k. and A.4.l.)	\$ Number per Call		1					

Cost Item Description	Proposed Cost					State Use ONLY		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (cost x factor)
Monthly Cardholder Statement (paper) (See Contract Section A.4.i.)	\$ Number per Each		1					
Additional Cards on account, each (See Contract Section A.8.)	\$ Number per Each		1					
Replacement Card Fee, each (See Contract Sections A.4.u., A.4.v., and A.8.)	\$ Number per Each		1					
Expedited Card Fee, each (See Contract Sections A.4.u., A.4.v., and A.8.)	\$ Number per Each		1					
On-Line Bill Pay Fee (See Contract Section A.4.w.)	\$ Number per Each		1					
EVALUATION COST AMOUNT (sum of evaluation costs above):								
The Solicitation Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.								
$\frac{\text{lowest evaluation cost amount from all proposals}}{\text{evaluation cost amount being evaluated}}$						$\times 3$ (maximum section score)	= SCORE:	
State Use – Solicitation Coordinator Signature, Printed Name & Date:								

EVALUATION COST AMOUNT SCORE	
TOTAL EVALUATION COST AMOUNT (The RFP Coordinator will add the final SCORES from the Evaluation Cost Amount in Tables A, B, and C)	
= TOTAL COST PROPOSAL SCORE:	
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>	

REFERENCE QUESTIONNAIRE

The standard reference questionnaire provided on the following pages of this attachment MUST be completed by all individuals offering a reference for the Respondent.

The Respondent will be solely responsible for obtaining completed reference questionnaires as required (refer to RFP Attachment 6.2., Technical Response & Evaluation Guide, Section B, Item B.17.), and for enclosing the sealed reference envelopes within the Respondent's Technical Response.

RFP # 31701-05042 REFERENCE QUESTIONNAIRE

REFERENCE SUBJECT: RESPONDENT NAME (completed by Respondent before reference is requested)

The “reference subject” specified above, intends to submit a response to the State of Tennessee in response to the Request for Proposals (RFP) indicated. As a part of such response, the reference subject must include a number of completed and sealed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
- sign and date the completed questionnaire;
- seal the completed, signed, and dated questionnaire in a new standard #10 envelope;
- sign in ink across the sealed portion of the envelope; and
- return the sealed envelope containing the completed questionnaire directly to the reference subject.

(1) What is the name of the individual, company, organization, or entity responding to this reference questionnaire?

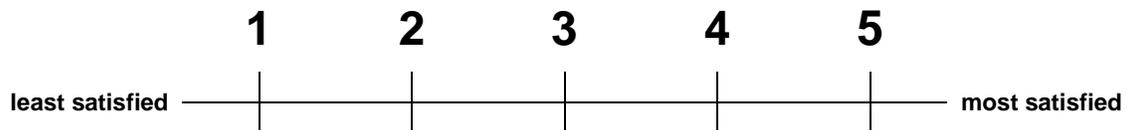
(2) Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) What goods or services does/did the reference subject provide to your company or organization?

(4) What is the level of your overall satisfaction with the reference subject as a vendor of the goods or services described above?

Please respond by circling the appropriate number on the scale below.

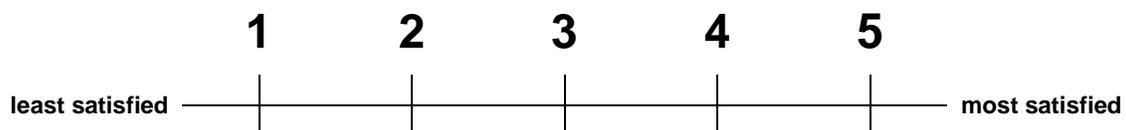


RFP # 31701-05042 REFERENCE QUESTIONNAIRE — PAGE 2

If you circled 3 or less above, what could the reference subject have done to improve that rating?

- (5) If the goods or services that the reference subject provided to your company or organization are completed, were the goods or services provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.
- (6) If the reference subject is still providing goods or services to your company or organization, are these goods or services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.
- (7) How satisfied are you with the reference subject's ability to perform based on your expectations and according to the contractual arrangements?
- (8) In what areas of goods or service delivery does/did the reference subject excel?
- (9) In what areas of goods or service delivery does/did the reference subject fall short?
- (10) What is the level of your satisfaction with the reference subject's project management structures, processes, and personnel?

Please respond by circling the appropriate number on the scale below.

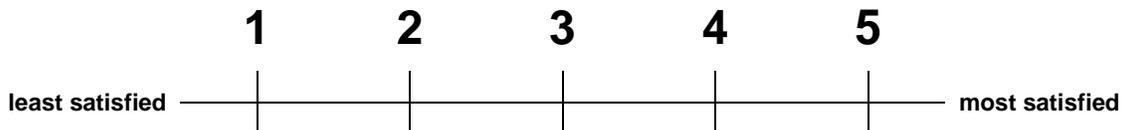


What, if any, comments do you have regarding the score selected above?

RFP # 31701-05042 REFERENCE QUESTIONNAIRE — PAGE 3

(11) Considering the staff assigned by the reference subject to deliver the goods or services described in response to question 3 above, how satisfied are you with the technical abilities, professionalism, and interpersonal skills of the individuals assigned?

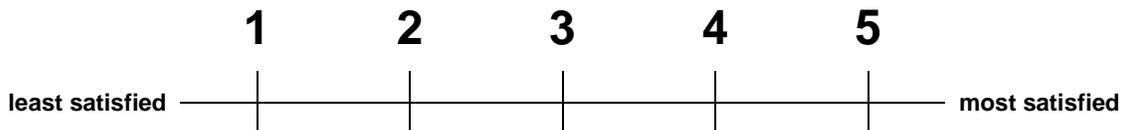
Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

(12) Would you contract again with the reference subject for the same or similar goods or services?

Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

REFERENCE SIGNATURE:

(by the individual completing this request for reference information)

_____ (must be the same as the signature across the envelope seal)

DATE:

SCORE SUMMARY MATRIX

	<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>	
GENERAL QUALIFICATIONS & EXPERIENCE (maximum: 30)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>REPEAT AS NECESSARY</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH (maximum: 40)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>REPEAT AS NECESSARY</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
COST PROPOSAL (maximum: 30)	SCORE:		SCORE:		SCORE:	
TOTAL RESPONSE EVALUATION SCORE: (maximum: 100)						

Solicitation Coordinator Signature, Printed Name & Date:

RFP # 31701-05042 PRO FORMA CONTRACT

The *Pro Forma* Contract detailed in following pages of this exhibit contains some “blanks” (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFP.

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF FINANCE AND ADMINISTRATION
AND
CONTRACTOR NAME**

This Contract, by and between the State of Tennessee, Department of Finance and Administration, hereinafter referred to as the "State" and **Contractor Legal Entity Name**, hereinafter referred to as the "**Contractor**," is for the provision of a prepaid debit card to deliver State agency payments to specified recipients, as further defined in the "SCOPE OF SERVICES."

The **Contractor** is **a/an Individual, For-Profit Corporation, Non-Profit Corporation, Special Purpose Corporation Or Association, Partnership, Joint Venture, Or Limited Liability Company.**

Contractor Place of Incorporation or Organization: **Location**

A. SCOPE OF SERVICES:

- A.1. The Contractor shall provide a prepaid debit card that is Visa or MasterCard branded to deliver State agency program benefits to recipients. Current programs delivering benefits by prepaid debit cards are child support payments, unemployment insurance payments, and retirement benefits.
- A.2. **During the Contract Term, other State agency programs may be added and the activation methods are described in Section A.4.s. The addition of the new programs will be mutually agreeable to the State and the Contractor with the State having final discretion. Additions of new programs, not mentioned in this RFP, will be effected through an amendment to the Contract.**
- The State is under no obligation to request additional programs be added during any period of this Contract or to proceed with implementing new programs identified in this Contract.**
- A.3. The Contractor shall process and credit State agency payments delivered via the prepaid debit card to the recipient (hereinafter called the Cardholder).
- A.4. The Contractor shall provide a prepaid debit card (hereinafter called the Card) in accordance with the following provisions:
- a. The Card shall operate via the Visa or MasterCard networks, shall be accepted by any participating merchant, and shall allow for Personal Identification Number (PIN)-based and signature-based purchases.
 - b. The Contractor shall assume all "Regulation E" responsibility for the Card. The Contractor shall inform Cardholders of "Regulation E" compliance as described in Section A.12.b. of this Contract.
 - c. The Contractor shall utilize an Automated Teller Machine (ATM) network as well as Point-of-Sale (POS) locations, and shall allow for nationwide/international ATM access and the withdrawal of cash through normal ATM transactions. The Contractor shall ensure the operating network is accessible to the Cardholder and the ATM network technology will be currently active and available within the State of Tennessee as well as other states. Cash access requirements must also be made available via a bank teller, with no withdrawal fee, at participating Visa **or** MasterCard banks.
 - d. The Contractor shall, only for **the new Individualized Education Account (IEA) program** with the Department of Education, have the ability to:
 - i. restrict card access through Merchant Category Code (MCC) blocks, and restrict cash access through limited or no ATM withdrawals.

- ii. review card transaction history, with approval of the Cardholder, to ensure deposited funds are used for appropriate program services.
 - iii. freeze activity and return funds to the State at the direction of the Department of Education.
 - iv. offer an online bill pay function for payment of educational services by the Cardholder.
- e. The Card may operate as a debit card, a stored value card, or another electronic access-type card and shall have no line of credit.
- f. The Cardholder shall not facilitate making additional deposits (that are not State funds) or adding value to the Card, without approval from the Department of Finance and Administration, and the State agency initiating Card deposits.
- g. The Cardholder shall not be able to obtain checks or negotiate checks against the Card or underlying account if any.
- h. The Cardholder shall have the ability to request a new PIN. The Contractor shall provide a simple means for establishing and changing the PIN.
- i. The operating network shall, to the extent possible, disallow any transaction that causes the Cardholder to exceed the amount available in the account when processing a PIN-based POS transaction. Balance inquiries by the Cardholders shall be available by ATM, 1-800 number service, and web-based application. The Cardholders shall also have the option to request a monthly Cardholder Statement (paper).
- j. The Contractor shall notify Cardholders in writing at least thirty (30) days in advance of changes in account policy and provide materials to Cardholders at a basic 5th grade level in both English and Spanish.
- k. The Contractor shall provide 24/7/365 customer service access in both English and Spanish via toll free phone access to an Integrated Voice Response (IVR) System.
- The IVR system will be capable of tracking the State agency program to which the call pertains; this tracking will be necessary to allow fees to be charged against the appropriate program Card (See Section A.4.p. below).
- l. In the event that the Cardholder cannot obtain the resolution or information that the Cardholder is seeking through the IVR system, the IVR system shall provide a customer-friendly means for the Cardholder to access a live representative.
- i. At a minimum, the Cardholder shall have access to live representatives who are bilingual in English and Spanish from 8:00 AM to 5:00 PM, Central Time, Monday through Friday, excluding Federal holidays. If the call occurs outside of this available window, the IVR shall provide a message informing the Cardholder of the hours during which a live representative will be available.
- Not all live representatives are required to be bilingual. It is acceptable for the Cardholder to be transferred to Spanish speaking staff.
- ii. The Contractor's customer service center and the customer service center live representatives shall be located in the United States.
- m. The Contractor shall submit, for State approval, the name and graphic for the Card within thirty (30) calendar days after the Contract Start Date.

- i. The customer service toll free number shall be presented on the back of the Card.
- ii. The Cards shall be magnetic stripe and EMV/chip PIN enabled.
- n. The Contractor shall provide for a means for account establishment. In addition, the Contractor shall provide for a means for secured card activation by the Cardholder prior to use.
- o. The Contractor shall provide a secure website for the Cardholder to access information on their account at no cost to the Cardholder or to the State.
- p. **Monthly Account Fee and Monthly Rebate:**
 - i. **Monthly Account Fee.**

The Contractor shall not charge a monthly account fee to the Cardholder, with the exception of the Department of Education (DOE). The Contractor can charge DOE Cardholders, under the Individualized Education Account (IEA), with a monthly account fee (Monthly Cardholder Fee) as set forth in Section C.4 of this Contract.
 - ii. **Monthly Rebate Fee.**

The Contractor shall pay the State a Monthly Rebate, if proposed, for each active Cardholder account in accordance with Section C.2.a. The Monthly Rebate does not apply to the Department of Education program, Contract Section A.4.d.
 - iii. The Contractor is authorized to charge Cardholders the remaining usage and replacement fees as outlined in Sections C.3.and C.4.
- q. The Contractor shall allow at least four (4) customer service calls per month, per Card, via the toll free number referenced in Section A.4.k. above, at no charge to the Cardholder or the State.
- r. In the event a Cardholder is a recipient of program benefits from more than one program, such as child support and unemployment insurance benefits, the Contractor shall provide separate Cardholder accounts for each program, unless otherwise agreed to by the State.
- s. The Cardholder shall have access to funds within twenty-four (24) hours of receipt of such from the State or earlier if agreed to by the State and the Contractor. The State currently has two activation methods as follows:
 - i. Before the State will transfer the funds, the Contractor must send an electronic file to the State verifying the Cardholder has successfully activated the Card. The electronic file must be sent to the State within twenty-four (24) hours of activation.
 - ii. Once the Contractor issues the Card, the benefits can be posted upon State approval regardless of whether or not the Cardholder has activated the Card.
 - iii. If additional programs are added in the future, the above described activation methods, or other methods, will be utilized as directed by the State.
- t. The State agencies will transmit account data changes, such as name and address, to the Contractor on a daily basis. The Contractor will make appropriate data changes within three (3) business days after receipt or earlier if the Contractor so provides.

- u. The Contractor shall provide a daily list of Cards returned by the U.S. Postal Service as undeliverable. Procedures for re-issuing Cards shall be established in accordance with Section A.5., Operating Procedures.
 - v. A Card shall be designated as lost or stolen upon notification by the Cardholder. Procedures to address the card replacement process shall be established in accordance with Section A.5., Operating Procedures.
 - w. The Contractor shall provide a secure on-line bill pay function to facilitate use of the Card by the Cardholder.
- A.5. Operating Procedures. The Contractor shall assist the State in developing mutually agreed upon Operating Procedures for the Contractor's performance of the Card services set forth herein. This document – similar to a listing of "Frequently Asked Questions" - is intended as a brief summary of all the standard procedures and protocols used in the daily operations of the Card program by the State and the Contractor. Said Operating Procedures may be amended in writing from time to time by mutual agreement of the parties.
- A.6. Communications. The Contractor shall provide the State agencies with an automated procedure for using an industry standard electronically secure data connection using point-to-point data encryption which allows the State agencies to transmit account information to the Contractor on a daily basis (i.e. new accounts, updates, payments, etc.). The data file transfer must be automated, requiring no manual intervention by the State agencies. The Contractor shall provide the required data fields utilizing the file format provided by the State agencies or a file format agreed to by both the Contractor and the State agencies for transmitting account and payment information data to the Contractor. In the event of any dispute in format, the State agencies shall have the final decision. The Contractor shall electronically accept transactions in the National Automated Clearinghouse Associations' (known as "NACHA – the Electronic Payments Association" approved format.
- A.7. The Contractor shall communicate electronically daily with the various State agencies to establish and maintain accounts via an industry standard electronically secure data connection using point-to-point encryption.
- A.8. Card Issuance. The Cardholder shall issue the initial Cards within ten (10) calendar days of receiving account data from the State agencies. The Contractor shall provide for additional or replacement cards as follows:
- a. Additional Cards. The Cardholder shall have the option to request additional Cards upon establishment of the Account and all Cards shall be issued in the name of the Cardholder. An additional Card is a duplicate card for a custodian or guardian, or family member; such as a spouse. See also Section C.3.b. which describes the fee for this additional service. The Contractor shall mail the additional Cards upon the Cardholder's request within ten (10) calendar days after receipt of the request from the Cardholder.
 - b. Replacement Cards. The Contractor shall issue replacement Cards upon the Cardholder's request within ten (10) calendar days after receipt of the request from the Cardholder. Replacement cards are intended to replace lost or stolen cards. See also Sections A.4.v. and C.3.b.
 - c. Expedited Cards. At the Cardholder's request, shipping of any Card may be expedited at the Cardholder's expense. See also Section C.3.b.
- A.9. Security. The Contractor shall provide transaction validation and security in accordance with Payment Card Industry and MasterCard or Visa standard security guidelines, protocols and procedures.
- a. In addition, the Contractor shall:

- i. report to the State any compromise of network security via the agreed upon protocol established in Section A.5., Operating Procedures. Procedures for such reporting shall be established in accordance with Section E.11., Breach of Security.
 - ii. **protect** Cardholder data and ensure data integrity and confidentiality and privacy as described in Section E.5., Confidentiality of Records.
 - iii. provide, at the State's request, proof of certification, accreditation, or audit on a yearly basis to the State to validate the hosting solution security. (Examples: SOC 2 Type II/ SOC 3, ISO 27001.).
- b. The State reserves the right to perform Penetration Testing. If the State exercises this right, the Contractor shall allow State employees (or designated third parties) to conduct Security Assessment activities to include control reviews. Review activities include but are not limited to scanning operating systems, web applications, wireless scanning; network device scanning to include routers, switches, and firewall, and IDS/IPS; databases and other applicable systems, including general support structure, that support the processing, transportation, storage, or security of State information for vulnerabilities.
- In the event the State requests access to perform Penetration Testing and the Contractor can provide current independent scan results performed by a third party, the testing results will be acceptable to the State if those results contain, at a minimum, the review activities listed in the paragraph above and approved by the State.**
- c. Data must reside in the United States.
 - d. Confidential data must be encrypted in transit and at rest.
 - e. **After the industry standard seven (7) year retention policy has expired**, the Contractor must sanitize all digital media containing confidential information, and must destroy all hard copy of confidential information. **This does not apply to Cards with a balance greater than zero (0). Cardholder information should be retained until Cards have a zero (0) balance.**
- A.10. Alternate Site and System. The Contractor shall establish and maintain an alternative processing arrangement adequate to resume immediately its card authorization and processing services provided under this agreement in the event the Contractor's primary operations site or equipment is unavailable due to human error, equipment failure, manmade or natural disaster.
- A.11. Continuous Processing. In the event the Contractor's ability to process card transactions fails, the Contractor shall notify the State via the State's Service Desk within two (2) hours of cessation. Procedures for such reporting shall be established in accordance with Section A.5., Operating Procedures.
- A.12. Technical Assistance and Instructional Materials.
- a. The Contractor, at the request of the State, shall be available to provide technical assistance to the State regarding implementation issues, secure file transfers, reporting sessions on communications, or any other aspects of the program. This assistance shall be through regular conference calls unless otherwise agreed to by the State and the Contractor.
 - b. The Contractor will provide instructional materials to be mailed out initially with the Cards to inform Cardholders of Card usage, cash access, Cardholder fees and "Regulation E" compliance. Such information must be available in both English and Spanish. The Contractor agrees the State will have final approval of instructional materials provided with the Card. See also Section A.4.b.

- A.13. Reporting. The Contractor shall provide timely and accurate reporting information as mutually agreed upon by the State agencies and Contractor.
- a. At a minimum, the following reports shall be available to the State:
- | | | |
|-------|--|---|
| i. | Listing of current Cardholder Accounts | Daily |
| ii. | A summary of total number of loads and amounts | Monthly |
| iii. | A summary of total number of ATM withdrawals and amounts | Monthly |
| iv. | A summary of total number and dollar amount of PIN- or Signature-based debit transactions | Monthly |
| v. | Aggregate account balance | Monthly |
| vi. | Listing of Cards returned undeliverable | Daily |
| vii. | Summary of closed, activated, active and inactive cards | Daily |
| viii. | Card Issuance: summary of cards issued (initial, not activated, cancelled) | Monthly |
| ix. | Customer Service Activity – summary of live calls accepted, answered, and abandoned after twenty (20) seconds and average speed of response. | Monthly |
| x. | Customer Service Activity – summary of IVR calls accepted and total time for accepted calls | Monthly |
| xi. | Quarterly Comprehensive Report: Unless otherwise agreed to between the State and the Contractor, the Contractor shall provide a quarterly comprehensive report to the State on each program including: | |
| | (1) | account volume (active accounts, accounts with deposits, new accounts); |
| | (2) | card issuance and replacement; |
| | (3) | monthly transactions by type; e.g., ATM, POS, POS/PIN, OTC; |
| | (4) | customer service call frequency; and |
| | (5) | payments (monthly spend). |
- b. The Contractor shall provide separate reporting for each State agency's program. Access to reporting information will be determined by the State. Daily reports shall be provided no later than 9:00 AM., Central Time, on the following business day. Monthly reports shall be provided by the 5th business day of the following month or otherwise agreed upon by the State and the Contractor. Quarterly reports shall be provided on a date agreed to between the State and the Contractor.
- A.14. The Contractor must keep the State contract administrator, with the Department of Finance and Administration, informed of any meetings with other State agencies, as it pertains to this contract. Permission must be obtained from the State contract administrator prior to establishing the meeting.
- A.15. Transition Services.

- a. Transition In Services. The Contractor shall work with the State and the existing prepaid debit card Contractor to assume full responsibility for day-to-day Card operations no later than July 1, 2016.
- b. The Contractor shall develop and submit an Implementation Plan and Schedule to the State for the State's approval within thirty (30) days after the Contract Start Date. The Implementation Plan shall include the following:
 - i. A detailed timeline description of all work to be performed by both the Contractor and State. This plan shall require written approval by the State.
 - ii. A description of the members on the transition team and their roles.
 - iii. A description of system testing that will be performed on all components and functional areas of the Card programs, including pilot test of selected Cardholders for each State agency. Prior to the pilot, the Contractor should conduct an interface test(s) between the State agency systems and the Contractor's system to ensure the files transmitted from the State to the Contractor are properly received, accepted, and processed.
 - iv. Validation to the State that the automated response unit properly accepts, processes, and responds to calls within the Contract specifications.
 - v. Validation that reporting capabilities are operational.
 - vi. Validation that Point-Of-Sale and cash access is operational.
 - vii. Preparation of the Operating Procedures referenced in Section A.5.
 - viii. Upon conclusion of the testing, the State shall provide the Contractor with a summary of findings that may include areas requiring corrective action prior to the implementation.
- c. Transition Out Services. The final six (6) months of the Contract term are designated as a Transition Out period to be invoked in the event that the State awards a subsequent prepaid debit card contract to a vendor other than the Contractor.
 - i. The Contractor shall cooperate with the State and assist in planning for an orderly exit strategy in the event a different Contractor is awarded the subsequent contract and the Contractor shall provide continuing services as the State transitions itself to receive such services from the new Contractor.
 - ii. The Contractor shall continue to service all existing accounts with a balance after the Contract End Date. Also, see Contract Section A.9.e.
 - iii. The Contractor shall provide information, as requested by the State, for the number of active accounts (with benefits) and the number of transacting accounts for six (6) months following termination.

A.16. The Contractor understands and agrees that the State has executed and may execute contracts with other parties for services the same as or similar to those described herein.

B. TERM OF CONTRACT:

This Contract shall be effective on **March 23, 2016** ("Effective Date"), and extend for a period of sixty (60) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

C. PAYMENT TERMS AND CONDITIONS:

C.1. There shall be no cost to the State for the performance of services under this contract. **The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.**

C.2. a. The Contractor shall make a monthly payment to the State for each Cardholder account as follows, **excluding Department of Education:**

Service Description	Amount (per compensable increment)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Monthly Rebate paid to State for each active Cardholder account	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each

b. By the fifteenth (15th) of each month, the State will send the Contractor a list of all active accounts for the previous month. The Contractor will send the State a check for the appropriate amount within fifteen (15) days after receipt of the list of active accounts.

c. An active Cardholder account is defined as an account in which the State has made a deposit for that month.

C.3. a. The Contractor must provide, through **an in-network system**, the first ATM Cash withdrawal within a given month, per Card, at no fee to the Cardholder. **The intent is for the Cardholder to receive the first ATM withdrawal at no cost.** However, the Contractor is authorized to pass through third party bank and/or network charges related to any ATM usage to the Cardholder.

b. The Contractor is authorized to charge the Cardholders the following usage and replacement fees **for all benefit programs with the exception of the Department of Education:**

Service Description	Amount (per compensable increment)				
	Year 1	Year 2	Year 3	Year 4	Year 5
In-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 2 nd withdrawal, within a given month, per Card	\$ Number per 2 nd Withdrawal per Card	\$ Number per 2 nd Withdrawal per Card	\$ Number per 2 nd Withdrawal per Card	\$ Number per 2 nd Withdrawal per Card	\$ Number per 2 nd Withdrawal per Card
In-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 3 rd withdrawal or each one thereafter, within a given month, per Card	\$ Number per 3 rd Withdrawal or More per Card	\$ Number per 3 rd Withdrawal or More per Card	\$ Number per 3 rd Withdrawal or More per Card	\$ Number per 3 rd Withdrawal or More per Card	\$ Number per 3 rd Withdrawal or More per Card

Service Description	Amount (per compensable increment)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Out-of-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 2 nd withdrawal, within a given month, per Card	\$ Number per 2 nd Withdrawal per Card	\$ Number per 2 nd Withdrawal per Card	\$ Number per 2 nd Withdrawal per Card	\$ Number per 2 nd Withdrawal per Card	\$ Number per 2 nd Withdrawal per Card
Out-of-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 3 rd withdrawal or each one thereafter, within a given month, per Card	\$ Number per 3 rd Withdrawal or More per Card	\$ Number per 3 rd Withdrawal or More per Card	\$ Number per 3 rd Withdrawal or More per Card	\$ Number per 3 rd Withdrawal or More per Card	\$ Number per 3 rd Withdrawal or More per Card
ATM balance inquiries	\$ Number per Inquiry				
In-Network PIN-based POS transaction	\$ Number per Each				
Out-of-Network PIN-based POS transaction	\$ Number per Each				
In-Network Signature-based POS transaction	\$ Number per Each				
Out-of-Network Signature-based POS transaction	\$ Number per Each				
Web-based balance inquiries	\$ Number per Each				
Overdraft charge or Negative Balance Fee	\$ Number per Each				
Fee for customer service calls via toll free phone number for the 5 th call or each one thereafter, within a given month, per Card	\$ Number per Call per Card	\$ Number per Call per Card	\$ Number per Call per Card	\$ Number per Call per Card	\$ Number per Call per Card

Service Description	Amount (per compensable increment)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Monthly Cardholder Statement (paper)	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Additional Cards on account	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Replacement Card Fee	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Expedited Card Fee	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
On-Line Bill Pay Fee	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Deposit of Additional Funds Fee	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each

C.4. For the Department of Education IEA program only:

- a. The Contractor is authorized to charge the Cardholders the following usage and replacement fees:

Service Description	Amount (per compensable increment)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Monthly Cardholder Fee paid to Contractor for each open IEA Cardholder account	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
In-Network PIN-based POS transaction	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Out-of-Network PIN-based POS transaction	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
In-Network Signature-based POS transaction	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each

Service Description	Amount (per compensable increment)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Out-of-Network Signature-based POS transaction	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Web-based balance inquiries	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Overdraft charge or Negative Balance Fee	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Fee for customer service calls via toll free phone number for the 5 th call or each one thereafter, within a given month, per Card	\$ Number per Call per Card	\$ Number per Call per Card	\$ Number per Call per Card	\$ Number per Call per Card	\$ Number per Call per Card
Monthly Cardholder Statement (paper)	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Additional Cards on account	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Replacement Card Fee	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Expedited Card Fee	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
On-Line Bill Pay Fee	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each

b. The Monthly Cardholder Fee is to be charged at the beginning of the month to the DOE Cardholder for all Cards that are open. Open is defined as Cards that are active and able to receive a deposit.

C.5. The Contractor is authorized to pass-through foreign network charges and fees to the Cardholders.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

- D.2. Modification and Amendment. This Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The Contract may be terminated by either party by giving written notice to the other, at least thirty (30) days before the effective date of termination. Said termination shall not be deemed a breach of contract by the State. Should the State exercise this provision, the State shall have no liability to the Contractor. Should either the State or the Contractor exercise this provision, the Contractor shall be required to compensate the State for satisfactory, authorized services completed as of the termination date and shall have no liability to the State except for those units of service which can be effectively used by the Contractor. The final decision, as to what these units of service are, shall be determined by the State. In the event of disagreement, the Contractor may file a claim with the Tennessee Claims Commission in order to seek redress.
- Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If either party fails to properly perform or fulfill its obligations under this Contract in a timely or proper manner or violates any terms of this Contract, the other party shall have the right to immediately terminate the Contract. The Contractor shall compensate the State for completed services.
- D.5. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.
- D.6. Conflicts of Interest. The Contractor warrants that no amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract other than as required by section A. of this Contract.
- D.7. Nondiscrimination. The State and the Contractor hereby agree, warrant, and assure that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the State or the Contractor on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law.
- D.8. Records. The Contractor shall maintain documentation for its transactions with the State under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money paid under this Contract, shall be maintained for a period of three (3) full years from the final date of this Contract and shall be subject to audit, at any reasonable time and upon reasonable notice, by the state agency, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.9. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or

provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

- D.10. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

Claims against the State of Tennessee, or its employees, or injury damages expenses or attorney's fees are heard and determined by the Tennessee Claims Commission or the Tennessee Board of Claims in the manner prescribed by law (*Tennessee Code Annotated*, Sections 9-8-101 *et seq.*, 9-8-301 *et seq.*, and 9-8-401 *et seq.*). Damages recoverable against the State of Tennessee shall be expressly limited to claims paid by the Board of Claims or the Claims Commission pursuant to *Tennessee Code Annotated*, Section 9-8-301 *et seq.*

- D.11. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.12. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.
- D.13. State and Federal Compliance. The **Contractor** and the State shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.14. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The **Contractor** agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The **Contractor** acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
- D.15. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.16. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.17. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D. 18. HIPAA Compliance. The State and **Contractor** shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH) Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules").
- a. **Contractor** warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
 - b. **Contractor** warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the

Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.

- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT “protected health information” as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver such information without entering into a business associate agreement or signing another such document.
- d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Jack Hill, Director, Policy Development
 Department of Finance and Administration, Division of Accounts
 312 Rosa L. Parks Ave, 21st floor
 Nashville, TN 37204
jack.hill@tn.gov
 Telephone # (615) 532 9612

The Contractor:

Contractor Contact Name & Title
 Contractor Name
 Address
 Email Address
 Telephone # Number
 FAX # Number

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Tennessee Department of Revenue Registration. The Contractor shall be registered with the Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this Contract.
- E.4. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The **Contractor** shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

- E.5. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the **Contractor** by the State or acquired by the **Contractor** on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the **Contractor** to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The **Contractor's** obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the **Contractor** of this Contract; previously possessed by the **Contractor** without written obligations to the State to protect it; acquired by the **Contractor** without written restrictions against disclosure from a third party which, to the **Contractor's** knowledge, is free to disclose the information; independently developed by the **Contractor** without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit **Contractor** to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the **Contractor** due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

- E.6. Prohibited Advertising. The **Contractor** shall not refer to this Contract or the **Contractor's** relationship with the State hereunder in commercial advertising in such a manner as to state or imply an endorsement by the State. It is expressly understood and agreed that the obligations set forth in this section shall survive the termination of this Contract in perpetuity.
- E.7. Disclosure of Personal Identity Information. The **Contractor** shall report to the State any instances of unauthorized disclosure of confidential information that come to the attention of the **Contractor**. Any such report shall be made by the **Contractor** within twenty-four (24) hours after the instance has come to the attention of the **Contractor**. The **Contractor**, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals that are deemed to be part of a potential disclosure. The **Contractor** shall bear the cost of notification to individuals

having personal identity information involved in a potential disclosure event, including individual letters and/or public notice.

E.8. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

- a. The Contract document and its attachments
- b. All Clarifications and addenda made to the Contractor's Proposal
- c. The Request for Proposal and its associated amendments
- d. Technical Specifications provided to the Contractor
- e. The Contractor's Proposal

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

E.9. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's proposal responding to RFP-31701-05042 (RFP Attachment 6.2, Section B, Item B.15.) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and persons with a disability. Such reports shall be provided to the state of Tennessee Governor's Office of Business Diversity Enterprise in form and substance as required by said office.

E.10. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

E.11. Breach of Security. In addition to its responsibilities set forth in T.C.A. § 47-18-2100 et seq. (Identity Theft Deterrence), the Contractor shall:

- a. **Notify the State of any instance of actual or potential breach of security, without unreasonable delay and in no case later than twenty-four (24) hours after the Contractor is aware of the breach.** Notification by the Contractor to the State will be by telephone and in writing (including email) to the Commissioners of the affected agencies and will include:
 - i. A brief description of what happened, including the date of discovery of the breach;

- ii. A description of the data elements included in the breach, such as name, address, card number, etc.;
 - iii. Steps that should be taken to protect Cardholders and the State;
 - iv. A brief description of what the Contractor is doing to investigate the breach and to prevent further loss;
 - v. Contact procedures for the Contractor and the State.
- b. Upon request by the State, provide industry standard credit monitoring services for Cardholders, at no cost to the Cardholders or the State.
 - c. Address issues such as misuse and fraud.
 - d. Provide an audit trail identifying all network security breaches.
 - e. Ensure full cooperation with law enforcement agencies in case of security breaches involving criminal and/or non-criminal activities.

E.12. Performance Standards Guarantee.

- a. Standards. The Contractor agrees the following performance standards shall be met upon the implementation of each State agency program.
 - i. Child support and government program funds shall be loaded onto a Card account within twenty-four (24) hours of receipt by the Contractor.
 - ii. New accounts shall be established and new Cards and PIN numbers mailed within ten (10) calendar days, or less if agreed to by the State and the Contractor.
 - iii. Customer service standards for the toll free number shall meet those expressed in Sections A.4.k. and A.4.l.
 - iv. The reports required in Section A.13. of the Contract shall be provided to the State within the time frames specified in said section.
 - v. Assuming that national electronic payment networks are working properly, card transaction processing shall be continuous.
- b. Guarantee. If the Contractor does not meet the performance standard in Section E.12.a.v., the Contractor will be charged five hundred dollars (\$500) for each twenty-four (24) hour period for which card transaction processing is not continuous.
- c. Waiver of Reduction. The State shall notify the Contractor in writing within ten (10) calendar days of any charge to the Contractor to be made pursuant to this Section. Any amount assessed hereunder may be waived by the State upon presentation of written documentation from the Contractor indicating why the standard was not met. Such documentation must be submitted to the State within ten (10) calendar days of the issuance of a notice of reduction.

IN WITNESS WHEREOF,

CONTRACTOR LEGAL ENTITY NAME:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF **CONTRACTOR SIGNATORY** (above)

DEPARTMENT OF FINANCE AND ADMINISTRATION:

LARRY B. MARTIN, COMMISSIONER

DATE

RFP ATTACHMENT 6.7.

CHILD SUPPORT
PREPAID DEBIT CARD TRANSACTION ACTIVITY

Tennessee Department of Human Services					
Child Support Funds Distributed Via Debit Cards January 2015 - May 2015					
Includes Total Spend and Type of Spend by Amount and Percentage; New Accounts Established; Accounts with Activity, and Breakdown of Transaction Activity by Month					
	Jan-15	Feb-15	Mar-15	Apr-15	May-15
ATM Spend	\$10,116,600	\$9,505,226	\$12,991,099	\$11,936,518	\$11,734,116
OTC Spend	\$1,871,113	\$2,248,768	\$2,995,958	\$2,458,510	\$2,532,716
POS Spend	\$19,452,756	\$19,388,837	\$25,515,053	\$23,233,128	\$23,189,311
• Signature	\$10,020,276	\$9,734,657	\$12,945,981	\$11,703,468	\$11,700,930
• PIN	\$9,432,480	\$9,654,180	\$12,569,072	\$11,529,660	\$11,488,381
Total Spend	\$31,440,469	\$31,142,832	\$41,502,110	\$37,628,156	\$37,456,143
Purchase	\$19,452,756	\$19,388,837	\$25,515,053	\$23,233,128	\$23,189,311
Cash	\$11,987,713	\$11,753,995	\$15,987,057	\$14,395,027	\$14,266,833
ATM Spend	32%	31%	31%	32%	31%
OTC Spend	6%	7%	7%	7%	7%
POS Spend	62%	62%	61%	62%	62%
• Signature	52%	50%	51%	50%	50%
• PIN	48%	50%	49%	50%	50%
New Accounts	1,496	1,293	1,502	1,200	1,419
Cards FIN Activity	92,899	91,427	96,372	102,774	97,161
Transactions / Card FIN Activity					
ATM	1	0.9	1.1	1	1.1
Signature	6.5	5.7	7	6.4	6.9
PIN	4.1	3.6	4.4	4.1	4.4
OTC	0.1	0.1	0.1	0.1	0.1

CHILD SUPPORT DEBIT CARDS ACCOUNTS RECEIVING PAYMENTS EACH MONTH			
ACTIVE ACCOUNTS COUNTS	MONTH	YEAR	TOTAL AMOUNTS
13	JUNE	2006	\$3,867.47
599	JULY	2006	\$158,596.68
4,948	AUGUST	2006	\$1,037,556.87
14,336	SEPTEMBER	2006	\$3,985,007.81
27,500	OCTOBER	2006	\$7,963,693.63
39,366	NOVEMBER	2006	\$12,783,341.15
41,357	DECEMBER	2006	\$13,798,037.05
43,339	JANUARY	2007	\$15,051,701.92
43,876	FEBRUARY	2007	\$14,311,875.29
45,904	MARCH	2007	\$19,151,990.19
45,965	APRIL	2007	\$16,659,767.82
46,743	MAY	2007	\$16,759,164.94
46,862	JUNE	2007	\$16,666,565.03
46,848	JULY	2007	\$16,237,913.56
47,940	AUGUST	2007	\$16,890,182.42
46,898	SEPTEMBER	2007	\$15,728,407.47
49,243	OCTOBER	2007	\$17,607,044.68
48,918	NOVEMBER	2007	\$17,235,913.82
47,867	DECEMBER	2007	\$15,477,878.39
49,874	JANUARY	2008	\$18,169,787.78
49,936	FEBRUARY	2008	\$19,104,947.14
51,299	MARCH	2008	\$22,018,020.18
51,781	APRIL	2008	\$20,109,131.82
51,923	MAY	2008	\$20,966,763.26
51,373	JUNE	2008	\$18,550,215.28
52,653	JULY	2008	\$20,793,257.90
52,675	AUGUST	2008	\$20,605,406.73
52,409	SEPTEMBER	2008	\$19,323,432.47
53,004	OCTOBER	2008	\$18,741,849.59
52,349	NOVEMBER	2008	\$17,275,964.70
53,716	DECEMBER	2008	\$21,167,764.65
53,334	JANUARY	2009	\$19,349,125.73
53,242	FEBRUARY	2009	\$18,346,447.42
54,619	MARCH	2009	\$23,728,956.42
53,625	APRIL	2009	\$20,296,854.92
54,432	MAY	2009	\$21,760,545.59
54,603	JUNE	2009	\$20,166,236.70
54,001	JULY	2009	\$19,722,896.00
52,163	AUGUST	2009	\$16,978,910.02
55,142	SEPTEMBER	2009	\$19,541,405.94
53,926	OCTOBER	2009	\$19,209,002.75
53,133	NOVEMBER	2009	\$15,823,410.01
54,815	DECEMBER	2009	\$21,990,928.78
52,430	JANUARY	2010	\$17,000,404.34
54,655	FEBRUARY	2010	\$21,858,658.34
56,173	MARCH	2010	\$23,185,991.17
55,686	APRIL	2010	\$20,860,523.04

56,598	MAY	2010	\$22,402,795.87
55,921	JUNE	2010	\$20,384,841.90
53,946	JULY	2010	\$19,570,725.28
54,793	AUGUST	2010	\$19,741,734.09
56,129	SEPTEMBER	2010	\$19,486,858.64
56,181	OCTOBER	2010	\$19,467,961.96
56,483	NOVEMBER	2010	\$19,577,366.98
56,219	DECEMBER	2010	\$19,740,822.75
55,101	JANUARY	2011	\$18,065,959.15
56,783	FEBRUARY	2011	\$22,113,368.56
59,242	MARCH	2011	\$25,632,282.14
58,374	APRIL	2011	\$23,511,516.22
56,869	MAY	2011	\$20,631,469.28
59,419	JUNE	2011	\$22,855,246.75
57,515	JULY	2011	\$19,624,497.28
59,270	AUGUST	2011	\$21,712,540.32
58,224	SEPTEMBER	2011	\$20,041,955.22
59,649	OCTOBER	2011	\$20,605,168.42
60,189	NOVEMBER	2011	\$21,115,700.76
60,858	DECEMBER	2011	\$22,155,712.87
60,861	JANUARY	2012	\$22,519,904.22
63,292	FEBRUARY	2012	\$26,212,043.17
64,840	MARCH	2012	\$28,941,630.75
64,591	APRIL	2012	\$23,710,927.82
67,758	MAY	2012	\$26,487,889.18
67,703	June	2012	\$24,408,670.28
68,692	July	2012	\$24,588,840.54
72,500	AUGUST	2012	\$25,730,978.56
75,323	SEPTEMBER	2012	\$27,808,815.41
77,679	OCTOBER	2012	\$29,054,558.56
75,449	NOVEMBER	2012	\$26,165,366.40
77,850	DECEMBER	2012	\$28,941,334.40
77,585	JANUARY	2013	\$27,951,402.43
78,540	FEBRUARY	2013	\$30,044,083.81
82,010	MARCH	2013	\$39,068,558.91
81,091	APRIL	2013	\$31,820,479.30
83,126	MAY	2013	\$33,169,614.65
83,177	JUNE	2013	\$31,014,481.59
83,585	JULY	2013	\$30,899,606.49
83,619	AUGUST	2013	\$31,470,475.53
82,956	SEPTEMBER	2013	\$29,119,442.91
87,063	OCTOBER	2013	\$34,264,529.55
85,049	NOVEMBER	2013	\$30,617,445.05
85,557	DECEMBER	2013	\$31,434,958.87
84,107	JANUARY	2014	\$29,232,059.73
85,515	FEBRUARY	2014	\$33,540,453.20
89,317	MARCH	2014	\$41,329,312.38
89,564	APRIL	2014	\$37,013,960.45
89,053	MAY	2014	\$36,789,618.06
86,598	JUNE	2014	\$30,810,436.95
88,866	JULY	2014	\$34,680,977.87
88,084	AUGUST	2014	\$33,073,941.93

89,770	SEPTEMBER	2014	\$34,477,357.68
89,220	OCTOBER	2014	\$32,395,236.05
90,378	NOVEMBER	2014	\$33,599,686.38
89,939	DECEMBER	2014	\$33,186,576.59
88,851	JANUARY	2015	\$31,153,050.51
90,718	FEBRUARY	2015	\$36,804,347.43
94,553	MARCH	2015	\$45,903,967.03
92,342	APRIL	2015	\$36,981,399.15
93,363	MAY	2015	\$38,315,102.60
93,017	JUNE	2015	\$35,717,602.65
93,363	JULY	2015	\$38,315,102.60

6,861,770

\$2,581,360,096.92

* The above active accounts counts represent a distinctive member that received one payment or more for the month.

RFP ATTACHMENT 6.8.

CHILD SUPPORT
DEBIT CARD FILES' LAYOUTS

Batch Enrollment File

Each Batch Enrollment File sent will conform to the following layout specifications. The file is a fixed length ASCII file. Each file will consist of a header, detail and footer records. The first record (row) is the header record, followed by one or more detail records and a footer record at the end of the file. Each record will have a length of 700 bytes. All fields are left justified and should be padded with spaces at the end. Any optional fields transmitted without data and "filler" fields will be filled with spaces.

BATCH ENROLLMENT FILE
HEADER RECORD

1	1-15	File Program Indicator	15	PIC X	"Receiving File Name"	R
2	16-23	File Date	8	PIC X	File Creation Date in "YYYYMMDD" format. This date will be used to become the mmdd portion of the returned ACK and EXCP files.	R
3	24-32	File Sequence Number	9	PIC 9	File Sequence number- each file will be sent in sequence and will be increment by "1".	R
4	33-41	Profile Number	9	PIC 9	Profile Number "637040001"	R
5	42-700	Filler	659	PIC X	Reserved for future use.	R

Record Length = 700 R - Required field O - Optional field I - Ignored field C - Conditional

BATCH ENROLLMENT FILE
DETAIL RECORD
RECORD TYPE = "E," ONLY

1	1-5	Record_Number	5	PIC 9	Detail record number, starting from 1 and incremented by 1 for each addition record within file.	R
2	6-6	Record_Type	1	PIC X	Record Type "E" = New Primary Cardholder	R
3	7-7	New_Enrollment	1	PIC X	"Y" = New enrollment or add Additional/Dependant	R
4	8-19	Account_Number	12	PIC 9	fill with spaces.	R

5	20-49	Cardholder_Last_Name	30	PIC X	Cardholder last name Only the following characters will be accepted in last/first/middle name field(s) 1. UPPERCASE A-Z 2. Numerics 0-9	R
6	50-69	Cardholder_First_Name	20	PIC X	Cardholder first name. Only the following characters will be accepted in last/first/middle name field(s) 1. UPPERCASE A-Z 2. Numerics 0-9	R
7	70-70	Cardholder_Middle_Initial	1	PIC X	Cardholder Middle Initial.	O
8	71-78	Cardholder_DOB	8	PIC X	Cardholder date of birth (YYYYMMDD).	R
9	79-108	Cardholder_Address_1	30	PIC X	Cardholder address- field 1.	R
10	109-138	Cardholder_Address_2	30	PIC X	Cardholder address- field 2.	O
11	139-158	Cardholder_City	20	PIC X	Cardholder city.	R
12	159-161	Cardholder_State	3	PIC X	Cardholder state code (must match against state code table- see attachment).	R
13	162-164	Cardholder_Country_Code	3	PIC X	Cardholder country code (must match against country code table- see attachment).	R
14	165-173	Cardholder_Zip_Code	9	PIC X	Cardholder zip code- can be either zip OR zip+4. Fill with spaces if not US or Canada.	O
15	174-193	Cardholder_Phone	20	PIC X	Cardholder telephone number in the format of AREA + PHONE without dashes (i.e.: "AAAPPPPPPP" A=area, P=phone), spaces or commas.	O
16	194-202	Cardholder_SSN	9	PIC 9	Cardholder Social Security or Taxpayer Identification Number- no dashes or spaces.	O
17	203-227	Cardholder_Maiden_Name	25	PIC X	Cardholder Maiden Name or password Default setting is optional; however, may be required for certain profile configurations.	O
18	228-245	Cardholder_Numeric_Pass code	18	PIC 9	Space filled.	O
19	246-270	Sub_ID	25	PIC 9	Sub-ID (TCSES member id used) same number used in Acknowledgement file 104-128	O
20	271-285	Not_Used	15	PIC X	Space filled.	O
21	286-315	Beneficiary_Last_Name	30	PIC X	Space filled.	C
22	316-335	Beneficiary_First_Name	20	PIC X	Space filled.	C
23	336-336	Beneficiary_Middle_Initial	1	PIC X	Space filled..	O

24	337-344	Beneficiary_DOB	8	PIC 9	Space filled.	O
25	345-374	Beneficiary_Address_1	30	PIC X	Space filled.	O
26	375-404	Beneficiary_Address_2	30	PIC X	Space filled.	O
27	405-424	Beneficiary_City	20	PIC X	Space filled.	O
28	425-427	Beneficiary_State	3	PIC X	Space filled.	O
29	428-430	Beneficiary_Country_Code	3	PIC X	Space filled.	O
30	431-439	Beneficiary_Zip_Code	9	PIC 9	Space filled.	O
31	440-459	Beneficiary_Phone	20	PIC 9	Space filled.	O

32	460-468	Beneficiary_SSN	9	PIC 9	Space filled.	O
33	469-493	Beneficiary_Relationship	25	PIC X	Space filled.	O
34	494-494	US_Citizen	1	PIC X	Y/N Only Y= Cardholder is a US Citizen. N= Cardholder not a US Citizen.	R
35	495-496	ID_Type	2	PIC 9	Allowed values are: Space filled. 01- Alien Identification Card 02- Passport 03- Other Government ID	C
36	497-521	ID_Description	25	PIC X	Identification description. Required only if ID_Type = "03" (field # 35).	C
37	522-546	ID_Country_of_Issue	25	PIC X	Country where ID (field # 35) was issued (Value is entered, not a code from country table in	R

					Appendix D).	
38	547-566	ID_Number	20	PIC X	ID number of ID (field # 35). Alpha-numeric.	R
39	567-574	ID_Expiration_Date	8	PIC 9	Expiration date of ID (field # 35) in formatYYYYMMDD. Must be a future date.	R
40	575-575	Photo_ID	1	PIC X	"N" Only	R
41	576-577	Photo_ID_Type	2	PIC 9	Space filled.	R
42	578-602	Photo_ID_Description	25	PIC X	Space filled.	C
43	603-627	Photo_ID_State/Country_o f_Issue	25	PIC X	Space filled.	C
44	628-652	Photo_ID_Number	25	PIC X	Space filled.	C
45	653-660	Photo_ID_Expiration_Date	8	PIC 9	Space filled.	C
46	661-700	Filler	40	PIC X	Fill with spaces.	R

Record Length = 700 R - Required field O- Optional field I - Ignored field C - Conditional

**BATCH ENROLLMENT
FOOTER RECORD**

1	1-15	File Program Indicator	15	PIC X	"Receiving File Name"	R
2	16-23	File Date	8	PIC X	File Creation Date (YYYYMMDD).	R
3	24-32	Number of Detail Records	9	PIC 9	Total number of detail records in file.	R
5	33-700	Filler	668	PIC X	Reserved for future use.	R

Record Length = 700 R - Required field O- Optional field I - Ignored field C- Conditional

For each Batch Enrollment File submitted and processed, a return Acknowledgement and/or Exception File will be available. This file will be transmitted via the same FTP process that is established for the Batch Enrollment File and will be available within 24 hours of receipt of the originating enrollment file by.

In the event that there are no errors encountered during the processing of a file, no Exception File will be created. In the event that no records are successfully processed, no Acknowledgement File will be created. In no circumstance will more than one Acknowledgement and one Exception File per batch file be received.

Acknowledgement File

The file will contain the same header and trailer information as provided for the Batch Enrollment File to allow the Client to relate the file(s) back to the original Batch Enrollment Files submitted for processing.

This file contains select fields for all records that have been successfully processed, including information required by the Client to establish direct deposit instructions for cardholders.

ACKNOWLEDGEMENT FILE - HEADER RECORD

1	1-15	File Program Indicator	15	X	"Receiving File Name"	R
2	16-23	File Date	8	X	File Creation Date in "CCYYMMDD" format. This date will match the batch enrollment file date specified in the header record.	R
3	24-32	File Sequence Number	9	9	File Sequence number- each file must be sent in sequence and must increment by "1"	R
4	33-41	Client Profile Number	9	9	Profile Number "637040001"	R
5	42-150	Filler	109	9	Reserved for future use	R

Record Length = 150 R - Required field O- Optional field I - Ignored field C - Conditional

ACKNOWLEDGEMENT FILE - DETAIL RECORD

1	1-5	Record_Number	5	PIC 9	Record sequence file number	R
2	6-35	Cardholder_Last_Name	30	PIC X	Cardholder last name	R
3	36-55	Cardholder_First_Name	20	PIC X	Cardholder first name	R
4	56-75	Cardholder_SSN	20	PIC X	Cardholder SSN - no dashes or spaces.	R
5	76-87	Account_Number	12	PIC 9	Newly assigned account number for new enrollment records.	R
6	88-103	Card_Number	16	PIC 9	New card number assigned to this cardholder	R
7	104-128	SUB_ID	25	PIC X	Sub-ID (TCSES member id used) same number used in enrollment file 246-270 Sub-ID is provided in the original Batch Enrollment File.	O
8	129-129	RECORD_TYPE	1	PIC X	'E' – Enrollment Record	R

9	130-150	Filler	21	PIC 9	Reserved for future use	R
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Record Length = 150 R - Required field O- Optional field I - Ignored field C - Conditional

ACKNOWLEDGEMENT FILE - FOOTER RECORD

1	1-15	File Program Indicator	15	PIC X	"Receiving File Name"	R
2	16-23	File Date	8	PIC X	File Creation Date in "YYYYMMDD" format. This date will match the batch enrollment file date specified in the header record.	R
3	24-32	Number of Detail Records	9	PIC 9	Total number of detail records contained within file.	R
4	33-150	Filler	118	PIC 9	Reserved for future use	R

Record Length = 150 R - Required field O- Optional field I - Ignored field C - Conditional

Exception File

This file contains all records that encountered an error or exception during processing the enrollment file. There are two types of exceptions: file and record exceptions.

File exceptions may occur if the Batch Enrollment File sent does not match the defined layout and format, files out of sequence, invalid file date, etc. In the event that a file exception occurs, the entire file should be rejected and no individual records will be processed. The error will be tracked in this file with the appropriate error message.

Record exceptions may occur if an individual record contains invalid information or is missing mandatory information. In this instance, only the record will be rejected and reported within this exception file. The other detail records within the file will continue to be process.

The file will contain the same header and trailer information as provided for the Batch Enrollment File to allow the Client to relate the file(s) back to the original Batch Enrollment Files submitted for processing.

The Exception File is also used to communicate an attempt of a duplicate primary cardholder into the same profile. The existing account information will be returned along with the cardholder information in the Exception File.

EXCEPTION FILE - HEADER RECORD

1	1-15	File Program Indicator	15	X	"Receiving File Name"	R
2	16-23	File Date	8	X	File Creation Date in "CCYYMMDD" format. This date will match the batch enrollment file date specified in the header record.	R
3	24-32	File Sequence Number	9	9	File Sequence number- each file must be sent in sequence and must increment by "1"	R
4	33-41	Client Profile Number	9	9	Profile Number "637040001"	R

5	42-165	Filler	124	X	Reserved for future use	R
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Record Length = 165 R - Required field O- Optional field I - Ignored field C - Conditional

EXCEPTION FILE - DETAIL RECORD

1	1-1	Exception_Type	1	PIC X	"F" = File Exception "R" = Record Exception If exception type = "F", then the exception file will contain only one record to represent the entire file and indicate the error.	R
2	2-6	Record_Number	5	PIC 9	Record number from the original Batch Enrollment File	R
3	7-36	Cardholder_Last_Name	30	PIC X	Cardholder last name	R
4	37-56	Cardholder_First_Name	20	PIC X	Cardholder first name	R
5	57-76	Cardholder_SSN	20	PIC 9	Cardholder SSN - no dashes or spaces.	R
6	77-126	Error_Message	50	PIC X	Error message to indicate the cause for exception.	R
7	127-151	SUB_ID	25	PIC X	Sub-ID (TCSES member id used) same number used in Acknowledgement file 104-128 and included in original Batch Enrollment file	O
8	152-152	RECORD_TYPE	1	PIC X	'E' – Enrollment Record 'U' – Demographic Update Record	R
9	153-164	Account Number	12	PIC 9	Account number found for the SSN enrolled within the same client profile.	O
10	165	Filler	1	PIC X	Reserved for future use, filled with space.	O

Record Length = 165 R - Required field O- Optional field I - Ignored field C - Conditional

EXCEPTION FILE - FOOTER RECORD

1	1-15	File Program Indicator	15	PIC X	"Receiving File Name"	R
2	16-23	File Date	8	PIC X	File Creation Date in "YYYYMMDD" format. This date will match the batch enrollment file date specified in the header record.	R
3	24-32	Number of Detail Records	9	PIC 9	Total number of detail records contained within file.	R
4	33-165	Filler	133	PIC X	Reserved for future use	R

Record Length = 165 R - Required field O- Optional field I - Ignored field C - Conditional

Activation File

The file will contain the same header and trailer information as provided for the Batch Enrollment File to allow file(s) to relate back to the original Batch Enrollment Files submitted for processing. This file will be transmitted via the same FTP process that is established for the Batch Enrollment File and will be available within 24 hours of receipt of the originating enrollment file by.

This file contains select fields for all records that have been successfully processed, including information required to establish an active account. Until information is received that the cardholder has activated their card monies will not be sent to the cardholder's account.

ACTIVATION FILE - HEADER RECORD

1	1-2	File Program Indicator	2	PIC X	Value "HD"	R
2	3-10	Transaction	8	PIC X	Value "RTTNEAC "	R
3	11-16	File Sequence Number	6	PIC 9	Unique Sequence #	R
4	17-24	File Date	8	PIC X	Date Extract was produced	R
5	25-32	File Time	8	PIC X	Time Extract was produced	R
6	33-62	Description	30	PIC X	Description of Extract	R
7	63-512	Filler	450	PIC X	VALUE SPACES	R

Record Length = 512 R - Required field O- Optional field I - Ignored field C - Conditional

ACTIVATION FILE - DETAIL RECORD

1	1-2	Record Type	2	PIC X	Value "DT"	R
2	3-11	Client Number	9	PIC X	Value "637040001"	R
3	12-27	Card Number	16	PIC X	Card number	R
4	28-29	Card Status	2	PIC X	Status of the card	R
5	30	Action IND	1	PIC X		O
6	31-38	Activation Date	8	PIC X	Date Card was activated	O
7	39-46	Card Status Chg Date	8	PIC X	Date of last card status change	R
8	47-58	Account Number	12	PIC X	Debit account number	R
9	59-60	Account Status	2	PIC X	Account status as of the Extract (1 = OPEN, 2 = CLOSED)	O
10	61-68	Account Status Chg Date	8	PIC X	Date of last account status change	O
11	69-76	Date Account Closed	8	PIC X	Date the account was marked closed	O
12	77-84	Date Last Deposit	8	PIC X	Date of last deposit into Debit account	O
13	85-114	Last Name	30	PIC X	Cardholder's last name	R
14	115-134	First Name	20	PIC X	Cardholder's first name	R

15	135	Middle Initial	1	PIC X	Cardholder's middle initial	R
16	136-165	Address 1	30	PIC X	First line of Cardholder's address	R
17	166-195	Address 2	30	PIC X	Second line of Cardholder's address	R
18	196-220	City	25	PIC X	City of Cardholder's mailing address	R
19	221-223	State	3	PIC X	State of Cardholder's mailing address	R
20	224-232	Zip	9	PIC X	Zip code +4 of Cardholder's mailing address	R
21	233-235	Country Code	3	PIC X	Country code for Cardholder's mailing address	R
22	236-245	Phone Number	10	PIC X	Cardholder's Phone number	R
23	246-253	DOB	8	PIC X	Cardholder's Date of Birth	R
24	254-262	SSN	9	PIC X	Cardholder's social security number	R
25	263-512	Filler	250	PIC X	Spaces	R

Record Length = 512 R - Required field O- Optional field I - Ignored field C - Conditional

All Dates are formatted CCYYMMDD, where C = century, Y = Year, M = Month, and D = Day
Ex: January 21, 2005 would be 20050121.

** D-ACTION-IND values "R" Card Replaced, previous card cancelled

"A" Activated card

"N" New card issued, no previous card

"C" Card cancelled, no replacement issued

* D-CARD-STATUS values 00 - Not Activated

01 - Activated

02 - Reported Lost (Lost with Reissue)

03 - Reported Damaged (Damaged with Reissue)

04 - Reported Stolen (Stolen with Reissue)

05 - Compromised with Reissue

06 - Used without Authorization

07 - Cancelled by Household Member/Cancelled by Primary Cardholder)

08 - Cancelled for Other Reason

09 - Deactivated by State

10 - Max Pin Tries Exceeded

11 - Undeliverable

13 - Cancelled due to Disaster (Disaster Card)

19 - Replaced by State

22 - Lost with no Reissue

33 - Damaged with no Reissue

44 - Stolen with no Reissue

54 - Expired Card

55 - Cancelled by Primary Recipient

60 - Monitoring - Negative Balance

61 - Closed Card

62 - Cancelled by State (Inactive Card)

63 - Closed - Negative Balance (Negative Account - Closed)

66 - Compromised with no Reissue (Cancel Card Information)

98 - No Card Issued (Placeholder)

ACTIVATION FILE - FOOTER RECORD

1	1-2	Record Type	2	PIC X	VALUE "TR"	
2	3-10	Transaction	8	PIC X	VALUE "RTTNEAC*"	
3	11-16	File Sequence Number	6	PIC 9	Unique Sequence #	
4	17-24	File Date	8	PIC X	Date Extract was produced	
5	25-32	File time	8	PIC X	Time Extract was produced	
6	33-39	Record Count	7	PIC 9	Number of Detail records in Extract	
7	40-473	Filler	473		VALUE SPACES	

Record Length = 512 R - Required field O- Optional field I - Ignored field C - Conditional

RFP ATTACHMENT 6.9.

UNEMPLOYMENT BENEFITS
PREPAID DEBIT CARD TRANSACTION ACTIVITY

Tennessee Department of Labor and Workforce Development					
Unemployment Benefits Distributed Via Debit Cards January 2015 - May 2015					
Includes Total Spend and Type of Spend by Amount and Percentage; New Accounts Established; Accounts with Activity, and Breakdown of Transaction Activity For Each Month.					
	Jan-15	Feb-15	Mar-15	Apr-15	May-15
ATM Spend	\$4,586,904	\$4,037,615	\$4,761,120	\$3,678,851	\$2,996,879
OTC Spend	\$1,127,602	\$1,031,431	\$1,178,038	\$905,152	\$739,031
POS Spend	\$5,276,823	\$4,879,946	\$5,618,717	\$4,575,668	\$4,036,918
• Signature	\$2,683,573	\$2,451,165	\$2,847,305	\$2,347,456	\$2,017,341
• PIN	\$2,593,250	\$2,428,780	\$2,771,412	\$2,228,212	\$2,019,577
Total Spend	\$10,991,328	\$9,948,992	\$11,557,875	\$9,159,671	\$7,772,828
Purchase	\$5,276,823	\$4,879,946	\$5,618,717	\$4,575,668	\$4,036,918
Cash	\$5,714,505	\$5,069,046	\$5,939,158	\$4,584,003	\$3,735,909
ATM Spend	42%	41%	41%	40%	39%
OTC Spend	10%	10%	10%	10%	10%
POS Spend	48%	49%	49%	50%	52%
• Signature	51%	50%	51%	51%	50%
• PIN	49%	50%	49%	49%	50%
New Accounts	7,742	4,540	5,883	4,040	4,164
Cards FIN Activity	21,170	18,570	20,424	17,513	14,946
Transactions / Card FIN Activity					
ATM	1.6	1.6	1.7	1.6	1.5
Signature	6.1	5.8	6.4	6.2	6.4
PIN	4.4	4.3	4.6	4.6	4.8
OTC	0.2	0.2	0.2	0.2	0.2

Prepaid Debit Card Program
Cards With Deposits By Month

Unemployment Benefits

Month	Year	Quantity
December	2010	188
January	2011	1,505
February	2011	7,157
March	2011	15,989
April	2011	48,996
May	2011	50,661
June	2011	56,109
July	2011	58,214
August	2011	56,962
September	2011	53,839
October	2011	53,965
November	2011	55,091
December	2011	57,301
January	2012	62,770
February	2012	57,155
March	2012	55,713
April	2012	50,012
May	2012	41,746
June	2012	39,662
July	2012	40,227
August	2012	36,354
September	2012	33,639
October	2012	34,522
November	2012	32,212
December	2012	33,581
January	2013	41,853
February	2013	35,326
March	2013	34,295
April	2013	33,185
May	2013	30,889
June	2013	29,985
July	2013	32,400
August	2013	26,862
September	2013	24,262
October	2013	24,315
November	2013	22,183
December	2013	23,725
January	2014	25,173
February	2014	16,945
March	2014	15,177
April	2014	12,844
May	2014	11,673
June	2014	13,290
July	2014	15,288
August	2014	13,192
September	2014	13,304
October	2014	12,933
November	2014	12,274

December	2014	14,633
January	2015	19,087
February	2015	15,613
March	2015	18,320
April	2015	12,733
May	2015	10,862
June	2015	12,397
July	2015	14,501

RFP ATTACHMENT 6.10.

UNEMPLOYMENT BENEFITS
ENROLLMENT ACKNOWLEDGEMENT DATA FILE LAYOUTS

RECORD DESCRIPTION				PAGE:		
FILENAME:				SYSTEM:		
RECORD SIZE: 1100			BLOCK SIZE:			
DATE: 03/10/2015			REVISED:			
PREPARED BY: Tom Goodhart			APPROVED BY:			
ENROLLMENT HEADER						
ELEMENT NAME	Length	FROM	TO	PICTURE	VALUE	
FILE-PROGRAM-IND	15	1	15	PIC X(15)	"HDRNSABEMF" -	
FILE-DATE-TIME	16	16	31	PIC 9(16).	"CCYYMMDDHHMMSSHH"	
PROFILE-NUMBER	9	32	40	PIC 9(09).	"637620001" -	
REASON-CODE	4	41	44	PIC 9(04).	"0000" -	
VERSION-NUMBER	10	45	54	PIC X(10).	"5.0" -	
INTERNAL-FIELD	10	55	64	PIC X(10).	SPACES	
RETURN-ROUTING-CODE	15	65	79	PIC X(15).	"637620001RET" -	
Filler	1020	80	1099	PIC X(1020).	SPACES	
X	1	1100	1100	PIC X(01).	"X" -	

ENROLLMENT DETAIL					
ELEMENT NAME	Length	FROM	TO	PICTURE	VALUE
Record Type	1	1	1	PIC X(01).	"E" - NEW-ENROLLMENT "U" - UPDATE -
Profile Number	9	2	10	PIC 9(09).	"637620001" -
Acct Access	1	11	11	PIC X(01).	If New Enrollment then "S" else "A" -
EDA Acct. Number	12	12	23	PIC 9(12).	Assigned Value in Acknowledgement Record
Card Number	19	24	42	PIC X(19).	SPACES
New Enrollment	1	43	43	PIC X(01).	If New Enrollment then "Y" else SPACE -
Last Name	30	44	73	PIC X(30).	
First Name	30	74	103	PIC X(30).	
Middle Initial	1	104	104	PIC X(01).	
DOB	8	105	112	PIC X(08).	"YYYYMMDD"
Address 1	40	113	152	PIC X(40).	
Address 2	40	153	192	PIC X(40).	
City	40	193	232	PIC X(40).	
State	2	233	234	PIC X(02).	
Country -Code	3	235	237	PIC X(03).	"840" - ALL US TERRITORIES -
Zip Code	9	238	246	PIC X(09).	
Province	40	247	286	PIC X(40).	SPACES
Phone	25	287	311	PIC X(25).	"AAAPPPPPPP"
Phone	25	312	336	PIC X(25).	SPACES
E-Mail Address	50	337	386	PIC X(50).	
Maintenance Flag	25	387	411	PIC X(25).	NEW ENROLL = SPACE, MAINTENANCE = "Y" -
SSN	9	412	420	PIC 9(09).	
Maiden Name	25	421	445	PIC X(25).	
Statement Flag	1	446	446	PIC X(01).	
Employee ID	15	447	461	PIC X(15).	

Cost Center ID	26	462	487	PIC X(26).	
Filler 2	15	488	502	PIC X(15).	
Sub ID 2	25	503	527	PIC X(25).	
Pass - Code	18	528	545	PIC 9(18).	ZEROS -
US Citizen	1	546	546	PIC X(01).	
Beneficiary Info	262	547	808	PIC X(262).	SPACES
ID Info	166	809	974	PIC X(166).	
Reason Code	4	975	978	PIC 9(04).	ZEROS
Filler 3	121	979	1099	PIC X(121).	SPACES
X	1	1100	1100	PIC X(01).	"X" -
ENROLLMENT TRAILER					
ELEMENT NAME	Length	FROM	TO	PICTURE	VALUE
File Program Ind	15	1	15	PIC X(15).	"TRNSABEMF" -
File Date	8	16	23	PIC 9(08).	"CCYYMMDDHHMMSSHH"
Total Num Detail Records	9	24	32	PIC 9(09).	
Total Acct. Success	7	33	39	PIC 9(07).	ZEROS
Total Acct Rejected	7	40	46	PIC 9(07).	ZEROS
Total Num Records	7	47	53	PIC 9(07).	ZEROS
Total Num Credits	7	54	60	PIC 9(07).	ZEROS
Total Num Amt Credits	18	61	78	PIC 9(18).	ZEROS
Total Amt Debits	18	79	96	PIC 9(18).	ZEROS
Total Num Credits Accepted	7	97	103	PIC 9(07).	ZEROS
Total Num Credits Rejected	7	104	110	PIC 9(07).	ZEROS
Total Debit Amount Rejected	18	111	128	PIC 9(18).	ZEROS
Total Credit amount Accepted	18	129	146	PIC 9(18).	ZEROS
Total Update Success	7	147	153	PIC 9(07).	ZEROS
Total Updates Rejected	7	154	160	PIC 9(07).	ZEROS
Total Close Acct. Success	7	161	167	PIC 9(07).	ZEROS

Total Close Acct Rejected	7	168	174	PIC 9(07).	ZEROS
Total Replacement Acct Success	7	175	181	PIC 9(07).	ZEROS
Total Replacement Acct Rejected	7	182	188	PIC 9(07).	ZEROS
Filler	911	189	1099	PIC X(911).	SPACES
X	1	1100	1100	PIC X(01).	"X" -

UNEMPLOYMENT BENEFITS
REFRESH FILE RECORD LAYOUT

RECORD DESCRIPTION				PAGE:	
FILENAME:				SYSTEM:	
RECORD SIZE: 1100			BLOCK SIZE:		
DATE: 03/10/2015			REVISED:		
PREPARED BY: Tom Goodhart			APPROVED BY:		
NOTES:					
DAILY UPDATE HEADER					
ELEMENT NAME	Length	FROM	TO	PICTURE	VALUE
Record - Type	2	1	2	PIC X(02).	"HD" -
Transaction Type	8	3	10	PIC X(08).	"RTN63762" -
Control type	6	11	16	PIC 9(06).	"001769" -
File Create date	8	17	24	PIC X(08).	(CCYYMMDD)
File Create time	8	25	32	PIC X(08).	(HHMMSSCC)
File Description	30	33	62	PIC X(30).	"DAILY UPDATE FILE

Filler	450	63	512	PIC X(450).	SPACES
DAILY UPDATE DETAIL					
ELEMENT NAME					VALUE
Length	FROM	TO	PICTURE		
Record Type	2	1	2	PIC X(02).	"DT" -
Detail Description	2	3	4	PIC 9(02).	"01" = CLOSED "02" = STATUS CHANGE "03" = DEMOGRAPHIC
Profile Number	9	5	13	PIC X(09).	"637620001" -
Card Number 1 - 12	12	14	25	PIC X(12).	"*****" _
Card Number 13 - 16	4	26	29	PIC X(04).	
Card Status	2	30	31	PIC X(02).	"00" = CREATE "02" = ACTIVATE "11" = RETURN
Card Status - Change Date	8	32	39	PIC X(08).	(CCYYMMDD)
Account Number	12	40	51	PIC X(12).	EDA NUMBER
Account Status	2	52	53	PIC X(02).	"02" = CLOSED "03" = CLOSED
Account Status Change Date	8	54	61	PIC X(08).	(CCYYMMDD)
Account - Closed Date	8	62	69	PIC X(08).	(CCYYMMDD)
Date of Last Deposit	8	70	77	PIC X(08).	(CCYYMMDD)
Cardholder ID number	16	78	93	PIC X(16).	SPACES.
Sub ID field	15	94	108	PIC X(15).	SPACES.
Cost center	26	109	134	PIC X(26).	SPACES.
Last Name	30	135	164	PIC X(30).	

First Name	30	165	194	PIC X(30).	
Middle Initial	1	195	195	PIC X(01).	
Address	40	196	235	PIC X(40).	
Address	40	236	275	PIC X(40).	
City	40	276	315	PIC X(40).	
State	3	316	318	PIC X(03).	
Zip Code	9	319	327	PIC X(09).	
Country Code	3	328	330	PIC X(03).	"840" -
Phone Number	10	331	340	PIC X(10).	
Date of birth	8	341	348	PIC X(08).	(CCYYMMDD)
SSN	9	349	357	PIC X(09).	
Filler - 1	8	358	365	PIC X(08).	
Address Change ID	1	366	366	PIC X(01).	- "B" OR SPACE
Filler 2	146	367	512	PIC X(146).	SPACES.
DAILY UPDATE TRAILER					
ELEMENT NAME					VALUE
Length	FROM	TO	PICTURE		
Record type	2	1	2	PIC X(02).	"HD" -
Transaction name	8	3	10	PIC X(08).	"RTN63762" -
Control Number	6	11	16	PIC 9(06).	"001769" -
Create Date	8	17	24	PIC X(08).	(CCYYMMDD)
File Create time	8	25	32	PIC X(08).	(HHMMSSCC)
File total detail records	7	33	39	PIC 9(07).	- TOTAL NUMBER OF DETAIL RECORDS
Filler	473	40	512	PIC X(473).	SPACES

RFP ATTACHMENT 6.11.

RETIREMENT BENEFITS
PREPAID DEBIT CARD TRANSACTION ACTIVITY

Tennessee Department of Treasury					
	Retirement Benefits Distributed Via Debit Cards January 2015 - May 2015				
	Includes Total Spend and Type of Spend by Amount and Percentage; New Accounts Established; Accounts With Financial Activity, and Breakdown of Transaction Activity For Each Month.				
	Jan-15	Feb-15	Mar-15	Apr-15	May-15
ATM Spend	\$100,693	\$93,034	\$94,434	\$106,269	\$108,014
OTC Spend	\$44,242	\$58,459	\$31,556	\$47,535	\$81,300
POS Spend	\$125,608	\$124,002	\$116,472	\$139,462	\$171,428
• Signature	\$62,204	\$68,105	\$57,664	\$78,652	\$96,959
• PIN	\$63,404	\$55,897	\$58,808	\$60,810	\$74,469
Total Spend	\$270,544	\$275,494	\$242,463	\$293,267	\$360,743
Purchase	\$125,608	\$124,002	\$116,472	\$139,462	\$171,428
Cash	\$144,936	\$151,492	\$125,991	\$153,805	\$189,314
ATM Spend	37%	34%	39%	36%	30%
OTC Spend	16%	21%	13%	16%	23%
POS Spend	46%	45%	48%	48%	48%
• Signature	50%	55%	50%	56%	57%
• PIN	50%	45%	50%	44%	43%
New Accounts	22	17	33	28	34
Cards FIN Activity	511	505	527	539	551
Transactions / Card FIN Activity					
ATM	1.2	1.2	1.1	1.2	1.4
Signature	3.7	3.7	3.4	3.9	4.5
PIN	2.5	2.4	2.4	2.6	2.9
OTC	0.1	0.1	0.1	0.1	0.2

RFP ATTACHMENT 6.12.

RETIREMENT BENEFITS
PREPAID DEBIT CARD DATA FILE LAYOUTS

File Layout /Mapping – InBound to Concord from Debit Card Vendor

From	To	Length	Field Name	Database Location	Type	Rules	Values	Format
Header Record								
9-03-15 RFP								
1	15	15	File Program Indicator	System_Value	ALPHANUMERIC	N/A	"HDRNSABEMF"	LEFT JUSTIFIED SPACE FILLED
16	31	16	File Date and time	N/A	ALPHANUMERIC	N/A	Sysdate	"CCYYMMDDHHMMSSHH"
32	40	9	Client Profile Number	System_Value	NUMERIC	N/A		RIGHT JUSTIFIED ZERO FILLED
41	44	4	Reason Code	N/A	NUMERIC	Default to spaces. This field will be populated in the return file.	'Reason Code'	RIGHT JUSTIFIED ZERO FILLED
45	54	10	Version Number	N/A	ALPHANUMERIC	N/A	" 5.0"	
55	64	10	Internal field	N/A	ALPHANUMERIC	N/A	" "	
65	79	15	Return Routing Code	System_Value	ALPHANUMERIC	N/A		LEFT JUSTIFIED SPACE FILLED
80	1100	1021	Filler	N/A	ALPHANUMERIC	N/A	Spaces	
Detail Record								
1	1	1	Record Type	N/A	ALPHANUMERIC	N/A	"E" = New enrollment or "U" = Maintenance Record	LEFT JUSTIFIED SPACE FILLED
2	10	9	Client Profile Number	System_Value	NUMERIC	N/A		RIGHT JUSTIFIED ZERO FILLED
11	11	1	Account Access	N/A	ALPHANUMERIC	N/A	"S" = SSN - should be used only to enroll a new card. "A" = For Maintenance records	LEFT JUSTIFIED SPACE FILLED
12	23	12	Account Number	Payee_Bank_Information.Account_Num	NUMERIC	EFS Account Number – with successful enrollment	'EFS Account Number'	RIGHT JUSTIFIED ZERO FILLED DEFAULT ZEROES
24	42	19	Filler	N/A	ALPHANUMERIC	N/A	Spaces	
43	43	1	New Enrollment	N/A	ALPHANUMERIC	N/A	"Y"	
44	73	30	Cardholder Last Name	Person.Last_Name	ALPHANUMERIC	Only the following characters will be accepted in last/first/middle name field(s) 1. UPPERCASE A-Z 2. Allow spaces to be within name.		LEFT JUSTIFIED SPACE FILLED
74	103	30	Cardholder First Name	Person.First_Name	ALPHANUMERIC			LEFT JUSTIFIED SPACE FILLED
104	104	1	Cardholder Middle Initial	N/A	ALPHANUMERIC		89 " "	RFP #31701-05042

File Layout /Mapping – Outbound File from Concord to Debit Card Vendor

New file layout:

From	To	Length	Field Name	Database Location	Type	Rules	Values	Format
Header Record								
1	15	15	File Program Indicator	System_Value	ALPHANUMERIC	N/A	"HDRNSABEMF "	LEFT JUSTIFIED SPACE FILLED
16	31	16	File Date and time	N/A	ALPHANUMERIC	N/A	Sysdate	"CCYYMMDDHHMMS SHH"
32	40	9	Client Profile Number	System_Value	NUMERIC	N/A		RIGHT JUSTIFIED ZERO FILLED
41	44	4	Reason Code	N/A	NUMERIC	Default to spaces. This field will be populated in return file.	" "	RIGHT JUSTIFIED ZERO FILLED
45	54	10	Version Number	N/A	ALPHANUMERIC	N/A	"5.0 "	LEFT JUSTIFIED SPACE FILLED
55	64	10	Internal field	N/A	ALPHANUMERIC	N/A	" "	
65	79	15	Return Routing Code	System_Value	ALPHANUMERIC	N/A		LEFT JUSTIFIED SPACE FILLED
80	1100	1021	Filler	N/A	ALPHANUMERIC	N/A	Spaces	
Detail Record								
1	1	1	Record Type	N/A	ALPHANUMERIC	N/A	"E" when sending enrollment record "U" when sending maintenance record	LEFT JUSTIFIED SPACE FILLED
2	10	9	Client Profile Number	System_Value	NUMERIC	N/A		RIGHT JUSTIFIED ZERO FILLED
11	11	1	Account Access	N/A	ALPHANUMERIC	N/A	"S" used for Enrollment and "A" for Update	LEFT JUSTIFIED SPACE FILLED
12	23	12	Account Number	Payee_Bank_Information.Account_Num	NUMERIC	N/A	"000000000000" for new and 'Account_Num' when update	
24	42	19	Filler	N/A	ALPHANUMERIC	N/A	Spaces	
43	43	1	New Enrollment	N/A	ALPHANUMERIC	N/A	"Y" when sending enrollment record "N" when sending maintenance record	
44	73	30	Cardholder Last Name	Person.Last_Name	ALPHANUMERIC	Only the following characters will be accepted in last/first/middle name field(s) 1. ⁹² UPPERCASE A-Z 2. Allow spaces to be		LEFT JUSTIFIED SPACE FILLED
74	103	30	Cardholder First Name	Person.First_Name	ALPHANUMERIC			LEFT JUSTIFIED SPACE FILLED
104	104	1	Cardholder Middle Initial	Person.Middle_Name	ALPHANUMERIC		" "	

RFP ATTACHMENT 6.13**ADDITIONAL TRANSACTION ACTIVITY****Interactive Voice Response (IVR) and Customer Service Representative (CSR) Calls**Tennessee Unemployment Insurance

	8/15/2015	9/15/2015	10/15/2015
IVR Total	117,072	110,548	100,690
CSR Total	3,878	3,563	3,305

Tennessee Child Support

	8/15/2015	9/15/2015	10/15/2015
IVR Total	583,252	605,791	612,807
CSR Total	10,796	11,146	11,205

CHILD SUPPORT

Child Support Debit Card Activity					
Debit Card Activity					
		<u>9/15/2015</u>	<u>10/15/2015</u>		<u>11/15/2015</u>
ATM Spend		\$11,385,757	\$10,784,405		\$9,771,110
OTC Spend		\$2,355,145	\$2,120,464		\$1,853,007
POS Spend		\$20,836,471	\$21,772,005		\$20,708,565
- (Signature)		\$10,401,911	\$10,951,936		\$10,165,086
- (Pin)		\$10,434,561	\$10,820,068		\$10,543,479
Total Spend		\$34,577,373	\$34,676,874		\$32,332,682
Purchase		\$20,836,471	\$21,772,005		\$20,708,565
Cash		\$13,740,902	\$12,904,869		\$11,624,116
By Percentage					
ATM Spend		33%	31%		30%
OTC Spend		7%	6%		6%
POS Spend		60%	63%		64%
- (Signature)		50%	50%		49%
- (Pin)		50%	50%		51%
Purchase		60%	63%		64%
Cash		40%	37%		36%
New Accounts		1,360	1,298		1,228
Cards FIN Activity		96,292	97,258		96,334
Transactions/Card FIN Activity					
ATM		1.1	1		0.9
Signature		6.4	6.8		6.2
PIN		4.4	4.4		4.2
OTC		0.1	0.1		0.1
November deposits		\$32,372,420			

UNEMPLOYMENT INSURANCE

<u>Tennessee Unemployment Insurance</u>				
Debit Card Activity				
		<u>9/15/2015</u>	<u>10/15/2015</u>	<u>11/15/2015</u>
ATM Spend		\$3,057,211	\$2,700,694	\$2,571,841
OTC Spend		\$653,014	\$633,433	\$519,529
POS Spend		\$3,941,726	\$3,716,279	\$3,471,033
- (Signature)		\$1,938,286	\$1,885,056	\$1,673,216
- (Pin)		\$2,003,440	\$1,831,223	\$1,797,817
Total Spend		\$7,651,951	\$7,050,406	\$6,562,403
Purchase		\$3,941,726	\$3,716,279	\$3,471,033
Cash		\$3,710,225	\$3,334,126	\$3,091,370
<u>By Percentage</u>				
ATM Spend		40%	38%	39%
OTC Spend		9%	9%	8%
POS Spend		52%	53%	53%
- (Signature)		49%	51%	48%
- (Pin)		51%	49%	52%
Purchase		52%	53%	53%
Cash		48%	47%	47%
New Accounts		3,517	3,617	3,817
Cards FIN Activity		13,419	13,682	12,466
<u>Transactions/Card FIN Activity</u>				
ATM		1.7	1.5	1.6
Signature		6.7	6.4	6.3
PIN		5.3	4.8	5
OTC		0.2	0.2	0.1
November deposits		\$6,643,333		

RETIREMENT

<u>Tennessee Retirement Debit Card Activity</u>				
		<u>9/15/2015</u>	<u>10/15/2015</u>	<u>11/15/2015</u>
ATM Spend		\$105,624	\$114,170	\$103,341
OTC Spend		\$49,776	\$91,985	\$27,735
POS Spend		\$156,632	\$168,611	\$148,076
- (Signature)		\$81,213	\$94,574	\$77,530
- (Pin)		\$75,419	\$74,037	\$70,546
Total Spend		\$312,032	\$374,766	\$279,152
Purchase		\$156,632	\$168,611	\$148,076
Cash		\$155,400	\$206,156	\$131,076
<u>By Percentage</u>				
ATM Spend		34%	30%	37%
OTC Spend		16%	25%	10%
POS Spend		50%	45%	53%
- (Signature)		52%	56%	52%
- (Pin)		48%	44%	48%
Purchase		50%	45%	53%
Cash		50%	55%	47%
New Accounts		36	50	44
Cards FIN Activity		570	582	600
<u>Transactions/Card FIN Activity</u>				
ATM		1.2	1.3	1.1
Signature		4	4.2	3.7
PIN		2.7	2.8	2.7
OTC		0.2	0.2	0.1
November deposits		\$358,844		