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| **BUREAU OF FISCAL SERVICES**  **Procurement Unit** |  |  |

**REQUEST FOR PROPOSALS (RFP) 17-100**

**Financial Institution Data Match Services**

**Response to Bidder Questions and Amendment #1**

December 7, 2017

To All Potential Bidders:

Attached are the Department’s responses to the questions received for the above referenced RFP.

Also, the Department is issuing Amendment #1 as clarification to:

* Amend the Schedule of Events;
* Amend Section 1.3, Background in order to update the current number of agreements between FIs and the Department.

Replacement pages follow. All deletions are shown as blue strike-through text and all additions are made in red text.

All other requirements and conditions remain as indicated in the RFP.

All proposals must be received no later than the amended due date of 2:00 PM EST, January 12, 2018.

| **#** | **RFP Section** | **RFP Page #** | **Question** | **Answer** |
| --- | --- | --- | --- | --- |
| 1 | 1.3  Background | 9 | Will DTF provide the successful bidder the list and relevant data including FI address, contact information, match method, match schedule and file transfer preference on the 570 FIs currently participating? | Yes. |
| 2 | 1.4  Scope of Services | 11 | 2nd bullet: “Obtain signatures on a Memorandum of Agreement (MOA) between the FIs (including the ones matching currently) and NYS DTF.” Does the state envision the need to re-execute new agreements with the 570 FIs currently participating under this contract? | Yes. |
| 3 | 3.7  IT System Requirements | 17 | Are all 25 policies listed under the state’s security policies found at <http://www.its.ny.gov/eiso/policies/security> currently applicable to this project and the incumbent? If not, is the incumbent required to upgrade their solution to be compliant with these security policies, if selected under this procurement? | It is possible that the scope of some policies and standards would not apply to the vendor’s proposed solution. The Bidder is responsible for identifying and complying with all applicable State security policies.  Some exceptions to this scoping are:  CPE Requirements for ISOs/Designated Security Representatives Standard  New York State Cyber Incident Reporting Procedures  Acceptable Use of Information Technology Resources  Secure Use of Social Media Standard |
| 4 | 5 | 28 | Would the state be willing waive the MWBE requirement for this contract given the fact that (1) potential vendors who meet the State’s requirements have existing operations serving other states and (2) these existing operations are small, efficient and have a history of successful service delivery. There is not a need to add 3rd party providers to support existing operations without increasing fees that would be charged to New York. | The Contractor is expected to comply with the established MWBE goals.  As stated in section 6.2.5 of the RFP, “Pursuant to New York State Executive Law Article 15-A and Parts 140-145 of Title 5 of the New York Codes, Rules and Regulations, the Department is required to promote opportunities for the maximum feasible participation of New York State-certified Minority and Women-owned Business Enterprises (“MWBEs”) …”. During the Department’s process of determining if participation by MWBEs was feasible, the Department identified a number of MWBEs available for subcontracting opportunities. Accordingly, the Department established the stated 30% goal for MWBE participation (15% MBE and 15% WBE).  Bidders are required to make good faith efforts to provide meaningful participation by MWBEs. A Bidder failing to meet the stated MWBE goals must, at a minimum, document its good faith efforts to engage a certified MWBE in the performance of this contract; otherwise, the bid may be deemed non-responsive and disqualified from contract award. |
| 5 | 6.2.22 | 40 | Could the State confirm that the submission of Attachment 17 does not impact evaluation or scoring so as not to eliminate the ability for qualified vendors who perform this service outside the State of New York to 51 state agencies from responding to this RFP? | Confirmed; the submission of Attachment 17, Encouraging Use of New York State Business in Contract Performance, does not impact evaluation or scoring. |
| 6 | Exhibits | 73 | The encryption section states: “All Data must be encrypted at all times…”: Does this also include encryption of data at rest for data that resides in the database or just file data located on a network? | Encryption is required for all data at rest, including data that resides in the database and file data located on a network. Encryption requirements are covered in IRS Pub 1075 and in the NYS Encryption Standard found at <http://www.its.ny.gov/eiso/policies/security>. |
| 7 | Appendix A – Standard Clauses for NYS Contracts | Section 12  Page 6-7 | Please clarify if an affirmative action plan is required for a vendor who has no employees working in the State of NY. | As stated in Section 6.2.6 of the RFP, “By submission of a bid or proposal in response to this solicitation, the respondent agrees with all of the terms and conditions of Appendix A – Standard Clauses for NYS Contracts including Clause 12 - Equal Employment Opportunities for Minorities and Women.” To ensure compliance with Appendix A, Section 12, bidders are required to submit a Minority and Women-Owned Business Enterprise - Equal Employment Opportunity Policy Statement, Exhibit F, to the Department with its bid or proposal as well as Attachment 5, Staffing Plan, identifying the anticipated workforce to be utilized on the Contract and if awarded a Contract, respondent shall submit a Workforce Utilization Report and shall require each of its Subcontractors to submit a Workforce Utilization Report, in such format as shall be required by the Department on a Quarterly basis during the term of the Contract. However, as also stated in the same RFP section, “This requirement does not apply to: (i) work, goods, or services unrelated to the Contract; or (ii) employment outside New York State.” As such, Exhibit F (Minority and Women-Owned Business Enterprise - Equal Employment Opportunity Policy Statement, which covers both MWBE and EEO requirements) is required of all bidders, but Attachment 5 (Staffing Plan) only covers employment inside New York State. |
| 8 | General | N/A | How many pages is the current Memorandum of Agreement? | The current FIDM Memorandum of Agreement (MOA) template consists of 7 pages, but the final page count may vary based on information provided by the financial institution. |
| 9 | General | N/A | What is the current quarterly match fee being paid to the current vendor for each financial institution? | For information regarding the current contract, please follow the Department’s Freedom of Information Law (FOIL) process detailed at <https://www.tax.ny.gov/help/contact/foil_requests.htm>. |
| 10 | General | N/A | Could the State provide a copy of the current contract, including pricing and all amendments? | For information regarding the current contract, please follow the Department’s Freedom of Information Law (FOIL) process detailed at <https://www.tax.ny.gov/help/contact/foil_requests.htm>. |
| 11 | General | N/A | Could the State provide a copy of the past twelve months of service invoices? | For information regarding the current contract, please follow the Department’s Freedom of Information Law (FOIL) process detailed at <https://www.tax.ny.gov/help/contact/foil_requests.htm>.  For the first two quarters of FY 2017-18, the average number of quarterly matches has been 625. This exceeds the number of FIs (605) who have executed MOAs because (a) some FIs have multiple reporting units (with separate Federal Employment Identification Numbers), and (b) some FIs who have not executed MOAs are voluntarily reporting. |
| 12 | General | N/A | Would the State consider a three week extension for the submittal due date after the question and answer set is provided in order for potential vendors to complete a quality competitive response? | The Proposal due date has been extended per the updated Schedule of Events attached in Amendment #1. |

# Schedule of Events

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| Issuance of RFP | November 3, 2017 |
| Deadline for Filing Offerer Understanding of, and Compliance with, Procurement Lobbying Guidelines Form (**Attachment 2**) | November 14, 2017 |
| Deadline for First Submission of Questions | November 14 2017 |
| Department Response to First Submission of Bidder Questions | ~~November 20, 2017~~  December 7, 2017 |
| Deadline for Submission of Notice of Intent to Bid | ~~November 27, 2017~~  December 18, 2017 |
| Deadline for Second Submission of Bidder Questions | ~~November 27, 2017~~  December 18, 2017 |
| Department Response to Second Submission of Bidder Questions | ~~November 30, 2017~~  December 28, 2017 |
| Proposals Due | ~~December 11, 2017~~  January 12, 2018  By 2:00 PM EST |
| Notification of Intent to Award | ~~January 3, 2018~~  February 6, 2018 |
| Deadline for Contract Signature | ~~February 1, 2018~~  March 6, 2018 |
| Anticipated Contract Start Date | April 2, 2018 |

Section 466(a) (17), to establish procedures under which the State IV-D agency will enter into agreements with financial institutions doing business in the state for the purpose of securing information leading to the enforcement of child support orders.

Participation in the DTF FIDM program is governed by NYS Tax Law Article 36 § 1701 which states, “If a financial institution has a data match system developed or used to administer the Child Support Enforcement program of this state, and if that system is approved by the commissioner or the commissioners’ authorized designee, the financial institution may use that system to comply with the provisions of this Section.”

Accordingly, two (2) methods are permitted:

* Under Method 1 (All Accounts Method), the FI submits a file (to the Contractor) containing all open accounts. The Contractor will then match the accounts against the record of Tax Debtors provided by the Department.
* Under Method 2 (Matched Accounts Method), the FI receives a file (from the Contractor) containing records of Tax Debtors, matches the file against all open accounts, and submits a file of matched records to the Contractor.

**The successful Bidder must be able to handle both methods. The choice of method is made by the Financial Institution.**

Many of the FIs operating in NYS do business in more than one state. In the OTDA program, FIs operating in more than one state have the option to conduct these matches directly with the federal government. The DTF FIDM program does **NOT** include this option. Multi-state FIs are required to participate in the DTF FIDM program utilizing one of the methods identified above.

A matching program enabled by this legislation and using the methods described has been in place since 2009. The Department currently has agreements with ~~570~~ 605 FIs doing business in NYS who are matching on a quarterly basis.

* 1. **Scope of Services**

The Department will require the Contractor to establish, implement and maintain a direct relationship with the FIs for the purpose of ensuring accurate matching of the records of Tax Debtors identified by the Department with records of account holders at the FIs. The Contractor will be required to:

* Establish, expand, and maintain an inventory of FIs doing business in New York State and provide the inventory and updates to the Department;
* Obtain signatures on a Memorandum of Agreement (MOA) between the FIs and DTF. DTF will draft the MOA and provide the MOA to the Contractor to coordinate the execution