

**Request for Proposals**

**20-100**

**Electronic Payment Processing Services**

**Table of Contents**

[Schedule of Events 5](#_Toc69460334)

[Preface 6](#_Toc69460335)

[A. Procurement Lobbying – Offerer Understanding of, and Compliance with, Procurement Lobbying Guidelines 6](#_Toc69460336)

[B. Proposal Questions/Inquiries 7](#_Toc69460337)

[C. RFP Amendments/Announcements 7](#_Toc69460338)

[D. Response to Bidder Questions and Requests for Clarification 7](#_Toc69460339)

[E. Notification of Intent to Bid 7](#_Toc69460340)

[F. Submission of Proposals 8](#_Toc69460341)

[G. Contract Signing 8](#_Toc69460342)

[H. Contract Term 8](#_Toc69460343)

[RFP Key Points 9](#_Toc69460344)

[Overview 10](#_Toc69460345)

[A. DTF Payment Processing Structure 10](#_Toc69460346)

[B. Implementation of Services 12](#_Toc69460347)

[1. Qualifying Entity Requirements 13](#_Toc69460348)

[2. Technical Requirements 15](#_Toc69460349)

[2.1. Functional Requirements 15](#_Toc69460350)

[2.2. Development/Support Service Requirements 47](#_Toc69460351)

[2.3. Implementation Requirements 68](#_Toc69460352)

[2.4. Cash Management Requirements 71](#_Toc69460353)

[2.5. Insurance Requirements 73](#_Toc69460354)

[2.6. Financial Stability Requirements 77](#_Toc69460355)

[3. Financial Requirements 81](#_Toc69460356)

[3.1. Cost Proposal Requirements 81](#_Toc69460357)

[3.1.1. Bidder Fees 81](#_Toc69460358)

[3.2. Cost Increases 84](#_Toc69460359)

[3.3. Method of Compensation 84](#_Toc69460360)

[3.3.1. Payment by Direct Fee 84](#_Toc69460361)

[3.3.2. Payment by Compensating Balances 85](#_Toc69460362)

[4. Administrative Requirements 86](#_Toc69460363)

[4.1. Administrative Proposal Conditions 86](#_Toc69460364)

[4.1.1. Issuing Agency 86](#_Toc69460365)

[4.1.2. Solicitation 86](#_Toc69460366)

[4.1.3. Liability 86](#_Toc69460367)

[4.1.4. Proposal Ownership 86](#_Toc69460368)

[4.1.5. Proposal Security 86](#_Toc69460369)

[4.1.6. Timely Submission 87](#_Toc69460370)

[4.1.7. Proposal Effective Period 87](#_Toc69460371)

[4.1.8. Proposal Opening 87](#_Toc69460372)

[4.1.9. Bidder Proposal Clarification 87](#_Toc69460373)

[4.1.10. Proposal Evaluation and Selection 87](#_Toc69460374)

[4.1.11. Contract Negotiations and Authorized Negotiators 87](#_Toc69460375)

[4.1.12. Notification of Intent to Award 87](#_Toc69460376)

[4.1.13. Proposal Review and Contract Approval 88](#_Toc69460377)

[4.1.14. Debriefing Sessions 88](#_Toc69460378)

[4.1.15. Bid Protest Policy 88](#_Toc69460379)

[4.1.16. Reserved Rights 88](#_Toc69460380)

[4.2. Administrative Contract Conditions 89](#_Toc69460381)

[4.2.1. Appendix A 89](#_Toc69460382)

[4.2.2. Payments 90](#_Toc69460383)

[4.2.3. Public Announcements 90](#_Toc69460384)

[4.2.4. New York State Vendor File 90](#_Toc69460385)

[4.2.5. Contractor Requirements and Procedures for Participation by New York State-Certified Minority and Women-Owned Business Enterprises and Equal Employment Opportunities for Minority Group Members and Women 90](#_Toc69460386)

[4.2.6. Equal Employment Opportunity Requirements 91](#_Toc69460387)

[4.2.7. Participation Opportunities for New York State Certified Service-Disabled Veteran-Owned Business Enterprises 92](#_Toc69460388)

[4.2.8. Cooperation with Investigations 92](#_Toc69460389)

[4.2.9. Workers’ Compensation and Disability Benefits Certifications 93](#_Toc69460390)

[4.2.10. Cover Letter 94](#_Toc69460391)

[4.2.11. Vendor Responsibility Questionnaire 94](#_Toc69460392)

[4.2.12. Designation of Prime Contact 95](#_Toc69460393)

[4.2.13. Non-Collusive Bidding Practices Certification 95](#_Toc69460394)

[4.2.14. Procurement Lobbying 95](#_Toc69460395)

[4.2.15. Tax Secrecy; Unauthorized Disclosure; DTF-202 Form 97](#_Toc69460396)

[4.2.16. Ethics Compliance 98](#_Toc69460397)

[4.2.17. Sales and Compensating Use Tax Documentation 98](#_Toc69460398)

[4.2.18. Prime Contractors/Subcontractors 99](#_Toc69460399)

[4.2.19. Bidder-Proposed Change(s) to Preliminary Base Contract Terms 99](#_Toc69460400)

[4.2.20. Request for Exemption from Disclosure 100](#_Toc69460401)

[4.2.21. Encouraging use of New York State Business in Contract Performance 100](#_Toc69460402)

[4.2.22. Assurance of No Conflict of Interest 101](#_Toc69460403)

[4.2.23. Executive Order No. 177 Certification 101](#_Toc69460404)

[4.2.24. Sexual Harassment Prevention Certification 101](#_Toc69460405)

[5. Proposal Submission Requirements 102](#_Toc69460406)

[5.1. Proposal Content and Organization 102](#_Toc69460407)

[5.1.1. Volume One Format 102](#_Toc69460408)

[5.1.2. Volume Two Format 102](#_Toc69460409)

[5.1.3. Volume Three Format 102](#_Toc69460410)

[5.2.Proposal Submission 102](#_Toc69460411)

[6. Proposal Evaluation 104](#_Toc69460412)

[6.1. Proposal Clarification 104](#_Toc69460413)

[6.2. Evaluation Process Overview 104](#_Toc69460414)

[6.2.1. Phase One Evaluation 104](#_Toc69460415)

[6.2.2. Phase Two Evaluation 104](#_Toc69460416)

[6.2.3. Phase Three Evaluation (10 Points) 105](#_Toc69460417)

[6.2.4. Phase Four Evaluation (Pass/Fail) 105](#_Toc69460418)

[6.3.Final Ranking/Contract Award 105](#_Toc69460419)

**Schedule of Events**

|  |  |
| --- | --- |
|  |  |
| Issuance of RFP | 04/22/2021 |
| Deadline for Submission of Round One of Bidder Questions and Deadline for Submission of **Attachment 1, Offerer Understanding of, and Compliance with, Procurement Lobbying Guidelines** | 05/13/2021 |
| Department Response to Round One of Bidder Questions | 06/04/2021 |
| Deadline for Submission of Round Two of Bidder Questions  | 06/17/2021 |
| Department Response to Round Two of Bidder Questions | 07/01/2021 |
| Deadline for Submission of **Attachment 2, Notification of Intent to Bid** | 07/15/2021 |
| Proposals Due | 07/22/2021By 2:00 p.m. ET |
| Management Presentation | (week of) 10/18/2021 |
| Anticipated Notification of Intent to Award | 10/28/2021 |
| Anticipated Approval of Contract | 04/28/2022 |
| Anticipated Full Production | 01/01/2024 |

# Preface

## Procurement Lobbying – Offerer Understanding of, and Compliance with, Procurement Lobbying Guidelines

New York State (“NYS”) Finance Law § 139-j(6)(b) requires that the Department of Taxation and Finance (“Department” or “DTF” ) seek written affirmation from all Offerers as to the Offerer’s understanding of, and agreement to comply with, the DTF procedures relating to permissible contacts during a Government Procurement. Information related to the Procurement Lobbying Law and DTF guidelines can be found on the Department’s website at: <http://www.tax.ny.gov/about/procure>.

All inquiries concerning this solicitation must be addressed to one of the following designated contacts:

|  |
| --- |
| DESIGNATED CONTACTS FOR INQUIRIES AND SUBMISSIONS |
| NYS DTF Bureau of Fiscal Services Procurement Unit Designated Contacts:Matthew BrownellYafei CaoPeter RussellAmber AlexanderQuestions and inquiries related to the Request for Proposals must be submitted via email to BFS.Contracts@tax.ny.gov or via fax to (518) 435-8413. **No other method of inquiry will be accepted.** **Administrative issues pertaining to sending/receiving email through the designated mailbox may be reported to one of the designated contacts listed above at (518) 530-4484.****Procurement Website:** <https://www.tax.ny.gov/about/procure/current_bid_opportunities.htm> |

Contacting individuals other than the designated contacts listed above may result in the disqualification of the Bidder’s proposal – please refer to the Procurement Lobbying Law and the Department guidelines posted on the Department’s procurement website at <http://www.tax.ny.gov/about/procure>, and find additional requirements in **Section 4, Administrative Requirements**.

Offerers are required to sign and submit **Attachment 1, Offerer Understanding of, and Compliance with, Procurement Lobbying Guidelines**, and requested to do so by the date specified in the Schedule of Events. This may be submitted in conjunction with Round One of Bidder Questions.

## Proposal Questions/Inquiries

Prospective Bidders have two opportunities to submit written questions and requests for clarification regarding this RFP. All questions regarding this RFP must be submitted via email (preferred) or fax and be received by the dates specified in the Schedule of Events. Questions must reference the relevant page and section of the RFP and must be directed to one of the designated contacts identified herein.

Questions submitted by Bidders should be in the following format:

| **#** | **RFP Section** | **RFP Page #** | **Bidder Name** | **Question** |
| --- | --- | --- | --- | --- |
| 1 |  |  |  |  |
| 2 |  |  |  |  |

All clarifications and exceptions, including those relating to the terms and conditions of the RFP, are to be resolved prior to the submission of a bid by utilizing the Question and Answer periods. Also, during the Question and Answer periods, Bidders should bring forward terms and conditions in the RFP and in the **Preliminary Base Contract (Exhibit T)** that would prohibit a Bidder from bidding. All objections, proposed changes, and/or additions to the terms and conditions (Bidder-Proposed Change(s)) relating to Preliminary Base Contract language in **Exhibit T**, must be submitted with the proposal. The Bidder that enters into an Agreement with the State is expected to comply with all the terms and conditions contained herein.

## RFP Amendments/Announcements

All amendments, clarifications, updates, and announcements related to this RFP will be posted on the Department’s website at: <http://www.tax.ny.gov/about/procure>.

It is the responsibility of the Bidder to check the website for any amendments, clarifications, updates or announcements. All applicable such information must be incorporated into the Bidder’s proposal. Failure to include this information may result in the Bidder’s proposal being deemed non-responsive.

## Response to Bidder Questions and Requests for Clarification

The Department will provide a written response to all substantive questions and requests for clarification. Responses to Bidder questions and requests for clarifications will be posted on the Department’s website at: <http://www.tax.ny.gov/about/procure>.

## Notification of Intent to Bid

If your firm is submitting a proposal in response to the RFP, **Attachment 2, Notification of Intent to Bid**, should be completed and submitted by the date specified in the Schedule of Events. Contact information provided on this form may be used to notify Bidders of changes to the RFP.

## Submission of Proposals

Bidders must submit their proposals as instructed in **Section 5**, **Proposal Submission Requirements**.

## Contract Signing

**The Bidder must agree to sign a contract within thirty (30) days of Notification of Intent to Award. If the Bidder fails to do so, the Department reserves the right to begin negotiations with the next highest ranked Bidder.**

The Preliminary Base Contract is attached hereto as **Exhibit T**. Bidders should review **Exhibit T** and must be willing to enter into an Agreement **substantially in accordance** with the terms of **Exhibit T.**

Bidders may propose language amending **Exhibit T** that does not materially change the Requirements of the RFP. Bidder-Proposed Changes to **Exhibit T must** be specifically identified in the Bidder’s proposal. If there are specific terms a Bidder wishes to change or terms the Bidder wishes the Department to consider for inclusion in the Base Contract, they **must** be identified and submitted in accordance with **Section 4.2.19, Bidder-Proposed Change(s) to Preliminary Base Contract Terms**.

**Note: The Department is under no obligation to include in the Agreement any Bidder-Proposed Changes, nor to negotiate from any Bidder-supplied documents. DTF reserves the right to require a Bidder to withdraw any and all such proposed terms or documents or parts thereof, as necessary.**

## Contract Term

The Department will award one (1) Contract as a result of this RFP. The Contract, and any renewal, requires the approval of the New York State Attorney General (“AG”) and the Office of the New York State Comptroller (“OSC”). The initial term of the Contract will commence only upon receiving the approvals of both the AG and OSC, and thereafter be effective for a period of five (5) years from the Certification of production for the final phase (“Final Certification”). The Contract may be renewed, upon mutual agreement of the Parties in writing, for one (1) two-year extension.

In addition to the initial and renewal terms as set forth above, RFP 20-100 provides for a transition period, which may be invoked at DTF’s discretion, of up to twelve (12) months beyond the end of the initial term, or renewal period, as applicable, to provide for an orderly transition of the services to a Subsequent Service Provider. The use and length of the transition period will be at the discretion of the Department. The Contractor shall cooperate with the Department to develop a detailed transition plan upon notice from the Department.

***[Remainder of Page Intentionally Left Blank]***

# RFP Key Points

1. **Read the RFP in its entirety.** Note key items such as critical dates, services required, qualifying and mandatory requirements, and proposal submission requirements.
2. **Note the name, address, phone numbers and email address of the designated contacts.** These are the only individuals that you are permitted to contact regarding this RFP.
3. **Take advantage of the question and answer periods.** Submit your questions by one of the methods identified by the dates listed in the Schedule of Events. Responses to the questions will be posted on the Department’s website at: <https://www.tax.ny.gov/about/procure/current_bid_opportunities.htm>
4. **Submit a “Notification of Intent to Bid” form by the date listed in the Schedule of Events.**
5. **Provide complete answers/descriptions. Bidder proposals must completely address all qualifying and mandatory requirements.** To prevent disqualification from bid evaluation, thoroughly read all proposal requirements and provide complete responses. Use **all** the forms provided to submit your response. Vague or incomplete responses to desirable requirements may result in a reduced technical score.
6. **Review the RFP document and your proposal.** Make sure all requirements are addressed and all copies are identical and complete.
7. **Package your proposal as required in the RFP.** Make sure your proposal conforms to the packaging requirements. Proposals not packaged accordingly may be deemed non-responsive.
8. **Submit your proposal on time.** Except as specified in **Section 4.1.16.G**, proposals received after the date and time in the Schedule of Events will not be considered for award and may be returned, unopened, to the sender.
9. **Review the DTF website prior to submission of a proposal.** Only the DTF website will contain all amendments and/or addenda to the RFP, including Responses to Bidder Questions. Note that all applicable amendments and/or addenda information must be incorporated into the Bidder’s proposal. Failure to include such information may result in disqualification or a reduced technical score.

***[Remainder of Page Intentionally Left Blank]***

# Overview

The New York State Department of Taxation and Finance is seeking a state or federally chartered bank to be its Contractor to provide an Electronic Payment Processing Services solution for various NYS tax programs. Services include, but are not limited to: deposit; payment processing; account reconciliation; banking services; a Contractor-hosted Payment Database and Contractor-hosted Payment Applications; and transmission of data, reports, and files using secure data exchanges to support DTF’s four electronic payment methods: ACH Debit, ACH Credit, Fedwire, and Payment Card (credit and debit cards).

The data and authorization for these payment transactions may derive from: paper documents; web applications; electronic transactions filed through the Modernized e-File (“MeF”) system using third party tax software; Interactive Voice Response (“IVR”) system; and customer service representatives (“CSR”). In 2020, the Department processed over 12 million electronic payments representing $103 billion in revenue (See **Exhibit B – Volumes and Revenue**).

The Contractor may utilize a Subcontractor(s) acceptable to DTF to perform the required Services solicited in this RFP, but the Contractor is ultimately responsible to ensure that all Services are performed in accordance with RFP Requirements and the resulting contract between DTF and the Contractor. Thus, all requirements expected to be met by the Contractor are equally applicable to, and must be met by all Subcontractors used in performing Services. This is the case even if a particular requirement does not specifically reference use of Subcontractors. For avoidance of doubt, all Services to be performed in connection with this RFP are subject to all Requirements and terms and conditions hereof, and of the Agreement to be entered, regardless whether the particular service provider is the Contractor or its Subcontractor.

## DTF Payment Processing Structure

The solution must support the following structure of the Department’s payment processing services:

* + 1. **PrompTax** **–** A statutorily mandated high-value electronic payment program which allows for ACH Debit, ACH Credit, and Fedwire payments. PrompTax consists of five tax programs and currently accounts for 3.5 million payments totaling $69 billion annually.
			1. **ACH Debit** **–** After logging in to their secure DTF Online Services (“OLS”) account, the taxpayer will be passed (through a secure exchange) from DTF’s site to a Contractor-hosted Payment Application. The secure exchange will carry taxpayer-specific data to allow payments made through the Contractor-hosted Payment Application to be associated to a specific taxpayer ID number. The Contractor-hosted Payment Application must have the same look and feel as the Department’s web applications and comply with required NYS standards for accessibility. The Contractor-hosted Payment Application will collect ACH Debit payment data, after applying tax-specific business rules for both processing the payment and creating data records, to update the Contractor-hosted Payment Database. The solution will maintain quality controls which minimize occurrences of unintended duplicate payment transactions being submitted by a taxpayer while also allowing for multiple intended payments to be made by a taxpayer.
			2. **ACH Credit and Fedwire** **–** PrompTax taxpayers can initiate ACH Credit and Fedwire transactions from their financial institutions targeted to specific DTF bank accounts. The payment’s addenda record or Originator to Beneficiary Information (“OBI”) record contains payment application instructions that will be parsed and used to create data records to update the Contractor-hosted Payment Database. ACH Credit and Fedwire transactions with missing or invalid addenda records (i.e., no addenda record, incorrectly formatted, information not matching file) will be identified and processed using business rules provided by the Department. In addition to parsing data, all raw data found on addenda records or OBI records associated with ACH Credits and Fedwires will be provided to the Department.
		2. **Non-PrompTax** **–** Various other taxes and methods of payments that are not regulated by PrompTax legislation.
			1. **Batch ACH Debit program –** This program consists of payment information that DTF collects from taxpayers through various methods, such as OLS web applications, MeF (third-party software), CSRs, and paper tax filings and then transmits in batches to the Contractor for payment processing. The Batch ACH Debit program currently consists of 24 tax programs and accounts for 8.5 million payments totaling $31.2 billion annually. DTF transmits batch files of payments in an XML file(s). The data in the files is used to process ACH Debit payments and create data records to update the Contractor-hosted Payment Database. The batch files will contain the information necessary to determine the Standard Entry Class (“SEC”) Code (i.e., account type and authorization method). The solution must ensure all transactions are processed using the correct SEC code.
			2. **ACH Credit and Fedwire –** At this time, DTF has two non-PrompTax tax programs that accept ACH Credit and Fedwire payments. These payment methods currently account for 6,500 payments totaling $2.9 billion annually. Taxpayers can initiate ACH Credit and Fedwire transactions from their financial institutions, targeted to a specific DTF bank account. The payments will be used to create data records, with default values, to update the Contractor-hosted Payment Database. All raw data found on addenda records or OBI records associated with ACH Credits and Fedwires will be provided to the Department.
			3. **Payment Card –** At this time, DTF has four tax programs that accept payment via Payment Cards (credit and debit cards). This payment method currently accounts for 200,000 payments totaling $137 million annually. The Department may expand Payment Card use in the future. The Department requires the Contractor to remain in compliance with the most current version of the Payment Card Industry Data Security Standards (“PCI DSS”) at all times. The Department will require annual documentation demonstrating PCI DSS compliance. In addition, the Contractor must not electronically transmit to DTF any cardholder data in which the entire Primary Account Number (“PAN”) is readable.

Taxpayers can initiate Payment Card payments on a Contractor-hosted Payment Application or Contractor-hosted IVR:

* **Web Application –** After logging into their secure DTF OLS account, the taxpayer will be passed to the Contractor-hosted Payment Application through a secure exchange from DTF to the Contractor-hosted site. The Contractor-hosted Payment Application will collect payment data for both processing the payment and creating data records to update the Contractor-hosted Payment Database.
* **IVR –** Taxpayers will call a Contractor-hosted IVR to enter payment information. The Contractor-hosted IVR application will collect payment data for both processing the payment and creating data records to update the Contractor-hosted Payment Database.

**Note:** The information set out above, including annual volumes and revenues, is based on the 2020 tax programs. In the future, there may be additional tax programs that will need these services, which may result in an increase in volume.

## Implementation of Services

The Department anticipates that the Services will be phased in and fully certified for production by DTF by the end of 2023. The implementation will be done in three phases with the order mutually agreed upon after contract award:

* Phase A – PrompTax
* Phase B – Non-PrompTax Batch ACH Debit, ACH Credit, and Fedwire
* Phase C – Non-PrompTax Payment Card

Any RFP requirement applicable to all three phases must be delivered with the first phase.

Implementation must be complete through successful production of all Services within 18 months from DTF’s request to begin implementation.

***[Remainder of Page Intentionally Left Blank]***

# Qualifying Entity Requirements

Only qualified entities may submit a proposal in response to this RFP. A qualified entity is defined as one that meets **all of the following Qualifying Requirements. Entities not meeting these Qualifying Requirements should not submit a proposal.**

| **TABLE 1: QUALIFYING ENTITY REQUIREMENTS** |
| --- |
| **#** | **REQUIREMENT** | **RESPONSE** |
| **1.** | **QUALIFYING ENTITY REQUIREMENTS**  |
| **1.1.** | The Bidder must be a state or federally chartered bank authorized to do business in New York State, and must have at least one branch or office with a physical location in New York State.The bank must maintain such status and a physical location in New York State throughout the term of the Agreement. | The Bidder must affirm that it meets, and will continue to meet, this Requirement. |
| [ ]  | Yes, the Bidder affirms that it meets, and will continue to meet, this Requirement. |
| The Bidder must provide the address of the branch or office with a physical location in New York State. |
| Address: |       |  |
|  |
|  |
| **1.2.** | The Bidder must have a financial strength rating of at least “C+”, as published in the most current report of the Kroll Bond Rating Agency, as of the Proposal submission. Bidders may have a rating without subscribing to the Kroll service. | The Bidder must affirm that it meets this Requirement. |
| [ ]  | Yes, the Bidder affirms that it meets this Requirement. |
| **1.3.** | The Bidder must be a member of Nacha and compliant with all applicable Nacha Operating Rules and Guidelines throughout the term of the Agreement.  | The Bidder must affirm that it meets, and will continue to meet, this Requirement. |
| [ ]  | Yes, the Bidder affirms that it meets, and will continue to meet, this Requirement. |
| **1.4.** | The Bidder must be able to act as both an Originating Depository Financial Institution (“ODFI”) and a Receiving Depository Financial Institution (“RDFI”), and be able to both lawfully originate and receive ACH entries as required of financial institutions performing such services. The Bidder must continue to do so throughout the term of the Agreement. | The Bidder must affirm that it meets, and will continue to meet, this Requirement. |
| [ ]  | Yes, the Bidder affirms that it meets, and will continue to meet, this Requirement. |
| **1.5.** | The Bidder must have, and be able to demonstrate, its relevant operational experience by submitting two (2) reference contracts each demonstrating the following required experience.Within five (5) years immediately preceding the submission of its proposal, the Bidder must have provided at least three (3) years of continuous electronic payment services. Such services must be of comparable scope to the Services of this RFP. If a Bidder’s proposal includes a Subcontractor that will provide Services as identified in Table 2.1, Functional Requirements, the Subcontractor must have been used in at least one reference contract in the same respective service role.Bidders may submit a third reference contract that meets the experience requirement as an alternate reference in the event that one of the primary references fails to respond to DTF outreach. | The Bidder must affirm that it meets this Requirement, and supply the required reference information. |
| [ ]  | Yes, the Bidder affirms that it meets this Requirement and has supplied the required reference information. |
| The Bidder must provide reference information on **Attachment 5 (References).** **NOTE:** The Bidder is solely responsible for providing contact information of clients that are readily available to be contacted by DTF and will respond to questions. |
| **END OF TABLE 1: QUALIFYING ENTITY REQUIREMENTS** |

***[Remainder of Page Intentionally Left Blank]***

# Technical Requirements

This section of the RFP provides instructions to Bidders regarding information that is to be included in the Technical Proposal. The Department reminds Bidders that responses must be complete, factual, and as detailed as necessary to allow the Department to perform a comprehensive review and evaluation of Bidder’s proposed services, capabilities, and experience.

There are mandatory requirements stated throughout this section stipulated by the words “must,” “shall,” “will,” and “required.” Failure to provide or include the affirmation of understanding of, and agreement to comply with, each mandatory requirement will result in the Proposal being deemed non-responsive and removed from further consideration. While not mandatory, not providing information in response to service requirements labelled with the words “should,” “desired,” or “preferred” in this section may negatively impact the Technical Proposal score.

**If Subcontractors are proposed to be used, delineate who the Subcontractors are in Attachment 6 (Listing of Proposed Subcontractors), AND identify in each Response any Subcontractor to be used and include their role in providing the services for that Requirement.**

## 2.1. Functional Requirements

This section contains the specific Service(s) and response Requirements for RFP 20-100.

| **TABLE 2.1: FUNCTIONAL REQUIREMENTS** |
| --- |
| **#** | **REQUIREMENT** | **RESPONSE** |
| **1.** | **GENERAL REQUIREMENTS** |
| **1.1.** | The Contractor must provide a payment solution that allows for the processing of electronic payments received from taxpayers via the following methods:* Contractor-hosted Payment Applications (ACH Debit and Payment Card). The Contractor must allow for zero remit transactions that satisfy a statutory tax filing requirement.
* Batch file transmissions from DTF (ACH Debit).
* ACH Credit.
* Fedwire.
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met by presenting a conceptual design and narrative, including any timing limitations. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| The Bidder should describe any deposit amount limitations or other limitations for each of these payment methods. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.2.** | The Contractor must develop, extend, or expand payment methods to accommodate other DTF programs not currently identified in an acceptable and reasonable amount of time as determined by DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how the architecture, systems, and program development staff will work to meet this Requirement. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.3.** | The Contractor must maintain controls to ensure all payment transactions are processed and transmitted to DTF within agreed-upon timeframes to be determined during implementation.**Note:** Timeframes may vary by payment method. Frequency and volumes of transactions may vary on any given day, based on processing peaks.See **Exhibit C –** **Sample Peak Dates Calendar**. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.4.** | The Contractor must have the ability to collect Payment Card information and process Payment Card transactions via secured transfer from OLS to the Contractor-hosted Payment Application. The Contractor must also process Payment Card transactions received via Contractor-hosted IVR and Contractor’s CSRs. Payment Card transaction data fields will vary by program. Required data fields will be provided during implementation. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.5.** | The Contractor must have the ability to support and process the following Payment Cards:* Visa
* Master Card
* Discover
* American Express
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.6.** | The Contractor must not consider any Contractor-hosted transaction to be complete until successful submission of the transaction, including confirmation number assignment to the transaction.Transactions are considered incomplete when the user exits the application prior to submission, or if the submission is unsuccessful for any reason. Incomplete transactions are not to be assigned a transaction number. However, records of such attempts are to be maintained for analysis review.Incomplete transaction records must be retained for the term of the Agreement. However, the incomplete transactions must not be included in any data files provided to DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.7.** | The Contractor must assign the appropriate standard entry class (“SEC”) codes for all ACH Debit transactions. For ACH Debit transactions created from batch files received from DTF, DTF will provide information such as the account type and method of authorization, to be used in identifying the proper SEC code.Authorization methods will include, but not be limited to:* Web
* Telephone (CSR)
* IVR
* Paper tax returns
* MeF (third-party software providers)
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.8.** | The Contractor must have a process in place to support International ACH Transactions (“IAT”). | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe the process and any limitations for processing IATs. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.9.** | The Contractor must provide, and update as necessary, to DTF the most recent Nacha return reason codes. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.10.** | The Contractor must provide, within 30 days of becoming available, one copy annually to the Department of the most recent print version of the Nacha Operating Rules and Guidelines, and any updates or supplements thereto, and also provide DTF with ability to access Nacha Operating Rules Online. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.11.** | The Contractor must provide the Department a means by which DTF will be, and remain during the term of the Contract, compliant with all Nacha Operating Rules and Guidelines, including, but not limited to:* A means by which the DTF’s ACH Debit entries will be systematically corrected/changed in response to any Notice of Change (NOC) received by the Contractor.
* For PrompTax ACH Debits, a Nacha acceptable real time account validation for first use of bank account on WEB ACH debit transactions. The annual estimated volume of these first time use validations is 1,700.
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.12.** | The Contractor must develop and maintain up to date procedures for the Services and must make these procedures available to DTF upon request. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.13.** | The Contractor must maintain quality controls on Contractor-hosted Payment Applications to minimize the occurrence of unintended duplicate payment transactions being submitted by a taxpayer, while allowing for a taxpayer to submit multiple intended payments. Duplicate transactions occur when a taxpayer provides identical information for all payment fields defined at implementation by DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.14.** | The Contractor must have the ability to securely warehouse electronic payment transaction requests, where payments are scheduled in advance and the payment transaction is executed automatically on the date scheduled. Taxpayers must be able to schedule payments in advance to execute anywhere from one day up to one year after the transaction is submitted. Allowable warehouse periods for Contractor-hosted Payment Applications will vary by program, and DTF will prescribe the periods. The Contractor must code and apply business rules to enforce allowable transaction dates (per program type). The Contractor-hosted Payment Applications must be dynamic and not allow taxpayers to enter a scheduled transaction date for programs for which warehousing of payments is not allowed.**Note:** Warehoused payments will be submitted to the Contractor by the following methods:* Batch file based exchange.
* Payments initiated and/or submitted on Contractor-hosted Payment Applications.
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.14.A.** | The Department prefers payment transaction warehousing capabilities for longer than one year. | The Bidder should select the appropriate checkbox: |
| [ ]  | The proposed solution includes payment transaction warehousing capabilities for longer than one year. |
| [ ]  | The proposed solution **does not** include payment transaction warehousing capabilities for longer than one year. |
| **1.15.** | The Contractor’s solution must enable the taxpayer to cancel scheduled ACH Debit transactions prior to the settlement date through a web service call from DTF to the Contractor. In addition, DTF must have the ability to cancel a scheduled payment via the Contractor-hosted Administrative Site (See Table 2.1, Requirement 4.5). | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met and provide, in relation to the settlement date, the latest day and time that a scheduled payment can be canceled. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **Latest day and time that a scheduled payment can be canceled:**       |
| **1.16.** | The Contractor’s solution must parse ACH Credit addenda records and Fedwire OBI records according to business rules provided by DTF. See **Exhibit D – ACH Addenda and OBI Layouts**.Parsed data must be securely stored in the Contractor-hosted Payment Database for transmission to DTF. The Contractor must also securely store the unparsed data from the addenda records and OBI records in the database for transmission to DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.17.** | The Contractor must have the ability to identify exception ACH Credit and Fedwire transactions (e.g., those with missing or invalid addenda record or OBI record). These transactions must be included in the exception report shown in **Exhibit E – Sample Reports**.Examples of exception ACH Credit and Fedwire transactions include, but are not limited to:* No addenda record or OBI record;
* Incorrectly formatted addenda record or OBI record;
* Incorrect or invalid date values per business rules; or
* Taxpayer ID does not exist in taxpayer information file.

For the transactions identified as an exception, the Contractor must apply relevant addenda record and OBI record business rules, which may include, default taxpayer IDs and/or standard distribution. These business rules vary by individual program and record layout. Business rules will be provided during implementation.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.18.** | The Contractor must have the ability on Banking Days to accept and process ACH Credit payment transactions, ACH Credit Recall Requests received from the originating bank, Fedwire payment transactions, and Fedwire Recall Requests received from the originating bank. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.19.** | The Contractor must charge the Payment Card convenience fee separate from the DTF liability payment amount within each transaction. The fee will be paid by the Cardholder and must be displayed as a separate transaction on the Cardholder’s payment statement.The Contractor must, without disclosing the fee in the Technical Proposal, agree to charge Cardholders only a percentage-based convenience fee (with no minimum fee) for Payment Card transactions.See **Section 3.1, Cost Proposal Requirements**. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.20.** | The Contractor must store all Payment Card and account data in accordance with the most current PCI DSS and New York State and Federal laws, policy, regulations, and procedures.**Note:** The Bidder must truncate Payment Card numbers in any and all written or electronic communications with DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.21.** | The Contractor must email DTF within 15 days of becoming aware of any change (e.g., receiving notice from Nacha of rule changes) that affects the Services covered in this RFP. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.22.** | The Contractor must inform and assist DTF, as Originator, to comply with any new or revised Nacha requirements that may become necessary for Originators to comply with, in event same come into existence during the life of the Agreement. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.23.** | The Contractor must have the ability to block the origination of Payment Card transactions that contain specific Payment Card numbers provided to the Contractor by DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **1.24.** | The Contractor must accurately and completely provide all Services required in this RFP for the life of the Agreement. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.** | **CONTRACTOR-HOSTED WEB APPLICATIONS** |
| **2.1.** | **GENERAL** |
| **2.1.A.** | The Contractor must develop, host, and maintain a web based payment application that securely links from DTF’s OLS using customized web pages (see **Exhibit F – Online Services Application – Sample Screens**).The Contractor must use assets (i.e., HTML mockups, Javascript, stylesheets, and images) in the IFLOW version provided by DTF when implementing the Contractor-hosted Payment Application web pages (expected to be IFLOW2), to ensure the same look and feel as DTF web applications and compliance with New York State User Interface standards for accessibility and usability. The versions of the above will be determined at implementation and updated versions must be installed when instructed by DTF. The Contractor’s payment solution must include:* State of New York banner on the web pages;
* custom data input fields that match up to unique data collection items for the applicable DTF programs; and
* adherence to the guidelines as set forth by New York State at: <https://its.ny.gov/sites/default/files/documents/nys-p08-005_accessibility_of_information_communication_technology_1.pdf>

The Contractor must not use external assets without discussion and approval from DTF.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met, including whether or not the Bidder can provide the preference stated in the Note below.**Note:** DTF prefers updates to be done in a manner that allows for minimal effort when DTF releases new versions; drag and drop installations are preferred. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.1.B.** | The Contractor must apply DTF program- specific electronic signature (e-signature) certification language to be displayed prior to submission of all payment transactions submitted using the Contractor-hosted Payment Applications.**Note:** Each program has its own e- signature certification language which will be provided during implementation. See **Exhibit G – Sample e-Signature Certification Language.** | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.1.C.** | The Contractor must have the ability to process Payment Card payments using a pre-assigned unique Deposit Locator Number (“DLN”) included in the secured message (i.e., SAML) from DTF (see Table 2.1, Requirement 2.3.A below). The assigned DLN must remain associated to the payment throughout the process. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.1.D.** | For Contractor-hosted Payment Applications, the Contractor must code and apply program-specific business rules (e.g., the ability to warehouse payments) for each program and payment method on an individual transaction basis. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.1.E.** | The Contractor must have the ability to process ACH Debit payments assigning a unique DLN. The assigned DLN must remain associated to the payment throughout the process. The DLN will be alpha-numeric and based on DTF-provided program-specific business rules, and will be assigned to each successfully completed transaction. The Contractor must be willing and able to accommodate DTF’s existing DLN assignment format and range as provided by DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.1.F.** | The Contractor must provide taxpayer access to the Contractor-hosted Payment Application 24 hours a day, seven days a week, 365 days a year, with the exception of agreed-upon maintenance windows. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.2.** | **SAVED BANK ACCOUNT INFORMATION** |
| **2.2.A.** | The Contractor-hosted Payment Application must give taxpayers the ability to create, view, and remove saved bank account information for use in future payment transactions. The Contractor must save taxpayer bank account information using a combination of an OLS user ID and a unique DTF identification number, allowing only that OLS user visibility to the bank accounts they have saved. See **Exhibit H – Sample Save Payment Data Fields.** | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.2.B.** | When a taxpayer removes a saved bank account, the Contractor must perform a system check to look for scheduled payments for that taxpayer using the account information and must present a notification to the taxpayer that they may want to cancel any payments that are set up to use the removed bank account information. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.3.** | **SERVICE CALLS AND SECURE MESSAGES** |
| **2.3.A.** | The Contractor must be able to accept, authenticate, and parse a secured message (i.e., SAML) from DTF, for the purpose of processing ACH Debit and Payment Card transactions through the Contractor-hosted Payment Application. Such secure message will include taxpayer-specific transaction elements (e.g., taxpayer ID and taxpayer name) to present to the taxpayer and use throughout payment processing.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.3.B.** | The Contractor must initiate a web service call to DTF whenever a taxpayer submits a transaction on the Contractor-hosted Payment Application and a confirmation number is provided to the taxpayer in connection with any payment transaction including, but not limited to, initiating/cancelling a payment(s). The Contractor is required to code to the custom DTF application program interface (“API”). This service is used for real time notification to DTF in Extensible Markup Language (“XML”). | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.3.C.** | The Contractor must provide payment history for all payment types through a web service call from DTF that supports multiple key retrievals (e.g., taxpayer ID number and DLN) for taxpayer inquiry. The web service call will integrate payment history information into DTF’s Account Summary in OLS. Data required for each payment type and individual program will vary. DTF will initiate the request via API (using XML). Data elements will be provided during implementation. Payment history must include posted, scheduled, and canceled transactions. The Contractor must be capable of performing maintenance to DTF’s composite key structure when key components change (e.g., taxpayer ID consolidations, DTF’s OLS account information changes). | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.4.** | **DATA DELIVERY AND FILE TRANSMISSION** |
| **2.4.A.** | The Contractor must be able to transmit all files in XML format (except for the flat file format for ABA RTN files as specified in Table 3.2, Requirement 2.4.L).  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.4.B.** | The Contractor must supply secure electronic data file exchange over the internet, to and from DTF and/or its designee(s), using file transfer and security protocols that comply with FIPS 140.x and are acceptable to New York State. New York State has approved the use of the following secure file transfer protocols:* HTTPS (browser or compatible clients – pickup and drop off at New York State servers only, port 443)
* SFTP (SSH/FTP) using minimum 2048 bit key based authentication (port 22)

The Contractor must use FTPS (FTP Secure) for the Revenue Resiliency file transmissions described in Table 2.1, Requirement 5.5.The Contractor will be required to work with DTF to develop a schedule of file transfers so that DTF and/or DTF designees processing of files can be automated. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met, including identification as to the secure file transfer protocols that can be utilized by the solution. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.4.C.** | Prior to transmission, the Contractor must encrypt files using algorithms that comply with current FIPS 140.x guidelines. New York State also supports the use of PGP “Pretty Good Privacy,” or the open source equivalent, GPG “Gnu Privacy Guard,” with public encryption key exchange. If Contractor uses PGP or GPG, testing is required to ensure that the encryption and version of software used by the Contractor is compatible with the Department‘s software. This connection will need to meet all New York State and industry standard on security measures, including using standard TCP Ports. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.4.D.** | The Contractor must be able to accept from DTF, ACH Debit batch files containing up to 300,000 items per file.The Contractor must have the ability to accept a minimum of 500 megabytes of data per ACH Debit batch file. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.4.E.** | The Contractor must be able to accept a common payment file format for the file transmissions. See **Exhibit I –** **Sample Outgoing Batch File Layout.** ACH Debit payment files must be accepted up to at least 6:00 p.m. ET for full credit to DTF’s bank account on the next Banking Day for all transactions with a settlement date of the next Banking Day. Any files transmitted after that time must be credited no later than the following Banking Day. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| The Bidder should provide the latest time for ACH Debit file receipt allowing for next Banking Day credit.**Note:** Same day ACH Debit is not used by the Department and therefore is not relevant when calculating ACH Debit cut-off times. |
| **Latest time for ACH Debit file receipt allowing for next Banking Day credit:**        |
| **2.4.F.** | The Contractor must be able to accept and process multiple ACH Debit payment file transmissions sent for the same tax program during the same day. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.4.G.** | The Contractor must have/maintain internal quality controls to identify duplicate ACH Debit payment files and immediately suspend processing of the duplicate file. The Department must be contacted in all cases for further instruction. Contact instructions (list and method) will be provided by the Department during implementation. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.4.H.** | The Contractor must have the ability to provide to DTF a verifying ACH Debit acknowledgement file after applying business rules (to be agreed upon during implementation)  for  XML schema validation and field values.  The acknowledgement file must be received  within 60 minutes of receiving each ACH Debit payment file from DTF. The ACH Debit acknowledgement file must contain the header and trailer record from the original payment file.  The Contractor must notify DTF of any file failure(s) (e.g., missing or invalid data) within 60 minutes of receipt of file. Contact instructions (list and method) will be provided by DTF during implementation.See **Exhibit J –** **Sample Acknowledgement File Layout**. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.4.I.** | The Contractor must transmit completed and reconciled (reconciled to the day’s activity in each DTF bank account) payment transactions for all payment types on an individual program payment data transmission (see **Exhibit K – Sample Response File Layout**).**Note:** DTF requires a daily transmitted file for each tax program even if it contains zero items. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met.  |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.4.J.** | The Contractor must transmit completed and reconciled (reconciled to the day’s activity in each DTF bank account) adjustment transactions for all payment types on an individual program Data Output File (see **Exhibit L – Sample Bank Adjustment File Layout**).In addition to bank adjustments, the file must contain canceled payments.The file must include all elements from the original transaction along with associated adjustment, return, or cancel information.**Note:** DTF requires a daily transmitted file for each tax program even if it contains zero items. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.4.K.** | The Contractor must accept from DTF a file transmission of valid taxpayer IDs which the Contractor will securely store and use to validate information provided in ACH Credit addenda records and Fedwire OBI records. The frequency of file updates will be determined during implementation. See **Exhibit M – Sample Taxpayer Identification File Layout**. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.4.L.** | The Contractor must provide DTF an electronic flat file, to be used by the Department to validate ABA RTNs, at a frequency that ensures DTF always has updated information. The updated ABA RTN file must be provided in the layout specified by DTF.The Contractor must provide an updated file to the Department, at a minimum, weekly.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.4.L.1** | The Department prefers that the file described in Table 2.1, Requirement 2.4.L. is provided daily.  | The Bidder should select the appropriate checkbox: |
| [ ]  | The file described in this Requirement **will** be provided to DTF daily. |
| [ ]  | The file described in this Requirement **will not** be provided to DTF daily. |
| **2.5.** | **CUSTOMER SERVICE FOR TAXPAYERS** |
| **2.5.A.** | With DTF input, the Contractor must develop, host, and maintain an IVR application that allows the taxpayer to make Payment Card payments. This Contractor-hosted IVR must be available 24 hours a day, seven days a week, 365 days a year, except for agreed-upon maintenance windows. 100% of calls made to the Contractor-hosted IVR must be handled. See **Exhibit N – Sample Payment Card IVR**.**Note:** IVR must be able to support both English and Spanish. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.5.B.** | The Contractor must provide taxpayer access to telephone customer service for assistance with making an IVR payment.* Callers using the IVR must be able to access a CSR for the purpose of making a payment at any time during telephone service hours. If the caller opts to transfer to a CSR, the call must be answered within 120 seconds of transfer.

DTF will provide the Call Processing CSR script during implementation. The Contractor must promptly implement any changes to the Call Processing script that may be required by DTF at other times during the term of the Agreement.**Note:** Call Processing does not need to have a dedicated phone bank for these services. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met, including the hours of customer service. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.5.B.1.** | The Department prefers taxpayer customer service be available from 7:00 a.m. – 7:00 p.m. ET.  | The Bidder should select the appropriate checkbox: |
| [ ]  | Taxpayer customer service **will** be available from 7:00 a.m. – 7:00 p.m. ET. |
| [ ]  | Taxpayer customer service **will not** be available from 7:00 a.m. – 7:00 p.m. ET. |
| **2.5.C.** | The Contractor must provide telephone service to taxpayers in the manner described below: * Provide both Spanish- and English-speaking representatives
* Provide translation services for the following languages:
	+ Italian
	+ Haitian Creole
	+ Chinese (both Cantonese and Mandarin)
	+ Russian
	+ Korean
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.5.D.** | The Contractor must monitor CSR transactions and provide the Department with reporting in order to:* evaluate customer service performance;
* ensure accuracy of information given; and
* ensure compliance with the Requirements for these Services.
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.6.** | **CUSTOMER SERVICE FOR DTF STAFF** |
| **2.6.A.** | The Contractor must designate a contact team to provide:* clarification and resolution of electronic payment issues;
* support for any technical issues that are opened through the help desk described in Table 2.1, Requirement 2.6.B; and
* support to DTF in resolving any other issues arising in connection with the Services provided under the Agreement.

Minimally, a member of this team must be available on Business Days from 8:00 a.m. to 5:00 p.m. ET.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.6.A.1.** | The Department prefers that a member of the team described in Table 2.1, Requirement 2.6.A, be available at other times as needed by DTF.  | The Bidder should provide the timeframes that a member of the team described in this Requirement will be available to DTF, not including the required availability on Business Days from 8:00 a.m. to 5:00 p.m. ET. |
| *The space will expand as you type. Provide additional pages as necessary.*      |
| **2.6.B.** | The Contractor must provide a contact number for emergency help desk support to assist with technical issues. The contact must be available 24 hours a day, seven days a week. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.6.C.** | The Contractor must provide support to DTF in order to assist with:* Researching items appearing on the Bank Statement(s) and Contractor-hosted Administrative Site system.
* Researching and processing support on ACH Credit or Fedwire recalls, ACH Debit returned/dishonored items, and Payment Card chargebacks/retrievals.
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met, including setting forth the maximum timeframes for acknowledgement of reported issues. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.7.** | **DEPOSITS** |
| **2.7.A.** | The Contractor must establish bank accounts for the deposit of payments to DTF. As directed by DTF, the Contractor will establish separate accounts, which may be subject to the jurisdiction of DTF and/or OSC, for different tax programs. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.7.B.** | The Contractor must be able to accept multiple types of deposits which will include ACH Credits, ACH Debits, Fedwires, Payment Cards, and when necessary, physical paper checks (see note).**Note:** On occasion, a paper check is received by DTF for one of the tax programs, commonly to replace a returned electronic payment. The Contractor must be able to receive and deposit paper checks in the specified bank account. No data will need to be processed for these check deposits. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.7.C.** | The Contractor must agree to give full available credit for deposit amounts from ACH Debit, ACH Credit, Payment Card transactions, and Fedwires, without any payment holds. For all ACH Debit and Payment Card transactions received prior to 6:00 p.m. ET the day before the taxpayer-selected settlement date, deposit amounts must be credited to DTF’s bank account on the taxpayer-selected settlement date indicated on each transaction. If received on or after 6:00 p.m. ET, deposit amounts must be credited to DTF’s bank account on the next Banking Day. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.7.D.** | The Contractor must have the ability to reverse transactions by debiting the appropriate New York State accounts, if necessary, and react pursuant to DTF guidance within a prescribed timeframe.Timeframes will be determined by DTF during implementation.**ACH Debit**The Contractor must agree to work with DTF to reverse erroneous ACH Debit transactions under conditions to be specified by DTF.**Payment Card**The Contractor must have the ability to process full or partial amount Chargebacks. Chargeback Reversals for full or partial amounts must also be processed.**Note:** AChargeback will result in an adjustment record while a Chargeback Reversal will result in a new payment record. In either case, these records must be transmitted to DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **3.** | **ACCOUNTING AND REPORTING** |
| **3.1.** | The Contractor must provide the State with an online banking portal to be administered by approximately 10 State Administrators who will assign access to at least 30 regular concurrent users to access standard bank account information. The online banking portal must include, but not be limited to: Bank Statements, deposits, transfers, and bank adjustments. Access to the previous day’s transactions must be available to the Department no later than 7:00 a.m. ET on the next Banking Day. Information must be available on the online banking portal for a minimum of 90 days from the date of settlement.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should provide a schedule to access the online banking portal for daily Bank Statements for the previous day’s deposits and other functionalities. |
| *The space will expand as you type. Provide additional pages as necessary.*      |
| **3.1.A.** | The Department prefers that the Contractor’s online banking portal has the ability to provide intraday online balance reporting for ACH Debit, ACH Credit, Fedwire, and Payment Card deposits. | The Bidder should select the appropriate checkbox: |
| [ ]  | The online banking portal has the ability to provide intraday online balance reporting for ACH Debit, ACH Credit, Fedwire, and Payment Card deposits. |
| [ ]  | The online banking portal **does not** have the ability to provide intraday online balance reporting for ACH Debit, ACH Credit, Fedwire, and Payment Card deposits. |
| **3.2.** | The Contractor must provide ad-hoc reporting or reporting assistance to DTF on an as-needed basis. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **3.3.** | The Contractor must provide the ability for DTF staff to generate customized ad-hoc and standard reports as determined by DTF, through the Contractor-hosted Administrative Site described in Table 2.1, Requirement 4.1. DTF must have the ability to run these reports for a single date as well for a date range up to at least 365 days and also for any number of days between 1 and 365, of its choosing. Ad-hoc reports will consist of data elements that are defined by DTF staff at run time. Standard reports will utilize similar templates with predetermined data elements and layouts. See **Exhibit E – Sample Reports**.Standard reports must be available to be accessed by DTF by 7:00 a.m. ET on the next Business Day after transaction processing.The Contractor-hosted Administrative Site must provide the ability for DTF to request report(s) on any data element provided to the Contractor, whether provided through file transmission, web service call, data submitted by taxpayers through the Contractor-hosted Payment Application, or data submitted by DTF staff through the Contractor-hosted Administrative Site. It is expected that these data elements will be stored in the Contractor-hosted Payment Database. **Note:** DTF estimates that in total, approximately 2,000 reports will be run on a monthly basis. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how it will meet this Requirement. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **3.4.** | Following an initial return of an ACH Debit payment, the Contractor must re-present a transaction which has been returned based on particular reason codes to be determined by DTF during implementation. For these transactions, the Contractor should not notify DTF after the initial return and no entries for those returned transactions should appear on the Bank Statement. If a subsequent return is received after a second attempt to present the transaction, the Contractor must not attempt to re-present the transaction again and the Contractor must then report the subsequent returned transaction to DTF.For transactions returned for return reasons other than those which DTF selects for representment, the Contractor must inform DTF of the returned item upon initial receipt of the returned transaction. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met, including the timeframe for re-presentment. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **3.4.A.** | The Department prefers that the re-presentment described in Table 2.1, Requirement 3.4, does not occur on the same Business Day as the first presentment. | The Bidder should select the appropriate checkbox: |
| [ ]  | The re-presentment described in this Requirement **will not** occur on the same Business Day as the first presentment. |
| [ ]  | The re-presentment described in this Requirement **may** occur on the same Business Day as the first presentment. |
| **3.5.** | The Contractor must track and store all taxpayer activity in the Contractor-hosted Payment Application and Contractor-hosted IVR applications. This information must be available to DTF for statistical reporting and problem identification. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **4.** | **CONTRACTOR-HOSTED ADMINISTRATIVE SITE** |
| **4.1.** | The Contractor must provide and support a Contractor-hosted Administrative Site to be used by DTF staff that must include an electronic payments database that stores every payment transaction processed by the Contractor. Functionality available to DTF staff on the Contractor-hosted Administrative Site must be based on role groups determined by DTF. There must be three role groups as follows: Administrator (approx. 100), Inquiry (approx. 2,000), and CSR (approx. 500). Users within each group must be able to access the Contractor-hosted Administrative Site concurrently. The Contractor-hosted Administrative Site must be available 24 hours a day, seven days a week, 365 days a year, with the exception of agreed-upon maintenance windows and notification to DTF when unexpected maintenance is required. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **4.2.** | The Contractor must be able to accept, authenticate, and parse a secured message (i.e., SAML) from DTF, and use the authentication information from the secured message to log DTF employees into the Contractor-hosted Administrative Site via single sign-on.**Note:** Secured message will include the employee ID and employee role group assigned by DTF. The role group (Administrator, Inquiry, or CSR will be used to identify the functionality) the Contractor will make available to the employee. The functions available to each role group will be determined at implementation. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **4.3.** | The Contractor-hosted Administrative Site must provide DTF staff a view to all payment transactions. DTF must have the ability to search for payment transactions and sort the result set. The searchable fields are as follows: * Taxpayer ID number
* Tax type
* Bank account number
* ABA RTN
* Settlement date range
* Confirmation number
* Payment amount
* DLN
* Access Code
* Trace number (ACH Credit will use banking trace number and ACH Debit/Payment Card will use assessment ID or MeF submission ID, when applicable and provided by DTF, and Fedwire will use federal reference number)
* Payment type
* Payment status
* Authorization code (Payment Card)
* Liability period end date

**Note**: Taxpayer-specific account information, as identified by DTF, such as Social Security numbers, must be visible in full to DTF users. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **4.4.** | The Contractor must provide the ability for DTF staff to initiate funds transfers to send misdirected payments to the correct bank account, ensuring that such transactions appear on the Data Output Files transmitted to DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **4.5.** | The Contractor must provide DTF staff the ability to cancel pending payments on behalf of taxpayers. Such transactions must appear on the Data Output Files.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **4.6.** | The Contractor-hosted Administrative Site must also provide an online reporting system for DTF to use in generating ad-hoc, and standard reports as specified in Table 2.1, Requirement 3.4. The reporting system must contain data fields specified by DTF (which will be finalized during implementation). | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **4.7.** | The Contractor must store the employee ID associated to all transactions performed on the Contractor-hosted Administrative Site. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **5.** | **REVENUE RESILIENCY (RR) SERVICES** |
| **5.1.** | The Contractor must provide RR services so that payment processing and data intake can continue if/when DTF website/services are unavailable (e.g., DTF website down). The Contractor must activate the RR services to enable taxpayers to access a Contractor-hosted RR website within 30 minutes of being directed to do so by DTF. When RR services are activated, all internet traffic originally destined for the DTF website will be redirected to a Contractor-hosted RR website. The Contractor-hosted RR website will authenticate taxpayers with data provided by DTF and allow them to make ACH Debit payments for a minimum of 10 tax programs.  These payments may be either PrompTax payments (already hosted by the Contractor) or various other payments (typically hosted by DTF). There will also be “no payment” return filing extension transactions for which data must still be collected. All transactions will conform to existing payment data layouts in XML. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met.  |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **5.2.** | The Contractor must accept a file containing DTF OLS user data. This file must be used to authenticate users of the RR application and to present appropriate tax programs to authenticated users (per business rules to be provided during implementation).See **Exhibit O – Data Extract from OLS and TI for Revenue Resiliency Program Authentication**. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement.  |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **5.3.** | The Contractor must provide the ability to disable and enable any of the RR tax programs at DTF’s direction. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **5.4.** | In providing the RR services, the Contractor must use assets (i.e., HTML mockups, Javascript, stylesheets, and images) in the IFLOW version provided by DTF when implementing the Contractor-hosted RR website (expected to be IFLOW2), to ensure the same look and feel as DTF web applications and compliance with New York State User Interface standards for accessibility and usability. The versions of the above will be determined at implementation and updated versions must be installed when instructed by DTF. The Contractor’s RR solution must include: * State of New York banner on the pages;
* custom data input fields that match up to unique data collection items for the applicable DTF programs; and
* adherence to the guidelines as set forth by New York State at: <https://its.ny.gov/sites/default/files/documents/nys-p08-005_accessibility_of_information_communication_technology_1.pdf>

The Contractor must not use external assets without discussion and approval from DTF. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met, including whether or not the Bidder can provide the preference stated in the Note below.**Note:** DTF prefers updates to be done in a manner that allows for minimal effort when DTF releases new versions; drag and drop installations are preferred. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **5.5.** | For RR services, the Contractor must be able to accept and process the batch files described in Table 2.1, Requirement 2.4.D using FTPS. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **END OF TABLE 2.1: FUNCTIONAL REQUIREMENTS** |

***[Remainder of Page Intentionally Left Blank***

## 2.2. Development/Support Service Requirements

This section contains the specific Development/Support Service Requirements.

| **TABLE 2.2: DEVELOPMENT/SUPPORT SERVICE REQUIREMENTS** |
| --- |
| **#** | **REQUIREMENT** | **RESPONSE** |
| **1.** | **SERVICE LOCATION(S)** |
| **1.1.** | The Department prefers that all Services be performed at geographical Site(s) located within the Continental United States (“CONUS”). | For all Services, the Bidder should provide complete information as follows: * identify the service and/or activity (e.g., customer service, banking service, data processing service, etc.), the entity to perform the service and /or activity, and provide the specific geographic location(s) in which the service and/or activity will be performed;
* for each geographic location identified, describe the information security and data protection safeguards implemented that protect against data breaches, unauthorized access, and data misuse; and
* for each geographic location identified, describe the investigative and remedial measures that will be undertaken on behalf of DTF in the event of a data breach or suspected malfeasance involving tax secret and State data.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **1.2.** | During the term of the Agreement the Contractor must provide DTF with written notice of any proposed change(s) to the geographical Site(s) identified in its Proposal within a reasonable time prior to making any change(s) to the location(s) where the Services are performed.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement.  |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.** | **INTERNAL CONTROLS AND SECURITY FOR PHYSICAL ASSETS AND DATA** |
| **2.1.** | The Contractor must utilize generally accepted banking industry standards, best practices, and procedures to minimize the risk of loss, destruction, or theft of Department data. The Contractor must comply with the NYS Department of Financial Services (“DFS”) banking regulations on cybersecurity (<https://www.dfs.ny.gov/industry_guidance/cybersecurity>). The Contractor must restrict and monitor access to confidential DTF data.The Contractor must provide and maintain sufficient physical security measures to ensure that all appropriate and necessary precautions are taken to prevent unauthorized access to the designated processing sites and that those sites are appropriately restricted and/or monitored for the safety and confidentiality of the assets of the Department. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement.  |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should provide details addressing the Requirement, including, but not limited to: * the Bidder’s existing internal controls and security procedures;
* the security tools (e.g., locks, alarms, badges, cameras) to be used to ensure that physical security is maintained; and
* the prevention of unauthorized access to physical location(s), record keeping of such attempts, the methods used to address these attempts by the Bidder, and the method that will be used to communicate the attempts to the Department.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.2.** | The Contractor must not utilize any Department information or data for their own purposes. The data collected and maintained by the Contractor in its performance of the Services is solely for the purposes of the Department. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **3.** | **OPERATIONAL CONTROLS** |
| **3.1.** | The Contractor must utilize generally accepted industry standards and procedures to minimize the risks associated with physical and logical access, the availability of systems, security and confidentiality of information, processing integrity, and the privacy of personal information. The Contractor will ensure that in the performance of the Services under this Agreement, the Contractor, its employees, directors, officers, and Subcontractors who may receive or have access to confidential information: * take all appropriate action to protect the confidentiality and integrity of all confidential information supplied to it or developed by it during the course of its performance under the Contract;
* are required to abide by all Department confidentiality policies, and procedures; and
* are prohibited from copying, removing, communicating, or otherwise revealing any confidential information of the Department.
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. The description should include:* the approach used by the Bidder to educate and/or present their security and confidentiality provisions to its employees;
* the Bidder’s existing confidentiality procedures;
* the screening process, including background check policies, for staff to be hired by the Bidder, as well as any other persons having access to the processing area; and
* identification and designation of high risk areas (e.g., data transmission areas) and any unique internal control and security procedures used to mitigate this risk.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **3.2.** | At the Department’s request, on an annual basis, the Contractor will directly provide the Department with an independent service auditors’ report (for the Contractor’s company and any Subcontractor company) on operational controls that focus on one or more control domains including security, availability, confidentiality, processing integrity, and privacy. Such report(s) will cover the design and effectiveness of controls and may include a SOC 2 report. The Department may specify the control domain(s) to be covered in the report. The Contractor will provide such reports to the Department as a searchable document in a format agreeable by both parties. The Department will keep confidential and restrict access to such reports to only those of its employees, agents, and external auditors who have a need-to-know for the purpose of allowing DTF to fulfill its administrative, audit, legal, regulatory and due diligence obligations in connection with the Services to be provided as a result of this RFP, and to those parties to whom disclosure is required by law. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **4.** | **NETWORK SECURITY** |
| **4.1.** | The Contractor’s network security must include but not be limited to: network firewall provisioning, intrusion detection, and regular third party vulnerability assessments, which shall be available for the Department to review upon request. Contractor must report attempted or potential and actual unauthorized accesses, unauthorized disclosure, or unauthorized use of DTF data to DTF as soon as possible after the incident or event, but in no event later than twelve (12) hours from discovery of the same. All incident or event related notifications shall be sent to the DTF contact for Information Security Incident Notifications set forth in the Contract. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. The description should include:* the means to be employed by the Bidder to identify, recognize, and prevent attempts at unauthorized access to systems (i.e., code, data, and network security);
* Bidder’s recordkeeping of such attempts and accesses, including how Bidder records unauthorized attempts and accesses to systems and data, and how long these records are maintained;
* the method Bidder will use to communicate such unauthorized attempts and/or accesses to the Department; and
* if and how the Bidder ensures compliance with that meets all elements set out in NIST 800-53 R5 – Section 3.8 INCIDENT RESPONSE, IR1 – IR10. (Alternatively, Bidder should provide the Incident Response Plan.)
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **5.** | **INTERNAL CONTROLS OVER FINANCIAL REPORTING** |
| **5.1.** | The Contractor must utilize generally accepted industry standards and procedures to minimize the risk associated with the processing and reporting of financial and non-financial transactions. The Contractor will directly provide the Department, on an annual basis, with an independent auditors’ report, for the Contractor’s company and any Subcontractor’s company, on transaction processing controls and supporting information technology controls. Such report(s) will cover the design and effectiveness of controls and is commonly referred to as a SOC 1 report. The Contractor will provide such reports to the Department as a searchable document in a format agreeable by both parties. The Department will keep confidential and restrict access to such reports to only those of its employees, agents, and external auditors who have a need-to-know for the. purpose of allowing DTF to fulfill its administrative, audit, legal, regulatory and due diligence obligations in connection with the Services to be provided as a result of this RFP, and to those parties to whom disclosure is required by law. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **6.** | **TRAINING AND TRAINING TOOLS** |
| **6.1.** | The Contractor must adequately train Contractor’s staff and Department staff. Department staff must also be trained on any online tools that will be used, as well as any changes made. Training for Department staff must be completed at a facility or remotely, as acceptable to the Department.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **7.** | **PRODUCTION ENVIRONMENT** |
| **7.1.** | The Contractor must use generally accepted industry standards to implement and operate the production environment to ensure that the Requirements are achieved. This must include the use of procedures, periodically adjusted by the Contractor, for system operations, change control, capacity planning, performance management, problem management, backup (including off-site storage), business continuity, disaster recovery, and fail-safe operations.Transaction data must be backed up and be able to be retransmitted for up to six months from the original date of transmission.The production environment must be scalable to accommodate future systems expansion.If the production environment is shared, the Contractor must follow auditable procedures which ensure the security and confidentiality of DTF’s programs and data.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement.  |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met, including information on the production environment(s) for these services.  |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **8.** | **TEST ENVIRONMENT** |
| **8.1.** | The Contractor must maintain a User Acceptance Test (“UAT”) environment, separate from the production environment, which is configured to allow enhancements in a controlled environment. The UAT environment shall mimic the production environment and be continuously maintained. In order to conduct testing, the Contractor must provide Payment Card numbers for all accepted card types as specified in Table 2.1, Requirement 1.5.The Contractor must provide the Department access to a UAT environment that mimics end-to-end production and be compatible with the Department’s UAT environment. The Contractor must perform routine maintenance to ensure that its UAT environment is in sync with its production environment and the Department’s UAT environment (e.g., synchronization of all payer identification files and Department DLN ranges per individual programs). User testing may occur during and after business hours and on non-Business Days.The Contractor must provide the Department with an annual migration schedule for the upcoming year, with any planned code freezes, six months in advance. If any unplanned code freezes occur that are not on the schedule, the Department must be notified as soon as possible. In addition, the Contractor shall provide notification 48 hours prior to any unexpected maintenance to the extent reasonably practicable, but in no event less than one hour prior to taking the system down for unexpected emergencies.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. The description should include:* information on the system(s) environment(s) for these services;
* any standard schedule of when the Bidder’s UAT environment is migrated to update the production environment (i.e., regular dates of production migration) and freeze dates when production cannot be updated; and
* whether or not the Bidder can provide the Department a minimum of 60 days advance notice prior to a system change or upgrade that could affect the Department’s systems and/or processes, except where circumstances beyond the Contractor’s control make 60 days advance notice impossible.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **9.** | **AUTOMATED SYSTEMS DESIGN, DEVELOPMENT, MAINTENANCE AND ENHANCEMENT** |
| **9.1.** | The Contractor must adhere to generally accepted information technology standards for development, documentation, maintenance and enhancement of the Services to ensure the applications are secure from vulnerabilities and defects. This includes the use of auditable (by the Contractor) procedures for quality and version control and recommended practices as described in the links below, including any updates:* The CWE/SANS Top 25 Programming Errors – <http://cwe.mitre.org/top25>; and<http://www.sans.org/top25-software-errors/>
* The Open Web Application Security Projects (“OWASP”) “Top Ten Project” – [http://www.owasp.org](http://www.owasp.org/)

The development tools and procedures must support rapid application development for the initial implementation and for addressing future changes. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. The description should include:* provision of details relating to the applications solution;
* procedures for maintaining quality and version control;
* development tools and procedures that support implementation and future changes; and
* procedures for electronic payment transactions data backup.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **9.2.** | **Support and Maintenance on Contractor’s Software & Hardware**The Contractor must provide support and maintenance for all software and hardware used to support the Services in this RFP for both the production and the Disaster Recovery locations.**Hardware support and maintenance** must include, but not be limited to:* coverage on any equipment to be utilized in order to meet the Requirements in this RFP; and
* preventative maintenance, as required by the product specifications.

**Software support and maintenance** must include, but not be limited to:* manufacturer/developer coverage on any software utilized in order to meet the Requirements for all aspects of processing covered in this RFP (e.g., application and operating systems);
* upgrades for new versions, interim releases, error corrections, updates, revisions, fixes, and new releases to software and technical patches; and
* all temporary fixes, as they are made available to all supported software customers, or reasonable attempts to make an emergency bypass to the problem.

The Contractor must maintain coverage for support and maintenance for the software and hardware utilized to provide Services in this RFP as long as the manufacturer/developer is supporting such software and hardware. In the event that the software or hardware no longer has the support of the manufacturer/developer, the Contractor must upgrade to a supported version prior to the expiration of the support and maintenance.During the term of the Agreement, the Contractor must notify DTF upon receipt of a notification of discontinuance of support for any hardware and/or software utilized to provide Services required by this RFP. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe as appropriate:* expected upgrade schedule and/or update schedule to any and all hardware and software.
* how the Bidder will notify the Department of any modifications to be made to hardware/software that are not included in the upgrade schedule.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **9.3.** | During the term of the Agreement, the Contractor must provide notification to the Department of any planned expansion of services to other clients, and any hardware and software modifications (including any initiated by Subcontractors) that may impact the Services to be provided to DTF, at least 30 days prior to the expansion or modification, or as soon as possible once known, if known on less than thirty days’ notice. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **9.4.** | The Contractor must adhere to generally accepted information technology standards for systems maintenance.With respect to the Contractor-hosted Payment Application, the Contractor-hosted Administrative Site, and the Contractor-hosted Payment Database, the Contractor must provide notification to DTF 48 hours prior to any unscheduled maintenance to the extent reasonably practicable, but in no event less than one hour prior to taking the system(s) down for unscheduled maintenance. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **10.** | **USER ACCEPTANCE TESTING (“UAT”)** |
| **10.1.** | The Contractor must develop joint testing plan(s) with DTF. Testing plans will include tests for initial implementation, future development, and for internal DTF testing needs at various times during the year. The testing plans must include any periods of time when the Contractor is unable to provide a suitable test environment and/or unable to migrate system changes to production. Such freeze periods must not disrupt implementation of the services.The Contractor must acknowledge receipt, log, and assign for resolution, all defects discovered during testing within one Business Day. The Contractor must provide an estimated timeframe for resolution within three Business Days. The Contractor must assign a testing lead for implementation and future development initiatives who is readily accessible to Department personnel.The Contractor will be required to facilitate UAT end-to-end tests, including any and all transmissions whether there are changes or not, mimicking production. Testing will include both functionality testing and stress testing. DTF staff will be involved in conducting the end-to-end testing. This end-to-end testing is separate from the Contractor’s internal testing in a development environment.The Contractor, during the end-to-end testing, will work within timeframes dictated by the Department. Timeframes such as freeze dates and check point dates will be clearly specified. The number of tests conducted during any testing will be at the sole discretion of the Department. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. The description should include:* The days and hours the Bidder’s web application in the UAT environment will be available to DTF.
* The days and hours the UAT environment will be available to send and receive test files from DTF.
* The days and hours the testing lead will be available to DTF personnel.
* The UAT processing time required for each of the payment types (ACH Credit, ACH Debit, Fedwire, and Payment Card). This should include the total processing time from payment initiation through data transmission to DTF and report production.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **11.** | **ORGANIZATIONAL STRUCTURE** |
| **11.1.** | The Contractor must demonstrate the ability to provide and maintain an organizational structure and level of staffing to adequately provide the Services required by this RFP during development and implementation and throughout the term of the Agreement. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met. The description should include: * An organizational chart providing the structure that will support the Services required by this RFP (including the overall corporate structure).
* A single project/engagement manager responsible for development and implementation of the Services:
	+ the project manager’s immediate direct reporting subordinates for systems development and user acceptance testing; and
	+ a description of the project manager’s relevant experience.
* The key executives, managers, and other key personnel, by name and title, who will be materially involved in the development, implementation and supervision of the Services; their experience in managing electronic payment processing services; and the amount of time that each will be allocated to the Services. If not dedicated 100% for the Services, identify the allocation of time for each individual that will be spent on the Services, including time allocated to the Services once Contractor achieves Certification for production of the final phase.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **11.2.** | During the term of the Agreement, the Contractor must notify DTF in writing of any planned changes to the Contractor or Subcontractor(s) organization (e.g., entity structure or ownership) that may impact any Services at least 30 days prior to the change becoming effective, or as soon as possible once the change is known or becomes disclosable in accordance with legal requirements. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **12.** | **SUPPORTING DOCUMENTATION** |
| **12.1.** | The Contractor must develop accurate and complete Detailed System Design (“DSD”) documents and procedures for Services developed specifically for this RFP. Such documentation must be updated as needed during the life of the agreement. Such documentation must be provided to the Department.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **13.** | **PERFORMANCE AUDITS AND REVIEWS** |
| **13.1.** | The Contractor must cooperate fully with the Department, or its designees, in all performance reviews. Cooperation includes, but is not limited to, provision of all necessary documents and/or data in a timely manner to efficiently conduct such reviews.In addition to reviews by the Department, the Contractor must cooperate fully with OSC, or its designee(s), or any other appropriate New York State or federal oversight entity, for all aspects of audits, reviews, etc. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **14.** | **DATA REQUESTS** |
| **14.1.** | Upon the Department’s request, the Contractor must occasionally provide data to DTF based on existing data collected and maintained by the Contractor as a result of performing the Services required by this RFP.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **15.**  | **IMPLEMENTATION AND CHANGE CONTROLS** |
| **15.1.** | During implementation of the Services required by RFP 20-100, Contractor and DTF will refer to Contractor’s Proposal in response to the Requirements and discuss and refine the proposed design approach, development and delivery of the Services in live production. In the event that proposed and preliminarily agreed to designs, concepts, methods, approaches, etc. are determined by DTF to require additions, deletions, modifications, enhancements (i.e., Changes) or otherwise need to be reworked prior to Final Certification to achieve the RFP Requirements, such Changes will be documented via the **Change Control Procedure set forth in Appendix C**, and made at no additional cost to DTF.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **15.2.** | Due to the rapid pace of change and innovation in tax, governmental, banking and financial services, it can reasonably be anticipated during the term of the Agreement, that new Services may be required and existing Services may need to be modified, enhanced, deleted or added (i.e., require Changes). Therefore, any proposal submitted must include a firm corporate commitment to work closely and cooperatively with the Department to facilitate or provide such Changes as are needed or requested by DTF. All Changes necessitated by legislative enactments, implemented to achieve efficiencies, made to improve security and fraud prevention, and to provide other innovations, will be subject to the Change Control Procedure set forth in **Appendix C (Change Control Procedure)**, including fee discussion and negotiation as soon as feasible following notification of intent to proceed with the Change. **Note:** The Contractor is encouraged to periodically suggest Changes that will benefit the Department, including Changes which improve productivity and/or mitigate suspicious or fraudulent activity.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe the process for determining Changes that will benefit the Department, including Changes which improve productivity and/or mitigate suspicious or fraudulent activity. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **15.3.** | The Contractor must work with the Department using the **Change Control Procedure (Appendix C)**, to respond rapidly, or by a fixed deadline, to functionality Changes necessitated by legislative, programmatic administrative, or Nacha-driven Changes to Requirements (often in constrained timeframes). | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met, including the capabilities and limitations with regard to the ability to respond rapidly to time-sensitive Change requests. The description should include:* the methodology to be used to analyze program Changes and the identification of the resource commitment to implement those Changes;
* the levels of flexibility (tolerance for Change) built into the processing approach; and
* the scalability of the physical location(s) and automated environment(s) to accommodate functionality Changes and/or workload expansion.
 |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **15.4.** | During the term of the Agreement, the Contractor must work in good faith with the Department and any other party engaged to assist in the design, development and/or implementation of any Changes using the Change Control Procedure (Appendix C) and timely develop and implement any approved Change. The Department may request that the Contractor provide it information concerning Changes but DTF is not obligated to proceed with any such Changes, and may decide to * develop and/or implement Changes internally at the Department; and/or
* seek out and engage a third party to perform **Changes.**
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **16.** | **BUSINESS CONTINUITY/DISASTER RECOVERY/FAIL-SAFE OPERATIONS** |
| **16.1.** | The Contractor must provide a sufficient level of disaster recovery services to ensure business continuity, with no disruptions to the Services apparent to the taxpayer. All functionality must have full redundancy. Subsequent to preliminary award, but prior to contract execution, the successful Bidder must provide the Department with a business continuity, disaster recovery, and fail-safe plan (“Disaster Recovery Plan”), or a detailed overview of the plan, that meets current industry standards. The overview should demonstrate the successful validation of recovery capabilities and that contractual commitments to DTF will be met in the event of a disruption. The overview should provide a summarization and narration of how the workflow proceeds, including all applicable rerouting Contractor would undertake at time of disruption, as well as provide DTF with additional logistical protocols and controls Contractor will implement to protect DTF information.The Disaster Recovery Plan must provide alternative arrangements for continuing to provide all Services in the event of a short-term business interruption and/or long-term loss of performance capability of the usual systems. The Contractor must provide a sufficient level of business continuity, disaster recovery, and fail-safe operations to ensure that disruptions to Services are minimized with no negative impact to the State’s revenue. All functionality must have full redundancy.The Disaster Recovery Plan must incorporate all alternate facilities, equipment, telecommunications lines, staff, and other resources required to ensure continuity of Services which may be interrupted for any length of time by a disaster or other unforeseen event. The Disaster Recovery Plan must encompass all recovery activities for the original operating site and include a flow chart of the disaster recovery mechanism. The Disaster Recovery Plan must address how the security and confidentiality requirements are maintained during the relocation of operations to an alternate site(s), at the alternate site(s), and during restoration of the original operating site(s).The Contractor must ensure that the address to which DTF transmits its data remains unchanged in the event of a disaster/disruption and that its Disaster Recovery Plan will provide the State with continuous Services in any circumstances, while minimizing impact on State operations so that any interruption will be short-lived and Contractor can resume performance as quickly as possible without disruption to the State’s operations. The Contractor’s Disaster Recovery Plan must be able to interact both with State primary production data sites and emergency backup data sites described in Table 2.1, Requirements 5.1 – 5.5 (RR services).During the initial implementation, and at least annually going forward, there will be joint State/Contractor testing of the Disaster Recovery Plan and the Contractor must verify and demonstrate to the State’s satisfaction that the Contractor’s Disaster Recovery Plan is and continues to be effective.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should provide an overview of the business continuity, disaster recovery, and fail-safe operations that can be provided to the Department. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **16.1.A.** | The Department prefers that the testing described in Table 2.2, Requirement 16.1 includes State-provided test conditions. | The Bidder should select the appropriate checkbox: |
| [ ]  | The testing described in this Requirement **will** include State-provided test conditions. |
| [ ]  | The testing described in this Requirement **will not** include State-provided test conditions. |
| **16.1.B.** | The Department prefers that the disaster recovery services described in Table 2.2, Requirement 16.1 be provided within CONUS (as is the case with all Services, as indicated in Table 2.2, Requirement 1.1). | The Bidder should describe any disaster recovery services that will be provided outside of CONUS. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **16.2.** | Upon request, the Contractor must provide to the Department any independently prepared reports addressing business continuity, disaster recovery, and fail-safe operations regarding the Contractor’s system and any Subcontractor’s system, applicable to Services provided to the Department. The Contractor will provide such reports as a searchable PDF using a secure communication channel (e.g., using IBM Aspera Sendvault or other secure electronic file transfer method, encrypted with a password to open the file, with the password provided separately). The Department will keep confidential and restrict access to such reports to only those of its employees, agents and external auditors who have a need-to-know for the purpose of allowing DTF to fulfill its administrative, audit, legal, regulatory and due diligence obligations in connection with the Services to be provided as a result of this RFP, and to those parties to whom disclosure is required by law. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **17.** | **TRANSITION PLAN** |
| **17.1.** | The Contractor will work with the Department to develop a detailed transition plan upon the Department’s request in order to provide for an orderly transition of the services to a Subsequent Service Provider. The Department will prescribe the disengagement process to be followed during the transition phase of the Agreement.This will include, but not be limited to (unless doing so would conflict with banking regulations):* paper records, including, but not limited to, work papers, photocopies, computer printouts, and transcripts, and DTF taxpayer information and OLS-related files must be returned to the Department or destroyed by shredding or disintegrating. Paper records should be shredded to 5/16 inch wide strips or smaller;
* inactivation of all New York State bank accounts on the Contractor’s system;
* continued access to the online banking portal and Contractor-hosted Administrative site until transfer of data to DTF or DTF’s designee is tested and complete;
* transfer of all Department data, including taxpayer-specific or identifying data, and transactions in progress, from the Contractor’s system to DTF, or DTF’s designee;
* removal of all Department data from the Contractor’s systems. Storage devices such as hard disk drives, thumb drives, and other magnetic media such as tapes, diskettes, and CDs/DVDs must be physically destroyed or securely overwritten to prevent unauthorized disclosure of Department and taxpayer-specific or identifying data; and
* the Contractor must comply with all record destruction policies in accordance with the Office of Information Technology Services Policy for Sanitization/Secure Disposal in NYS-S13-003 found here: <https://its.ny.gov/sites/default/files/documents/nys-s13-003_sanitization_secure_disposal_standard.pdf>

**Documentation:**The Contractor must provide to the Department a record of the media sanitization or disposal and maintain a record of the destruction for a period of one year from the date of destruction. This record is to contain:* the date and time of the sanitization or disposal;
* a description of the data;
* a description of the media;
* the method of sanitization or disposal (clear/purge/physical destruction);
* Contractor name that has contracted with the Department;
* Contractor contact name for information regarding the sanitization or disposal activity; and
* the name and title of the officer, such as the company CIO, ISO, or Privacy Officer, responsible for sanitization or disposal of media. This officer must sign and send the record via US Mail or email to the Department-designated contact.

In addition, the Contractor must provide the Department with a notarized letter, signed by an official authorized to bind the Contractor, to the Department-designated contact according to the transition plan. This letter must affirm the Contractor has complied with the terms and conditions for records destruction and sanitation requirements prescribed by the Department. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should describe how this Requirement will be met.  |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **END OF TABLE 2.2: DEVELOPMENT/SUPPORT SERVICE REQUIREMENTS** |

***[Remainder of Page Intentionally Left Blank]***

## 2.3. Implementation Requirements

This section contains the implementation specific service and response Requirements. The Contractor must follow an agreed-upon Implementation Plan which will provide the tasks required to successfully launch the Services in the production environment.

**Note**: Upon successful completion of implementation to production for any phase, the Department will provide a Certification to the Contractor that processing can commence at an agreed-upon date.

| **TABLE 2.3: IMPLEMENTATION REQUIREMENTS** |
| --- |
| **#** | **REQUIREMENT** | **RESPONSE** |
| **1.** | **IMPLEMENTATION PLAN** |
| **1.1.** | The Contractor must develop and provide an Implementation Plan acceptable to the Department. The plan will support requirements review with the Department, DSD development, system development, development testing, user acceptance testing, and production launch for these Services.In addition to the items above, the Implementation Plan should include:* all details related to standard setup requirements that the Department would be expected to participate in.
* the specific testing that will be required of the Contractor and testing that will be anticipated for the Department.
* the contact information for the Contractor’s:
* Bank Relationship Manager
* Testing Lead
* Implementation Manager
* a Project Plan that integrates each of the required elements and identifies the key milestones, dependencies, associated timeframes, responsible party, and points of Department approval. The plan’s key milestones, as applicable, should include:
* Requirements review with the Department
* Integration/development of each required system, including:
	+ - Conceptual design
		- DSD completion
		- Preliminary and final logical and physical database design
		- DTF review and approval of DSDs
		- Migration to testing environments
* Testing, including:
	+ - Component testing
		- System testing
		- User acceptance testing
		- Integrated performance testing
		- End-to-end testing, mimicking the complete process
* Migration to production
* Procedure(s) development, including:
	+ - Functional Contractor procedures
		- Internal forms
		- Security and confidentiality
		- Business continuity, disaster recovery, and fail-safe operations
* Training development and execution, including:
	+ - Training by function
		- Supervisory training
		- Staff training
* Subcontractor procurement of services (if applicable)

For each milestone identified, the responsible party (i.e., Contractor, Subcontractor, or Department) should be indicated. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should provide an outline of a preliminary Implementation Plan with details as guided by this Requirement.  |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **END OF TABLE 2.3: IMPLEMENTATION REQUIREMENTS** |

***[Remainder of Page Intentionally Left Blank]***

## 2.4. Cash Management Requirements

This section contains the specific Cash Management Requirements.

| **TABLE 2.4: CASH MANAGEMENT REQUIREMENTS** |
| --- |
| **#** | **REQUIREMENT** | **RESPONSE** |
| **1.** | **UNDERTAKING FOR BANK DEPOSITS AND ASSIGNMENT OF SECURITIES** |
| **1.1.** | The Contractor must agree and sign (subsequent to award and prior to implementation) the Undertaking for Bank Deposits and Assignment of Securities Agreement (see **Attachment 7**). | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **2.** | **WIRE, ACH AND BANK TRANSFER** |
| **2.1.** | The Contractor must wire ACH or transfer funds from any accounts associated with the Services as directed by the Department and provide an online system for the Department to initiate/release such transactions from the Department's account(s). | The Bidder must affirm understanding of, and agreement to comply with, this requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **3.** | **DEBIT BLOCK** |
| **3.1.** | The Contractor must ensure the prevention of unauthorized debits, both paper remittance and EFT, presented against a Department account. If such debit does occur, it must be reported to the Department when discovered. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **4.** | **FRAUD PROTECTION** |
| **4.1.** | The Contractor must ensure that each account has associated fraud protection service options. These options must include: * post no checks; and
* a fraud filter with debit blocks and account filters.
 | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **5.** | **FUNDS PROCESSING AND AVAILABILITY FOR CHECKS** |
| **5.1.** | The Contractor must agree that check deposits must be immediately and fully credited to the Department’s/OSC’s bank accounts and available for immediate withdrawal within one business day and must not be debited from the Department’s bank accounts while waiting for funds to be received. The Contractor must inform the Department and OSC of any changes that affect individual check end-point and availability schedules. Any changes and/or revised availability schedules must be transmitted to the Department and OSC in a timely manner. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **6.** | **OSC COLLATERAL** |
| **6.1.** | Sections 105 and 106 of the New York State Finance Law require financial institutions holding deposits of New York State monies to pledge collateral with OSC to the extent deemed appropriate by OSC. As required by such law, the Bidder must agree to pledge securities or to obtain a surety bond from companies with the highest ratings (issued by nationally recognized statistical rating organizations) to secure the State’s interest in any depository account and any “pass-through” accounts to the extent deemed appropriate by OSC. OSC shall establish and periodically review and adjust, as necessary, the amounts held as collateral. Collateral must be held at the New York State fiscal agent. OSC reserves the right to periodically verify the amount of collateral held. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **END OF** **TABLE 2.4: CASH MANAGEMENT REQUIREMENTS** |

***[Remainder of Page Intentionally Left Blank]***

## 2.5. Insurance Requirements

This section contains the Insurance Requirements.

| **TABLE 2.5: INSURANCE REQUIREMENTS** |
| --- |
| **#** | **REQUIREMENT** | **RESPONSE** |
| **1.** | The Contractor and any Subcontractor, as applicable, must procure and maintain insurance providing coverage against claims or judgements relevant to risks associated with providing the Services.Prior to commencing work under the Agreement, the Contractor must provide the Department with certificates of insurance in a form acceptable to the Department (or other documentation where the entity is self-insured) showing the respective coverages and applicable limits (including deductibles and self-insured retention amounts), for insurance coverages for risks associated with providing these Services. Information concerning coverage types, limits, and other specifics will be set forth in the Insurance section of the Agreement, as negotiated between the Parties. Updated certificates of insurance (or other documentation where self-insured) must be provided to DTF throughout the life of the Agreement.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| The Bidder should provide a summary of the Bidder’s current insurance coverages, including the limits and effective dates for each of the following:* General Commercial Liability
* Business Automobile Liability
* Commercial Umbrella and/or Excess Liability
* Privacy, Security, Cyber Liability coverage (including any coverage for failure to protect confidential information and failure of the security of the Bidder’s systems)
* Directors and Officers/Errors and Omissions (Banker’s Professional Liability)
* Financial Institution bond
* Banker’s Blanket Bond Coverage plus Computer Crime (covering Employee Dishonesty)
* Any other insurance the Bidder is required by law to have in place which covers risks attendant to providing the Services

In addition to the broad categories of coverage set out above, Bidder should state if it maintains the coverages, implements risk programs or employs the risk mitigating tools described in the following list. Where applicable, Bidder should provide coverage amounts/limits for the following:* Data/Information Breach Expenses and related crisis management expenses
* Network Security Breach and Intrusion Expenses
* Privacy and Security Liability
* Business Interruption and Extra Expenses
* Contingent Business Interruption
* Cyber Extortion
* Data Corruption
* Forensic Investigation Coverage
* Regulatory Response Expenses
* Crypto Crime Coverage –addressing the theft and damage to first-and third-party digital assets, whether in hot or cold storage, to which the traditional fidelity bond generally does not respond.
* Utilization of any cyber security rating solutions and/or cyber risk monitoring program.
* Integration of chaos engineering into a vulnerability testing program.
* Pre-defined backup schedule and a strategy with periodic restoration checks, indicating what to back up, when to back up, and on which medium to back up for purposes of effective recovery.

If the Bidder is not insured for or does not have any of the specific insurance coverage or risk related services listed above, the Bidder should specify the type of coverage, policy limits, and effective dates to be procured and maintained throughout the Agreement. If the Bidder is self-insured for any portion of its insurance coverage(s), it should provide DTF with a letter spelling out the specific coverage type(s) and limits of such self-insurance, and state whether or not the plan is administered by an insurance company that pays the claims and collects from the Bidder. The letter should be signed by the Bidder’s authorized representative with direct knowledge of, and responsibility for, the Bidder’s insurance/risk management program. The Bidder should specify whether the Department may be added as additional insureds for each of these coverages. |
| **Describe:***The space will expand as you type. Provide additional pages as necessary.*      |
| **2.** | Deposits with the Contractor must be insured by the Federal Deposit Insurance Corporation (FDIC) during the term of the Agreement, including throughout any renewal, extension, and transition period. | The Bidder must affirm understanding of, and agreement to comply with, this requirement.  |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **3.** | Upon Notification of Intent to Award, and as requested by the Department of the Contractor periodically throughout the term of the Agreement, the Contractor and any Subcontractor, as applicable, must provide the Department with their certificates of insurance showing coverages for Workers’ Compensation and Disability Benefits as described in **Section 4.2.9**. | The Bidder must affirm understanding of, and agreement to comply with, this requirement.  |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| **END OF** **TABLE 2.5: INSURANCE REQUIREMENTS** |

***[Remainder of Page Intentionally Left Blank]***

## 2.6. Financial Stability Requirements

This section contains the Financial Stability Requirements.

| **TABLE 2.6: FINANCIAL STABILITY REQUIREMENTS** |
| --- |
| **#** | **REQUIREMENT** | **RESPONSE** |
| **1.** | The Contractor, and its Subcontractor, must be a financially stable entity, such that it may initiate and perform all obligations through the duration of the Agreement. The Department will conduct an evaluation of the selected Bidder’s, financial stability. The Department reserves the right to also conduct an evaluation of the financial stability of any Subcontractor submitted on **Attachment 6**; the Contractor must facilitate obtaining financial stability information from such Subcontractor(s). The evaluation will include, but not be limited to, a review of the entity’s equity position, liquidity, profitability trends, and prospects for financial growth. The financial stability evaluation will also include a business background review of the entity’s officers and management team, its organizational structure, and the financial operating relationship between the business units and divisions. 2., The Contractor, and its Subcontractor, must continue to evidence financial stability. The on-going financial stability of these entities may be evaluated based upon criteria similar to that used in the initial financial stability evaluation process as set forth herein. If the Department elects to re-evaluate financial stability, annual financial statements prepared by an accountant in accordance with Generally Accepted Accounting Principles (“GAAP”) will be required to be submitted for review to the Department within 90 days of the end of the entities’ fiscal year. In addition, any material change in ownership of the entities, or material change in the financial condition of the entities, will require a re-evaluation of the Agreement in its entirety by the Department.  | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. |
| [ ]  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. |
| Upon the Department’s request, the Bidder must provide DTF with proof of financial stability required for the particular organizational structures, as set forth in the requirements listed in paragraphs 1, 2, 3, and 4 below. Where reviewed annual financial statements are required, they must have been prepared by a CPA in accordance with GAAP. Interim financial statements that are requested may be reviewed, compiled, or prepared by the entity.All required information must be provided for any predecessor entity within the last three years and any other subsidiary, affiliate, or related company that may be requested by the Department. The Bidder must provide the Subcontractor’s financial stability information. **Financial Data to be Provided**1. **If the entity is a subsidiary of a parent company that is publicly held,** it must provide audited annual financial statements for the parent company and subsidiary, including consolidating statements, for the last three years.

The most recent interim financial statements are also required for both the parent company and subsidiary.1. **If the entity is a subsidiary of a parent company that is privately held,** it must either

(a) comply with the requirement outlined in paragraph 1 aboveOR (b) submit reviewed annual financial statements for both the parent company and subsidiary, including consolidating statements, for the last three (3) years.The most recent interim financial statements are also required for both the parent company and subsidiary.OR(c) submit unaudited/company prepared annual financial statements for both the parent company and subsidiary for the last three (3) years, a separate Dun and Bradstreet Comprehensive Report (dated within 30 days of bid submittal) for both the parent company and subsidiary, and a statement explaining why audited/reviewed annual financial statements are not available.The most recent interim financial statements are also required for both the parent company and subsidiary. **3. If the entity is a publicly held company and is not a subsidiary of a parent company,** it must provide audited annual financial statements for the last three years.  The most recent interim financial statements are also required.**4. If the entity is a privately held company and is not a subsidiary of a parent company,** it must either (a) provide audited or reviewed annual financial statements for the last three years. The most recent interim financial statements are also required. OR(b) submit unaudited/company prepared annual financial statements for the last three years, a Dun and Bradstreet Comprehensive Report (dated within 30 days of bid submittal), and a statement explaining why audited/reviewed annual financial statements are not available.The most recent interim financial statements are also required. **In addition, the Bidder must provide the following information:** * The name and phone number of a contact at its primary bank in order for a bank reference to be obtained as part of the financial stability evaluation.
* Documentation attesting to any significant line(s) of credit that are available to the entity.

This documentation must include information identifying the source of such lines and detail the maximum credit amount(s) available to the entity, outstanding balance(s), and current amount(s) available.* A statement concerning whether or not the entityis a guarantor of the debt of any other entity.
* If the entity is a subsidiary of a parent company, the Bidder must explain, in detail, the inter-company financial relationship between the parent company and the entity. The Bidder must indicate if the parent company guarantees the debt of the entity, or if the entity guarantees the debt of the parent company.
* Organizational charts, including a listing and detailed description of:
* The entity’s primary business units and divisions;
* Key executives;
* Any and all subsidiaries; and
* Any and all minority interests, joint ventures, or other type of business affiliations.
* Brief biographies on its key officers and management.
 |
| **END OF** **TABLE 2.6: FINANCIAL STABILITY REQUIREMENTS** |

***[Remainder of Page Intentionally Left Blank]***

# Financial Requirements

## Cost Proposal Requirements

Fees are to be provided by the Bidder on **Attachment 21, Financial Response Form**. A Bidder’s failure to provide a complete pricing response may result in the Bidder’s proposal being deemed non-responsive. The Bidder must provide all pricing information requested on **Attachment 21** and **must not modify or change the Attachment.** Any pricing information or add-on costs that do not conform to the presentation allowed on **Attachment 21** cannot be evaluated, will be disregarded as extraneous, and cannot be charged to the Department after award of a Contract.The Bidder must ensure that no additional costs will be assessed directly against the bank accounts associated with this RFP. All service lines on **Attachment 21** must be inclusive of all costs associated with the Services. There must be no additions, deletions, or omissions of service lines from the response form. If the Bidder proposes a zero-value fee for any service lines, that service line should be marked as zero. If the Bidder leaves any service line(s) blank, the Department will deem it a zero-value fee for that service line.

### Bidder Fees

The fully-loaded transaction fees must include all costs related to services required in this RFP 20-100 including, but not limited to, staffing, facilities, equipment, systems maintenance, management, program support activities, training, FDIC fees, and any indirect costs. However, if any of the Changes proposed by the Department result in efficiencies, the Department reserves the right to request a reduction in the fully-loaded transaction fees through the Change Control Procedure. (See **Appendix C, Change Control Procedure**.)

The fees must include the hourly rates for Changes provided through **Appendix C, Change Control Procedure**. These fees for Changes must not include travel costs. Travel-related expenses associated with Changes shall be reimbursed in accordance with the NYS Office of State Comptroller guidelines.

| **TABLE 3.1.1: COST PROPOSAL REQUIREMENTS AND RESPONSE** |
| --- |
| **#** | **REQUIREMENT** |
| **1.** | **TRANSACTION FEES** |
| **1.1.** | **ACH Debit Payments** | This fee must include all costs related to ACH Debit payment transaction processing required in this RFP, as well as system maintenance. |
| **1.2.** | **ACH Credit Payments** | This fee must include all costs related to ACH Credit payment transaction processing required in this RFP, as well as system maintenance. |
| **1.3.** | **Payment Card Payments** | This fee must include all costs related to Payment Card payment transaction processing required in this RFP, as well as system maintenance. |
| **1.4.** | **Fedwire Payments** | This fee must include all costs related to Fedwire payment transaction processing required in this RFP, as well as system maintenance. |
| **2.** | **DEVELOPMENT FEES** |
| **2.1.** | **One-Time Development** | The Bidder’s financial proposal must include all design, development, testing, implementation, etc., costs to provide the solution to Final Certification of all Services for production. This must include costs for all preferred and desirable requirements that the Contractor is able to provide to DTF.The implementation will be done in the following three phases with the order to be mutually agreed upon after contract award:* PrompTax
* Non-PrompTax Batch ACH Debit,

 ACH Credit, and Fedwire* Non-PrompTax Payment Card

Any RFP requirement applicable to all three phases must be delivered with the first phase. Upon DTF Certification of each phase, payments will be made as follows:* First Phase 50%
* Second Phase 25%
* Final Phase 25%
 |
| **3.** | **CHANGES** |
|  | Hourly rates for Changes must not include travel costs. Travel-related expenses associated with Changes shall be reimbursed in accordance with the NYS Office of State Comptroller guidelines for travel-related expenses: <https://www.osc.state.ny.us/agencies/travel/manual.pdf>  |
| **3.1.** | **Project Management: Indicate the hourly/per person rate for project management services associated with Changes.** |
| **3.1.A.** | **Project Manager:*** Oversee projects comprised of multiple deliverables and/or phases.
* Delegate and coordinate tasks.
* Track project status, meetings, scope changes, issues.
 |
| **3.2.** | **Business Analyst: Indicate the hourly/per person rate for business analysis services associated with Changes.** |
| **3.2.A.** | **Business Analyst:*** Manage small to medium-scale business analysis work or projects with distinct deliverables to a solution.
* Perform analyses that provide a link between the technical solutions available and the business objectives of the customer.
* Assist with elicitation, translation, analysis, and organization of business requirements.
 |
| **3.3.** | **Development: Indicate the hourly/per person rate for development services associated with Changes.** |
| **3.3.A.** | **Programmer:*** Analysis, design, programming, component, and assembly testing of all application code.
* Maintenance (including production support), Changes, and development work.
* Writeapplication software, data analysis, data access, data structures, data manipulation, databases, design, programming, testing and implementation, technical and user documentation, and software conversions.
 |
| **3.4.** | **Testing: Indicate the hourly/per person rate in testing services associated with Changes.** |
| **3.4.A.** | **Tester:*** Understand the intent of applications and/or technology and ensure the software meets the customer’s expectations and quality standards.
* Create test data, test conditions, and execute testing of the application software to ensure all errors are identified and corrected before release.
* Ensure all functional requirements have been met.
* Identify defects and issues timely, suggest solutions, and assist with the resolution and reproduction of problems.
* Developand maintain user and technical documentation and project process documentation.
 |
| **4.** | **Payment Card Convenience Fee** |
| **4.1.** | Provide the percentage-based convenience fee (with no minimum fee) for Payment Card transactions to be paid by the Cardholder. Bidders’ financial scores will be evaluated where fees are imposed, with consideration given to the proposed percentage-based convenience fee. Bidders should minimize convenience fees to Cardholders.  |
| **RESPONSE – ATTACHMENT 21, FINANCIAL RESPONSE FORM** |
| The Bidder must complete and submit **Attachment 21, Financial Response Form,** which affirms the Bidder’s understanding of, and agreement to comply with, the Cost Proposal Requirements of this RFP. |
| **END OF TABLE 3.1.1: COST PROPOSAL REQUIREMENTS AND RESPONSE** |

## Cost Increases

The fees, including the Payment Card convenience fees, shall not be increased during the first three years of the Agreement term. Thereafter, the fees may be increased for each subsequent annual period of said term upon the anniversary of the Agreement with no less than 60 days’ written request to the Department. Such increase shall be limited to the lesser of the Consumer Price Index for All Urban Consumers (“CPI-U”), U.S. City Average, All Items, as reported by the U.S. Department of Labor, Bureau of Labor Statistics for the preceding 12-month period or 3% over the prior year’s fees. Any increase granted shall be effective on the Agreement anniversary date and calculated using the index number published four months preceding the anniversary date of the Agreement. If at any time the above index is discontinued or becomes unavailable, the Department reserves the right to use a comparable index.

**NOTE:** All requested increases shall be subject to negotiation between the Department and the Contractor.

## Method of Compensation

OSC reserves the right to determine the method to be used to compensate the Contractor for Services. This determination will be made on an account-by-account basis.

The method may include Direct Fee, Compensating Balances, or a combination of both. The method of compensation shall be that which is expected to provide the lowest cost of Services to the State, as determined by OSC. OSC reserves the right to change the compensation method. OSC will not change the method of compensation at a frequency greater than once annually, except in extraordinary circumstances, as determined by OSC. OSC shall provide the Contractor with advance notice of such a change. If an alternate payment method is deemed necessary by OSC, payment procedures shall be established by authorized representatives of the Contractor and OSC in accordance with the Cost Proposal, depending on the method of compensation.

Depending upon the method of compensation chosen by OSC, the following procedures will be used to determine the payment for Services:

### Payment by Direct Fee

If OSC elects to pay by Direct Fee, it may choose to offset the fee payment with Earnings Credits (as hereinafter defined) or request Earnings Credits reimbursement from the Contractor. If, for any month, the Earnings Credits exceed the monthly bank charges, the Contractor shall carry forward the excess to the following month or, at the election of OSC, such excess may be applied against the cost of Services for any other Compensating Balance relationship the Contractor has with OSC. Earnings Credits are to be calculated using the following formula:

Earnings Credits = (average available account balance) x (ECR) x Time

Where:

ECR = Earnings Credit Rate, the determination of which is described below

Time = number of days in period/365

The Earnings Credit Rate is the monthly average investment rate on the thirteen week Treasury Bill, as determined at the weekly auction and published on the US Treasury website, or the Contractor’s standard rate, whichever is greater. The Earnings Credit Rate shall be determined by OSC and confirmed with the Contractor monthly. OSC will not use any other method of calculation for the ECR.

Payment for Services by Direct Fee must be billed by the Contractor to OSC and will be paid in accordance with the voucher and audit procedures set forth in the Agreement. When payment is by Direct Fee, the Contractor must provide a monthly bank account analysis electronically (currently an 822 file) to OSC along with the invoice to OSC as applicable. This analysis must include the monthly volume and total costs associated with the Accounts.

### Payment by Compensating Balances

If OSC elects to pay by Compensating Balances, an account specific to this use may need to be established. The value of the Compensating Balances shall be calculated using the same formula as shown above under “Payment by Direct Fees” provided, however, that the Earnings Credit Rate shall be determined based on an OSC computation which factors a three-year average spread between OSC’s Short Term Investment Pool rate and the monthly average investment rate on the three-month Treasury Bill as determined at the weekly auction and published on the US Treasury website or the Bank’s standard rate, whichever is greater. The Earnings Credit Rate shall be determined by OSC and confirmed with the Contractor monthly. If payment is made via Compensating Balances, the Contractor must provide a monthly bank account analysis electronically (currently an 822 file) to OSC. This analysis must include the monthly volume and total costs associated with the Accounts. All excess Earnings Credits on a monthly basis must be carried forward to offset future payments throughout the term of the Agreement.

***[Remainder of Page Intentionally Left Blank***

# Administrative Requirements

## Administrative Proposal Conditions

With the submission of a response to this RFP, the Bidder agrees to the proposal conditions outlined in this section.

### Issuing Agency

This RFP is issued by the New York State Department of Taxation and Finance, which is responsible for all criteria stated herein and for evaluation of all proposals submitted.

### Solicitation

This RFP is a solicitation to bid, not an offer of a contract.

### Liability

The State of New York is not liable for any costs incurred by a Bidder in the preparation and production of any proposal, or for any work performed prior to the execution of a formal contract.

### Proposal Ownership

All proposals and accompanying documentation become the property of the State of New York and will not be returned. The Department reserves the right to use any portions of the Bidder’s proposal not specifically noted as proprietary.

### Proposal Security

Each Bidder’s proposal will be held in strict confidence by Department staff and will not be disclosed except to the Office of the Attorney General and the Office of the State Comptroller as may be necessary to obtain approvals of those agencies for the final Agreement and except as required by law.

Public inspection of the bids is regulated by the Freedom of Information Law (Article 6 of the New York State Public Officers Law (“Public Officers Law”)). The bids are presumptively available for public inspection. If this would be unacceptable to a Bidder, the Bidder should apply to the Department for trade secret protection for those portions of the bid which the Bidder believes would qualify for such exemption.

Section 74 of the Public Officers Law contains the code of ethics which sets forth that no officer or employee of a State agency should disclose confidential information that he acquires during the course of his official duties. This code controls the confidentiality of a Bidder’s proposal unless the Department grants a petition for records access in accordance with the Freedom of Information Law.

Bidders should be advised that the confidentiality of their proposals is founded upon statute, as described above. A nondisclosure agreement, whether prescribed by the Department or the Bidder, would not alter the rights and responsibilities of either party under the Freedom of Information Law. A Bidder should not propose a nondisclosure agreement for Department employees, for that would be legally ineffective to alter any legal responsibility under the Freedom of Information Law or the code of ethics.

The provisions of the Freedom of Information Law will also govern the confidentiality of any and all products or services supplied by the successful Bidder.

### Timely Submission

All Bidders are solely responsible for timely delivery of their proposal to the location set forth herein by the stated proposal due date/time and are solely responsible for delays in receipt including, but not limited to, those due to third-party carriers.

### Proposal Effective Period

The Bidder’s proposal must be firm and binding for a period of at least 210 days following the proposal due date.

### Proposal Opening

Proposals will not be opened publicly. The Department reserves the right at any time to postpone or cancel a scheduled proposal opening.

### Bidder Proposal Clarification

Prior to award, the Department reserves the right to seek clarifications, request proposal revisions, or to request any information deemed necessary for proper evaluation of proposals from all Bidders deemed to be eligible for Contract award. Failure of a Bidder to cooperate with the Department’s effort to clarify a proposal may result in the proposal being labeled as non-responsive and be given no further consideration.

Additionally, the Department reserves the right to use information submitted by the Bidder in response to the Department’s request for clarifying information in the course of evaluation and selection under this RFP.

### Proposal Evaluation and Selection

See **Section 6, Proposal Evaluation**,regarding proposal selection and evaluation methodology. Submitted proposals may be reviewed and evaluated by any personnel or agents of the Department, other than one associated with a competing Bidder.

### Contract Negotiations and Authorized Negotiators

During contract negotiations, the Department must have direct access to Bidder personnel who have full authority to make commitments on behalf of the Bidder. The Bidder must include, as part of its proposal, any restrictions under which its primary negotiators will operate.

### Notification of Intent to Award

Upon completion of the evaluation process, the successful Bidder will be advised of selection by the Department through the issuance of a “Notification of Intent to Award” letter. Bidders who have not been selected by the Department in response to this RFP will be notified of such non-selection.

### Proposal Review and Contract Approval

Any Agreement resulting from this RFP will not be effective unless and until approved by the Office of the Attorney General and the Office of the State Comptroller.

### Debriefing Sessions

Bidders will be notified in writing and, within 15 calendar days of such notification, may request the opportunity for a debriefing session. Such sessions will be limited to discussions of evaluation results as they apply to the Bidder receiving the debriefing.

### Bid Protest Policy

The Department’s procedures for handling protests of bid awards are set forth in **Appendix B, Bid Protest Policy.**

### Reserved Rights

The Department reserves the right to:

1. Prior to the opening of proposals, amend the RFP specifications to correct errors or oversights, or to change any of the scheduled dates, or to supply additional information, as it becomes available. Modifications to this RFP shall be made by issuance of amendments and/or addenda.
2. Prior to the opening of proposals, direct Bidders to submit proposal modifications addressing subsequent RFP amendments.
3. Withdraw the RFP, in whole or in part.
4. Eliminate any mandatory, non-material specification(s) with which no prospective Bidder can comply.
5. Waive any requirement(s) that is not material.
6. Waive any immaterial deviation or defect in a proposal. A waiver of an immaterial deviation or defect shall in no way modify the RFP or excuse a Bidder from full compliance with the RFP requirements.
7. Evaluate, accept, and/or reject any and all proposals, in whole or in part, and to waive technicalities, irregularities, and omissions if, in the Department’s sole judgment, the best interests of the Department/State will be served thereby. In the event compliant bids are not received, the Department reserves the right to consider late or non-conforming bids as offers.
8. Require the Bidder to demonstrate, to the satisfaction of the Department, any information presented as a part of their proposal.
9. Require clarification at any time during the procurement process, and/or require correction of arithmetic or other apparent errors, for the purpose of assuring a full and complete understanding of a Bidder’s proposal and/or to determine a Bidder’s compliance with the requirements of the solicitation.
10. Seek revisions of proposals.
11. Correct any arithmetical errors or other apparent errors in any proposal and, in the event that the fees or costs in two or more proposals are not comparable, to make appropriate adjustments to render the fees and costs comparable.
12. Disqualify any Bidder whose conduct and/or proposal fails to conform to the requirements of the solicitation.
13. Use information obtained through site visits, management interviews and the Department’s investigation of a Bidder’s qualifications, experience, ability or financial standing, and any material or information submitted by the Bidder in response to the Department’s request for clarifying information in the course of evaluation and selection under this RFP.
14. Prior to the proposal opening, determine a tie breaking mechanism for award of the Contract to serve the best interests of the Department/State.
15. Negotiate with the successful Bidder within the scope of the RFP to serve the best interests of the Department/State.
16. Proceed to the next highest ranked Bidder in the event that a Bidder who had achieved best value prior to contract award cannot satisfy the requirements as stated in this RFP.
17. If an Agreement is terminated within 12 months of making award, proceed with the approval of the New York State Attorney General and the Office of the State Comptroller, to award a contract to the next highest ranked Bidder.
18. Utilize any and all ideas submitted in the proposals received.
19. Make an award under the RFP, in whole or in part.
20. Rescind a contract award and begin negotiations with the next highest ranked Bidder if a signed contract substantially in accordance with **Exhibit T, Preliminary Base Contract** is not executed within 30 days of Notification of Intent to Award.

## Administrative Contract Conditions

With the submission of a response to this RFP, the Bidder agrees to all contract conditions outlined in this section except that Bidders may propose changes as allowable **in Section 4.2.19, Bidder-Proposed Change(s) to Preliminary Base Contract Terms**.

### Appendix A

**Appendix A, Standard Clauses for NYS Contracts** will be incorporated, in its entirety, into any Agreement resulting from this RFP.

### Payments

All payments will be made in accordance with Article XI-A of the New York State Finance Law.

### Public Announcements

Public announcements or news releases relating to this RFP or the resulting Agreement shall not be made by any Bidder or its agent without the prior approval of the Department. All requests for public announcements should be directed to one of the designated contacts specified herein. Such request for approval shall not be considered until an approved Agreement is in place.

### New York State Vendor File

Prior to being awarded a contract pursuant to this Solicitation, the Bidder and any designated authorized resellers who accept payment directly from the State, must be registered in the New York State Vendor File (Vendor File) administered by the Office of the State Comptroller (OSC). This is a central registry for all vendors who do business with New York State Agencies and the registration must be initiated by a State Agency. Following the initial registration, unique New York State ten-digit vendor identification numbers will be assigned to your company and to each of your authorized resellers (if any) for usage on all future transactions with New York State. Additionally, the Vendor File enables vendors to use the Vendor Self-Service application to manage all vendor information in one central location for all transactions related to the State of New York.

If the Bidder is already registered in the New York State Vendor File, list the ten-digit vendor ID number in the Cover Letter referenced in **Section 4.2.10**. Authorized resellers already registered should list the ten-digit vendor ID number along with the authorized reseller information.

If the Bidder is not currently registered in the Vendor File, complete the enclosed **Exhibit P, New York State Office of the State Comptroller Substitute Form W-9**, and submit it with your proposal. In addition, if authorized resellers are to be used, an OSC Substitute W-9 form should be completed and filed by each of the designated authorized resellers. The Procurement Services Unit will initiate the vendor registration process for the Bidder recommended for Contract Award and their authorized resellers. Once the process is initiated, registrants will receive an email from OSC that includes the unique ten-digit vendor identification number assigned to the company and instructions on how to enroll in the online Vendor Self-Service application.

### Contractor Requirements and Procedures for Participation by New York State-Certified Minority and Women-Owned Business Enterprises and Equal Employment Opportunities for Minority Group Members and Women

**New York State Law**

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”) and the employment of minority group members and women in the performance of the Department’s contracts.

**Business Participation Opportunities for MWBEs**

For purposes of this solicitation, the Department of Taxation and Finance hereby establishes an overall goal of 0% for MWBE participation, 0% for New York State-certified Minority-owned Business Enterprise (“MBE”) participation and 0% for New York State-certified Women-owned Business Enterprise (“WBE”) participation (based on the current availability of MBEs and WBEs).

### Equal Employment Opportunity Requirements

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. The respondent is required to ensure that it and any subcontractors awarded a subcontract for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work"), except where the Work is for the beneficial use of the respondent, undertake or continue programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, equal opportunity shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, and rates of pay or other forms of compensation. This requirement does not apply to: (i) work, goods, or services unrelated to the Contract; or (ii) employment outside New York State.

**Response Requirement:**

The respondent will be required to submit **Exhibit Q,** **Minority and Women-Owned Business Enterprises - Equal Employment Opportunity Policy Statement**, to the Department with its bid or proposal.

The Contractor shall submit **Attachment 20, Staffing Plan** to document the composition of the proposed workforce to be utilized in the performance of the Contract by the specified categories listed, including ethnic background, gender, and Federal occupational categories. The Contractor shall complete **Attachment 20** and submit it as part of their bid or proposal or within a reasonable time, as directed by the Department.

If awarded a Contract, the respondent shall submit **Exhibit R,** **Workforce Utilization Report,** in such form as shall be required by the Department on a quarterly basis during the term of the Contract.

Further, pursuant to Article 15 of the Executive Law (the “Human Rights Law”), all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor and sub-contractors will not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

**Please Note: Failure to comply with the foregoing requirements may result in a finding of non-responsiveness, non-responsibility and/or a breach of the Contract, leading to the withholding of funds, suspension or termination of the Contract or such other actions or enforcement proceedings as allowed by the Contract.**

### Participation Opportunities for New York State Certified Service-Disabled Veteran-Owned Business Enterprises

Article 17-B of the New York State Executive Law provides for more meaningful participation in public procurement by certified Service-Disabled Veteran-Owned Businesses (“SDVOBs”), thereby further integrating such businesses into New York State’s economy. The Department of Taxation and Finance recognizes the need to promote the employment of service-disabled veterans and to ensure that certified service-disabled veteran-owned businesses have opportunities for maximum feasible participation in the performance of the Department of Taxation and Finance contracts.

In recognition of the service and sacrifices made by service-disabled veterans and in recognition of their economic activity in doing business in New York State, Bidders/Contractors are strongly encouraged and expected to consider SDVOBs in the fulfillment of the requirements of the Contract. Such participation may be as subcontractors or suppliers, as protégés, or in other partnering or supporting roles.

For purposes of this procurement, the Department conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set specific goals for participation by SDVOBs as subcontractors, service providers, and suppliers to Contractor.  Nevertheless, the Bidder/Contractor is encouraged to make good faith efforts to promote and assist in the participation of SDVOBs on the Contract for the provision of services and materials. The directory of New York State Certified SDVOBs can be viewed at: <https://ogs.ny.gov/veterans/>.

The Bidder/Contractor is encouraged to contact the Office of General Services’ Division of Service-Disabled Veteran’s Business Development at 518-474-2015 or VeteransDevelopment@ogs.ny.gov to discuss methods of maximizing participation by SDVOBs on the Contract.

### Cooperation with Investigations

In the event that the Department determines it necessary to investigate relative to a possible or actual 1) crime or 2) breach of confidentiality or security, in connection with the performance of this Agreement, Contractor and its Subcontractor(s), as applicable, shall cooperate fully with the Department and any other state or federal oversight authorities. Upon written request of the State, the Contractor and its Subcontractor(s), as applicable, shall make their respective employees and all relevant records deemed necessary by the State, including personnel records and employee photographs, available to the State for inspection and review. At the State’s sole discretion, Contractor and Subcontractor representatives may be excluded from any interview where the State determines that such attendance may present a potential or actual conflict of interest or impede an interview. The State must be permitted by the Contractor or Subcontractor, as applicable, to conduct interviews and document reviews during normal business hours.

### Workers’ Compensation and Disability Benefits Certifications

Sections 57 and 220 of the New York State Workers’ Compensation Law (WCL) provide that the State shall not enter into any contract unless proof of workers’ compensation and disability benefits insurance coverage is produced. Prior to entering into a contract with the State, successful Bidder will be required to verify for the State, on forms authorized by the New York State Workers’ Compensation Board, the fact that they are properly insured or are otherwise in compliance with the insurance provisions of the WCL. The forms to be used to show compliance with the WCL are listed below. Any questions relating to either workers’ compensation or disability benefits coverage should be directed to the New York State Workers’ Compensation Board, Bureau of Compliance at (518) 486-6307. Failure to provide verification of either of these types of insurance coverage by the time a contract is ready to be executed will be grounds for disqualification of an otherwise successful proposal.

The successful Bidder must submit the following documentation within 48 hours of notification of selection for award:

1. **Proof of Workers’ Compensation Coverage**

Upon notification of award, the successful Bidder will be requested to submit ONE of the following forms as Workers’ Compensation documentation:

* + - 1. Form C-105.2 – *Certificate of NYS Workers’ Compensation Insurance* issued by private insurance carrier (or Form U-26.3 issued by the State Insurance Fund); or
			2. Form SI-12 – *Affidavit Certifying That Compensation Has Been Secured* (or Form SIG-105.2 – *Certificate of Participation in Workers’ Compensation Group Board-approved self-insurance*); or
			3. Form CE-200 – *Certificate of Attestation of Exemption from NYS Workers’ Compensation and/or Disability Benefits Coverage*.
1. **Proof of Disability Benefits Coverage**

Upon notification of award, the successful Bidder will be requested to submit ONE of the following forms as Disability documentation:

1. Form DB-120.1 – *Certificate of Insurance Coverage under the NYS Disability and Paid Family Leave Benefits Law*; or
2. Form DB-155 – *Compliance With Disability Benefits Law*; or
3. Form CE-200 – *Certificate of Attestation of Exemption from New York State Workers’ Compensation and/or Disability Benefits Coverage*.

Further information is available at the NYS Workers’ Compensation Board’s website, which can be accessed through this link: <http://www.wcb.ny.gov>.

Please note that although these forms are not required as part of the proposal submissions, the State encourages Bidders to include them with their proposal submissions to expedite contract execution if the Bidder is awarded the contract.

**Note: An ACORD form is not acceptable proof of New York State workers’ compensation or disability benefits insurance coverage.**

### Cover Letter

A cover letter transmitting the proposal **must be signed by an official authorized to bind the Bidder to its provisions**.The cover letter **must include** an affirmation that the proposal is binding for the required period indicated in **Section 4.1.7**. It should also include the following:

* The complete name and address of the bidding entity;
* The Federal or Taxpayer Identification Number of the entity; and
* The ten-digit Vendor File ID number (if available)

### Vendor Responsibility Questionnaire

Article XI §163(4)(d) of the State Finance Law states that “service contracts shall be awarded on the basis of best value to a responsive and responsible offerer.”

Upon identification of the Bidder with the highest score, the Bidder’s Vendor Responsibility will be analyzed to ensure that the Bidder is responsible.

In the event that a Bidder is found to be not responsible, the Bidder may be disqualified.

**Response Requirement:**

Bidders must complete a Vendor Responsibility Questionnaire. Bidders are invited to file the required Vendor Responsibility Questionnaire online via the OSC New York State VendRep system or may choose to complete and submit a paper questionnaire. To enroll and use the New York State VendRep system, see the VendRep system instructions available at: [www.osc.state.ny.us/vendrep](http://www.osc.state.ny.us/vendrep) or go directly to the VendRep system online at: [https://onlineservices.osc.state.ny.us](https://onlineservices.osc.state.ny.us/). For direct VendRep System user assistance, the OSC Help Desk may be reached at (866) 370-4672 or (518) 408-4672 or by email at itservicedesk@osc.ny.gov. Bidders opting to file a paper questionnaire can obtain the appropriate questionnaire from the VendRep website at [www.osc.state.ny.us/vendrep](http://www.osc.state.ny.us/vendrep) or may contact one of the Department’s designated contacts.

Bidders must complete **Attachment 8, Vendor Responsibility Response Form**. If a Vendor Responsibility Questionnaire has been filed online and has not been certified within the last six months, the Bidder must either update/recertify the online questionnaire or submit a new paper Vendor Responsibility Questionnaire.

Bidders filing paper questionnaires must submit a copy of the completed questionnaire with its proposal.

Upon notification of award, the successful Bidder may be required to update/recertify the online questionnaire.

### Designation of Prime Contact

This designation will last for the entire evaluation process and contract negotiations, and the Bidder must certify that this individual is authorized to respond on the behalf of the Bidder. Any change in this designation must be submitted in writing to the Department, which must also include a revised form.

**Response Requirement**

Each Bidder must complete and submit the **Attachment 9, Designation of Prime Contact.**

### Non-Collusive Bidding Practices Certification

A bid shall not be considered for award nor shall any award be made where the conditions of the Non-Collusive Bidding Certification have not been complied with; provided, however, that if in any case the Bidder cannot make the foregoing certification, the Bidder shall so state and shall furnish with the bid a signed statement which sets forth in detail the reasons therefore. Where the above conditions have not been complied with, the bid shall not be considered for award nor shall any award be made unless the head of the purchasing unit of the State, public department or agency to which the bid is made, or his/her designee, determines that such disclosure was not made for the purpose of restricting competition (Section 139-d of the State Finance Law).

**Response Requirement**

The Bidder is responsible for reading, signing and submitting the **Attachment 10, Non-Collusive Bidding Certification.**

### Procurement Lobbying

Pursuant to State Finance Law §§ 139-j and 139-k, this solicitation includes and imposes certain restrictions on communications between the Department and an Offerer/Bidder during the procurement process. An Offerer/Bidder is restricted from making contacts from the earliest notice of intent to solicit offers/bids through final award and approval of the Procurement Contract by the Department and, if applicable, the Office of the State Comptroller (“restricted period”) to other than designated staff unless it is a contract that is included among certain statutory exceptions set forth in State Finance Law § 139-j(3)(a). Designated staff, as of the date hereof, are identified in the Preface section of the Request for Proposals. DTF employees are also required to obtain certain information when contacted during the restricted period and make a determination of the responsibility of the Offerer/Bidder pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for Contract award and in the event of two findings within a four-year period; the Offerer/Bidder is debarred from obtaining governmental Procurement Contracts. Information related to the Procurement Lobbying Law and the Department’s guidelines can be found on the Department’s Procurement website at: <http://www.tax.ny.gov/about/procure>.

Contacting individuals other than the designated contacts listed in the Preface section of this document during the restricted period may result in disqualification of the Bidder’s proposal – please refer to the Procurement Lobbying Law and the Department’s guidelines posted on the Department’s procurement website at: <http://www.tax.ny.gov/about/procure>.

1. **Offerer Disclosure of Prior Non-Responsibility Determinations**

New York State Finance Law § 139-k(2) obligates a Governmental Entity to obtain specific information regarding prior non-responsibility determinations with respect to State Finance Law § 139-j. This information must be collected in addition to the information that is separately obtained pursuant to State Finance Law § 163(9). In accordance with State Finance Law § 139-k, an Offerer must be asked to disclose whether there has been a finding of non-responsibility made within the previous four (4) years by any Governmental Entity due to: (1) a violation of State Finance Law § 139-j or (2) the intentional provision of false or incomplete information to a Governmental Entity. The terms “Offerer” and “Governmental Entity” are defined in State Finance Law § 139-k(1). State Finance Law § 139-j sets forth detailed requirements about the restrictions on Contacts during the procurement process. A violation of State Finance Law § 139-j includes, but is not limited to, an impermissible Contact during the restricted period (for example, contacting a person or entity other than the designated contact person, when such contact does not fall within one of the exemptions).

As part of its responsibility determination, State Finance Law § 139-k(3) mandates consideration of whether an Offerer fails to timely disclose accurate or complete information regarding the above non-responsibility determination. In accordance with law, no Procurement Contract shall be awarded to any Offerer that fails to timely disclose accurate or complete information under this Section, unless a finding is made that the award of the Procurement Contract to the Offerer is necessary to protect public property or public health or safety, and that the Offerer is the only source capable of supplying the required Article of Procurement within the necessary timeframe. See State Finance Law §§ 139-j(10)(b) and 139-k(3).

A Governmental Entity must include a disclosure request regarding prior non-responsibility determinations in accordance with State Finance Law § 139-k in its solicitation of proposals or bid documents or specifications or Contract documents, as applicable, for Procurement Contracts. The attached form is to be completed and submitted by the individual or entity seeking to enter into a Procurement Contract. It will be submitted to the Governmental Entity conducting the Governmental Procurement.

**Response Requirement**

Each Bidder must complete and submit **Attachment 11, Offerer Disclosure of Prior Non-Responsibility Determinations.**

1. **Offerer’s Certification of Compliance with State Finance Law 139-k(5)**

New York State Finance Law § 139-k(5) requires that every Procurement Contract Award subject to the provisions of State Finance Law § 139-k or § 139-j shall contain a certification by the Offerer that all information provided to the procuring Governmental Entity with respect to State Finance Law § 139-k is complete, true and accurate.

The Department reserves the right to terminate any Contract award as a result of this RFP in the event it is found that the certification filed by the Offerer/Bidder in accordance with New York State Finance Law § 139-k was intentionally false or intentionally incomplete.

**Response Requirement**

Each Bidder must complete and submit **Attachment 12, Offerer’s Certification of Compliance with State Finance Law 139-k(5).**

### Tax Secrecy; Unauthorized Disclosure; DTF-202 Form

The Contractor, and any Subcontractor(s), and employees of both must adhere to the secrecy provisions of the Tax Law and the Internal Revenue Code and not engage in any unauthorized accesses or disclosures of confidential tax information as described in **Attachment 13, DTF-202 New York State Department of Taxation and Finance Tax Information Access and Non-Disclosure Agreement (6/19)**. The Bidder must have a representative authorized to bind the organization complete and submit the form with its Proposal. Contractor agrees to require any Subcontractor(s) to also execute and submit this form to DTF upon request.

**Response Requirement**

Each Bidder must complete and submit **Attachment 13,** **DTF-202 New York State Department of Taxation and Finance Tax Information Access and Non-Disclosure Agreement (6/19)**.

#### Tax Secrecy; Employee Training; Records of Training Completion

All employees of Contractor and Subcontractor(s) who, in the course of providing Services to DTF in connection with Contract C400731, may view or access confidential tax information protected by the secrecy provisions of the Tax Law and the Internal Revenue Code, shall on an annual basis complete the Department’s Annual Access and Disclosure Training accessible via DTF’s website at <https://www.tax.ny.gov/about/procure>.

Contractor and Subcontractor(s) shall maintain records of their respective employees’ completion of such annual training.

Upon DTF's request, the Contractor will periodically provide DTF with a list of Contractor and Subcontractor employees that have, according to the Contractor's and Subcontractor's records, completed the annual DTF Training. The list to be provided by Contractor will include each employee's full name, identify his/her employer, provide his/her job description or title, and set forth the date(s) of the employee's completion of the DTF training.

### Ethics Compliance

All Bidders/contractors and their employees must comply with Public Officers Law §§ 73 and 74 to the extent applicable, Chapter 1 of the Laws of 2005, the Procurement Lobbying Reform Act, and other State statutes, rules, regulations, and executive orders establishing ethical standards for the conduct of business with New York State. In signing the bid, the Bidder certifies full compliance with those provisions for any present or future dealings, transactions, sales, contracts, services, offers, relationships, etc., involving New York State and/or its employees. Failure to comply with those provisions may result in disqualification from the bidding process, termination of contracts, and/or other civil or criminal proceedings as required by law.

**Response Requirement**

Each Bidder must complete and submit **Attachment 14, Public Officers Law Form** and **Attachment 15 Public Officers Law – Post Employment Restrictions** which addresses business or professional activities by current or past state officers and employees and party officers. These forms shall be made part of the resultant Agreement.

### Sales and Compensating Use Tax Documentation

Pursuant to Tax Law § 5-a, the Contractor will be required to complete and sign, under penalty of perjury, **Exhibit S, Contractor Sales Tax Certification Forms.**

**Exhibit S** provides the Contractor Certification Forms and Instructions for completing the forms. Form ST-220-TD must be filed with and returned directly to the Department address provided on the form. Unless the information upon which the ST-220-TD is based changes, this form only needs to be filed once with the Department. If the information changes for the Contractor, its affiliate(s), or its Subcontractor(s), a new form ST-220-TD must be filed with the Department. Completion of the form at the time of proposal submission is not required; however, Form ST-220-TD must be filed and returned to the Department upon notification of Contract award.

Form ST-220-CA must be provided to the Department’s Office of Budget and Management Analysis **upon notification of contract award** certifying that the Contractor filed ST-220-TD. The successful Bidder should complete and return the certification form within two business days of request.

Failure to make either of these filings may render a Bidder non-responsive and non-responsible. Bidders shall take the necessary steps to provide properly certified forms within a timely manner to ensure compliance with the law.

Vendors may call the Department at (518) 485-2889 for any and all questions relating to Tax Law § 5-a and relating to a Contractor’s registration status with the Department. For additional information and frequently asked questions, please refer to the Department’s website: <http://www.tax.ny.gov>.

### Prime Contractors/Subcontractors

The successful Bidder shall act as Prime Contractor under the Agreement, and shall be held solely responsible for performance by the Bidder, its partners, officers, employees, subcontractors, and agents. The Bidder shall be responsible for payment of all Subcontractors and suppliers, including all third-party service providers contracted by or through the Bidder in performance of the Agreement.

Where Services are supplied by or through the Contractor under the Agreement, it is mandatory for the Contractor to assume full integration responsibility for delivery, installation, maintenance, performance, and support services for such items, as applicable. The Contractor shall also be responsible for payment of any license fees, rents, or other monies due third parties for services or materials provided under this Agreement.

Proposed Subcontractors must be identified at the time of proposal submission and are subject to the approval of DTF (see **Article XXVI, Contractor and Subcontractors** of **Exhibit T, Preliminary Base Contract**, for additional information).

**Response Requirement**

The Department requires a list of Subcontractors who will be utilized for the performance of Services under any resultant Agreement as well as a description of the Services to be subcontracted. This information must be provided on the **Attachment 6, Listing of Proposed Subcontractors.**

### Bidder-Proposed Change(s) to Preliminary Base Contract Terms

Proposals must conform to the terms and conditions set forth in this RFP and the **Preliminary Base Contract, Exhibit T.** Any Bidder-Proposed Change(s) to terms and conditions set forth in **Exhibit T,** **Preliminary Base Contract,** must be provided to the Department in the Bidder’s Administrative Proposal. Material deviations to the terms and conditions set forth (including additional, inconsistent, conflicting, or alternative terms) may render the proposal non-responsive and may result in rejection.

**Response Requirement**

The Bidder must attach any Bidder-Proposed Change(s) to **Exhibit T, Preliminary Base Contract.**

Only those Bidder-Proposed Change(s) that meet all the following requirements will be considered as having been submitted as part of the proposal:

* Each Bidder-Proposed Change (addition, counter-offer, deviation, or modification) must be specifically enumerated in writing; and
* The writing enumerating the Bidder-Proposed Change must identify the particular term the Bidder objects to or proposes to modify, and the reasons therefore.

The Department need not negotiate from or based on Bidder-supplied forms or agreements. Bidder-Proposed Change(s) submitted on standard, pre-printed forms (product literature, order forms, contracts), whether or not deemed “material,” which are attached or referenced with submissions which do not meet the above requirements will not be considered part of the proposal or resulting Agreement, but rather will be deemed to have been included for informational or promotional purposes only.

Acceptance and/or processing of the proposal will not constitute written acceptance of Bidder-Proposed Change(s) or a waiver of the Department’s right set forth in **Section** **4, Administrative Requirements**. Failure of the Bidder to object to any terms identified in **Exhibit T, Preliminary Base Contract**, will be deemed to constitute acceptance thereof by the Bidder.

### Request for Exemption from Disclosure

The proposals are presumptively available for public inspection. If this would be unacceptable to a Bidder, the Bidder must apply to the Department for trade secret protection of its proposal at the time of proposal submission.

In applying for trade secret protection, it is not acceptable to indiscriminately categorize the entire proposal as such. The Bidder must point out those sections of the proposal that it believes in good faith are trade secrets and explain the reasons therefore. The Bidder may wish to review with its legal counsel Restatement of Torts, Section 757, comment b, and the cases under the Federal Freedom of Information Act, 5 USC Section 522, as well as the Freedom of Information Law. The Department will review applications and grant trade secret protection, if appropriate.

**Response Requirement**

To obtain trade secret protections, the Bidder must submit with its proposal, a letter specifically identifying the page number, line, or other appropriate designation of the information that is trade secret and explain in detail why such information is a trade secret and would be exempt from disclosure.

### Encouraging use of New York State Business in Contract Performance

New York State businesses have a substantial presence in State contracts and strongly contribute to the economies of the state and nation. In recognition of their economic activity and leadership in doing business in New York State, bidders/proposers for this contract for commodities, services, or technology are strongly encouraged and expected to consider New York State businesses in the fulfillment of the requirements of the contract. Such partnering may be as Subcontractors, suppliers, protégés, or other supporting roles.

**Response Requirement**

Each Bidder must complete and submit **Attachment 16, Encouraging Use of New York State Businesses in Contract Performance.**

### Assurance of No Conflict of Interest

The Bidder offering to provide Services pursuant to this RFP as a Contractor, or Subcontractor, as applicable, attests that its performance of the Services outlined in this RFP does not and will not create a conflict of interest with nor position the Bidder to breach any other contract currently in force with the State of New York. Upon request to the Contractor, the Department may require this form to be executed and submitted by any Subcontractor working under this Agreement.

**Response Requirement**

Each Bidder must complete and submit **Attachment 17, Vendor Assurance of No Conflict of Interest or Detrimental Effect.**

### Executive Order No. 177 Certification

In accordance with Executive Order No. 177, the Bidder must certify that it does not have institutional policies or practices that fail to address the harassment and discrimination of individuals on the basis of their age, race, creed, color, national origin, sex, sexual orientation, gender identity, disability, marital status, military status, or other protected status under the Human Rights Law.

Upon request to the Contractor, the Department may require this form be executed and submitted by any Subcontractor working under this Agreement.

**Response Requirement**

The Bidder must complete and submit **Attachment 18, Certification of Non-Discrimination Practices.**

### Sexual Harassment Prevention Certification

State Finance Law §139-l requires bidders on state procurements to certify that they have a written policy addressing sexual harassment prevention in the workplace and provide annual sexual harassment training to all its employees and that such policy, at a minimum, meets the requirements of section two hundred one-g of the labor law.

Upon request to the Contractor, the Department may require this form be executed and submitted by any Subcontractor working under this Agreement.

**Response Requirement**

The Bidder must complete and submit **Attachment 19, Sexual Harassment Prevention Certification.**

***[Remainder of Page Intentionally Left Blank]***

# Proposal Submission Requirements

The Bidder must provide a response that clearly and precisely provides all required information. Emphasis should be placed on conformance with the RFP instructions, responsiveness to the RFP requirements, and clarity of the intent.

Proposals that do not comply with these instructions or do not meet the full intent of all of the requirements of this RFP may be subject to scoring reductions during the evaluation process or may be deemed non-responsive. The Department does not require, nor desire, any excessive promotional material which does not specifically address the response requirements of this RFP. To assist Bidders, the Department has provided **Attachment 3, Bidder’s Checklist**. A proposal that does not provide all the information requested may be subject to rejection.

**Faxes or electronically transmitted proposals will not be accepted.**

## Proposal Content and Organization

To facilitate in the evaluation process, the Bidder must organize the proposal into three distinct volumes as follows:

Volume One: Qualifying and Technical Requirements

Volume Two: Administrative Requirements

Volume Three: Financial Requirements

# Volume One Format

Volume One should contain a table of contents with page numbers and each section should be tabbed as follows:

1. Tab 1 – Executive Summary
2. Tab 2 – Qualifying Requirements
3. Tab 3 – Technical Requirements

# Volume Two Format

1. Tab 1 – Cover Letter (See **Section 4.2.10, Cover Letter**)
* Bidder-Proposed Change(s), if applicable (See **Section 4.2.19, Bidder-Proposed Change(s) to Preliminary Base Contract Terms**)
* Request for exemption from Disclosure, if applicable (See **Section 4.2.20, Request for Exemption from Disclosure**)
1. Tab 2 – Administrative Requirements Response Forms

# Volume Three Format

This volume must contain **Attachment 21, Financial Response Form.**

# Proposal Submission

The Bidder must submit two originals and two copies of **Volume One: Qualifying and Technical Requirements**, **Volume Two: Administrative Requirements,** and **Volume Three: Financial Requirements**. All volumes must be bound separately, be clearly identified, and should contain page numbers.

Proposals must be received by the date and time specified in the Schedule of Events.

For Administrative purposes only, it is desirable that the Bidder also provide electronic copies via physical media (CD/DVD/Flash Drive), as follows:

* One electronic copy of Volume One - Qualifying and Technical Proposal ONLY
* One electronic copy of the Qualifying and Technical, Administrative, and Financial Proposals with any proprietary information redacted. This will be used to facilitate DTF response to requests for information under the Freedom of Information Law.

The electronic copies should be encrypted and password protected. The password should be submitted via email to BFS.Contracts@tax.ny.gov.

All proposals must be enclosed in sealed containers with the following visibly inscribed on the outside of all containers:

Attn: Director, Procurement Services

New York State Department of Taxation and Finance

Office of Budget and Management Analysis

Procurement Services Unit

W. A. Harriman State Office Building Campus

Albany, NY 12227

All proposals must have a label on the outside of the package or shipping container outlining the following information:

“PROPOSAL ENCLOSED”

RFP 20-100

Electronic Payment Processing Services

[Proposal Due Date and time]

**Please note: Deliveries by delivery services (e.g. UPS, FedEx, etc.) and/or requiring a signature of receipt should be addressed to the Department’s W.A. Harriman Campus address; however, the delivery service provider must be instructed to deliver the proposal documents to the following address:**

90 Cohoes Avenue

Green Island, NY 12183

Only under circumstances identified in **Section 4.1.16.G,** will the Department consider any proposals received after the time and date specified in the Schedule of Events. In the event a package is not labeled properly as described in this section, the Department reserves the right to inspect the contents of the package(s) to determine the contents. The Bidder shall have no claim against the Department arising from such inspection and such inspection shall not affect the validity of the procurement. Notwithstanding the Department’s right to inspect the contents of the package(s), the Bidder assumes all risk of late delivery associated with the proposal not being properly identified, packaged, or labeled in accordance with the foregoing requirements.

***[Remainder of Page Intentionally Left Blank]***

# Proposal Evaluation

Pursuant to Article XI of the State Finance Law, the basis for contract award under this RFP will be “best value,” optimizing quality, cost, and efficiency among responsive and responsible Bidders.

# Proposal Clarification

The Department reserves the right to require a Bidder to provide clarification and validation of its proposal through any means the Department deems necessary. Failure of a Bidder to cooperate with the Department’s efforts to clarify or validate proposal information may result in the proposal being labeled non-responsive and given no further consideration.

# Evaluation Process Overview

There will be four phases to the evaluation process. Proposals which pass Phase One of the evaluation will be further evaluated in Phase Two, followed by Phase Three and then Phase Four.

# Phase One Evaluation

All timely submitted proposals will be evaluated in Phase One. Proposals will be evaluated in the following areas:

1. **Proposal Screening**

Each proposal will be screened for completeness and conformance with the Department requirements for proposal submission as specified in this RFP. Proposals which do not meet the requirements may be labeled as non-responsive and may not be given further consideration.

1. **Qualifying Requirements (Pass/Fail)**

All proposals that pass the Proposal Screening will be evaluated to determine if the Bidder meets the qualifying requirements specified in **Section 1, Qualifying Requirements, Attachment 4 – Bidder Attestation, and Attachment 5 – References**. If all qualifying requirements are not met, the Bidder’s proposal will be labeled non-responsive and will not be given further consideration.

All proposals that pass this stage of the evaluation process will be further evaluated in Phase Two.

# Phase Two Evaluation

Bidders who pass Phase One of the evaluation will be further evaluated as follows:

1. **Preliminary Technical Evaluation (60 points)**

Technical points will be allocated to the Bidder’s response to the technical requirements stated in **Section 2**.

1. **Financial Evaluation (30 Points)**

Financial proposals will be scored concurrently and separately from the technical evaluations and by reviewers who will have no knowledge of the content of the technical proposals.

At the completion of Phase Two, the preliminary technical score and the financial score will be combined to **determine** the Preliminary Composite Score.

# Phase Three Evaluation (10 Points)

All Bidders susceptible of award will be deemed Finalists and will be required to participate in a scored Management Presentation. The Department defines the proposals susceptible of award as those proposals with a Preliminary Composite Score within 10 points of the highest Preliminary Composite Score. Finalists will be given a minimum of one week’s notice of the date and time of the required presentation. The Department reserves the right to request a Management Presentation from any or all responsive Bidders.

The presentation will be an opportunity for the Bidder to demonstrate it has the knowledge and experience necessary to successfully provide those Services required by the Department. The Bidder will be provided an agenda containing specific topics or questions on which the Bidder must present. The presentation will not be an opportunity to cure material omissions in the firm’s proposal and is not a substitute for a well written proposal. No new material will be permitted to be introduced during the Presentation.

**Note: The Bidder’s presentation must not reference the cost component of the proposal, as this is evaluated separately.**

Once the Finalists have been determined, the Department will reach out to those Bidders to schedule the Management Presentation. The Department will record the presentation, which will become part of the procurement record. The recording will be subject to the same Freedom of Information Law requirements as other records (See **Section 4.1.5, Proposal Security**).

# Phase Four Evaluation (Pass/Fail)

The Department will conduct an evaluation of the financial stability of the entity(ies) that submitted the highest ranked bid, as outlined in **Section 2.6 Financial Stability Requirements**. In the event that the entity(ies) does not pass this evaluation, the Department will conduct a financial stability evaluation on the entity(ies) that submitted the next highest ranking bid.

# Final Ranking/Contract Award

A final score will be calculated by adding the technical score, the management presentation score, and the financial score. The Contract will be awarded to the Bidder whose proposal obtains the highest final score.

The table below summarizes the evaluation point distribution:

|  |  |
| --- | --- |
| **Evaluation Component** | **Points** |
| Technical Evaluation | 60 |
| Financial Evaluation | 30 |
| Management Presentation | 10 |
| **TOTAL** | **100** |

In the event that more than one Bidder receives the same aggregate score, the Department will use the following tie breaking mechanisms, in the order listed, to determine final ranking:

* The Bidder’s Financial Score
* The Bidder’s Functional Requirements Score