

**Request for Proposals**

**23-103**

**Check 21 Services**

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**Schedule of Events**

|  |  |
| --- | --- |
| Issuance of RFP | February 1, 2024 |
| 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)*** | February 15, 2024 |
| Department Response to Round One of Bidder Questions | March 7, 2024 |
| Deadline for Submission of Round Two of Bidder Questions | March 21, 2024 |
| Department Response to Round Two of Bidder Questions | April 4, 2024 |
| Deadline for Submission of **Attachment 2**  ***(Notification of Intent to Bid)*** | April 18, 2024 |
| Proposals Due | April 25, 2024 By 2:00 PM ET |
| Anticipated Notification of Intent to Award | July 31, 2024 |
| Anticipated Approval of Contract | January 31, 2025 |
| Anticipated Full Production | January 31, 2026 |

# 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 Brownell  Yafei Cao  Amber Alexander  Questions and inquiries related to the Request for Proposals must be submitted via email to [BFS.Contracts@tax.ny.gov](mailto: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 should 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 I)** that would prohibit a Bidder from Bidding. All objections, proposed changes, and/or additions to the terms and conditions set forth in the Preliminary Base Contract language in **Exhibit I**, must be submitted with the Proposal in the manner specified in RFP **Section 4.2.18**. 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.**

Bidders should review both **Exhibit I, *Preliminary Base Contract*** and **Exhibit J, *Banking Services Schedules*** and must be willing to enter into an Agreement substantially in accordance with the terms of both**.**

**Preliminary Base Contract.** The Preliminary Base Contract is attached hereto as **Exhibit I**. Bidders may only propose language amending **Exhibit I** that does not materially change the Requirements of the RFP. **All objections, proposed changes, and/or additions to the terms and conditions set out in Exhibit I (“Bidder-Proposed Changes”) must be specifically identified in the Bidder’s Proposal.** If there are any terms about which a Bidder wishes to request changes, or specific terms the Bidder wishes the Department to consider for inclusion in the Base Contract, the terms **must** be clearly identified and specific requests for changes must be submitted in accordance with the requirements of **Section 4.2.18, *Bidder-Proposed Change(s) to Preliminary Base Contract Terms/ Banking Services Schedules (“Bidder-Proposed Changes”)***. The Department requests that any changes proposed to its language/terms be submitted as a mark-up of **Exhibit I.** The Bidder agrees to all terms set forth in **Exhibit I** not so identified for discussion.

**Banking Services Schedules.** DTF-provided Check 21 Banking Services Schedules are attached hereto as **Exhibit J.** **Bidder-Proposed Changes to Exhibit J, if any, will only be submitted to DTF by the winning Bidder post-award.** If the winning Bidder intends to propose any changes or believes it needs to add any document(s) to these bank schedules in order to provide these services to DTF, the Bidder should submit its Bidder-Proposed Changes to **Exhibit J, *Banking Services Schedules*** within one week (7 calendar days) following DTF’s issuance of Notification of Intent to Award. **Bidders are specifically directed to refrain from submitting** **myriad overinclusive or inapplicable standard bank services schedules or master agreements to DTF.** Negotiation of Bidder-Proposed Changes to **Exhibit J,** if any,will be completed simultaneously with negotiation of the Preliminary Base Contract terms and prior to submission of the Agreement to the Attorney General for review and approval.

**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 initial term of the Agreement is for five (5) years. The Agreement requires the approvals of both the New York State Attorney General (“AG”) and the Office of the New York State Comptroller (“OSC”) and will commence and become effective, valid, and binding between the Parties only upon receipt of the approvals of both the AG and OSC. The Agreement may be renewed, upon mutual agreement of the Parties in writing with approval of OSC, and the AG (if necessary).

In addition, RFP 23-103 provides for a transition period 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 shall be at the discretion of DTF. The Contractor shall cooperate with the Department to develop a detailed Transition Plan upon notice from the Department.

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# 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.*

1. **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.*

1. **Take advantage of the question and answer periods.**

*Bidders should submit their questions by one of the methods identified by the dates listed in the* ***Schedule of Events****. Responses to questions that are timely submitted will be posted on the Department’s website at:* [*https://www.tax.ny.gov/about/procure/current-bid-opportunities.htm*](https://www.tax.ny.gov/about/procure/current-bid-opportunities.htm)

1. **Submit a *Notification of Intent to Bid* (Attachment 2) form by the date listed in the Schedule of Events.**
2. **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.*

1. **Review the RFP document and your Proposal.**

*Make sure all requirements are addressed and all copies are identical and complete.*

1. **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.*

1. **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.*

1. **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.*

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# Introduction

## Purpose

The Department is seeking a state or federally chartered bank to be its Contractor to provide electronic check processing and depository account services (“Check 21 Services” or “Services”). The Department’s in-house Returns Processing Center (“RPC”) is its major paper tax returns processing operation. The RPC processes over ten major tax types and hundreds of different tax forms annually. In all, the Department processes approximately 1.4 million returns through its RPC and deposits over $4 billion annually via the Check 21 banking services contract.

## Overview

The Department collects tax revenue and provides associated services in support of certain New York State government operations. The Department also manages the State Treasury, which provides investment and cash management services to various State agencies and public benefit corporations, and acts on the Tax Commissioner's behalf as joint custodian of the State's General Checking Account. In order to accelerate the deposit of payments made by taxpayers, the Department processes eligible Original Checks utilizing electronic check processing services, as authorized by the provisions of the Check Clearing for the 21st Century Act (“Check 21”). As currently implemented by DTF, Check 21 Services support processing of check payments and deposits into associated bank accounts for various tax types: Personal Income Tax (“PIT”), Highway Use Tax (“HUT”), Corporation Tax (“CT”), Estate Tax (“ET”), Real Estate Transfer Tax (“RETT”), the Wireless Communications Surcharge (“WCS”), and Sales Taxes (“ST”). Taxes with lower volumes of associated checks are processed together under the Tax Application category called “Check to Debit Exchange Account.” Together, these tax types have generated the approximate annual volumes as indicated in **Exhibit B, *Volumes***. These annual volumes are based on previous production processing numbers for DTF’s current tax types. Please note that volumes are provided for Bid pricing only and are not a guarantee of volumes. Volumes are expected to decrease about 5% per year as more taxpayers continue to transition to e-filing. The highest volume periods are listed in **Exhibit D, *Peak Dates Calendar***. These peak dates are based on the highest volume due dates for our highest volume tax types.

## Implementation

The Contractor will work with the Department and/or its designee to implement Check 21 Services into Production during a 12 month implementation timeframe.

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# 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, including any renewals or extensions thereof. | 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 be and remain a member of the National Automated Clearing House Association (Nacha) and provide the Services in compliance with all applicable Nacha Operating Rules and the Nacha Guidelines throughout the term of the Agreement, including any renewals or extensions thereof. | 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. | | |
|  | | | |
| **1.3** | The Bidder must have, and be able to demonstrate, its relevant operational experience by submitting references for two (2) contracts, **each** of which separately demonstrates the following required experience:   * Within the five (5) year period immediately preceding the submission of its Proposal, the Bidder must have provided at least three (3) years of continuous Check 21 electronic check processing and clearing and depository services. * Such services must demonstrate the electronic processing and clearing by the Bidder of a minimum of 250,000 Electronic Items per year in each of the qualifying years.   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 information provided will be verified by the Department.The Bidder is solely responsible for providing contact information of clients’ references that are readily available to be contacted by DTF and will respond to questions. If the Department does not receive a response from a reference it seeks to verify, the Department will provide the Bidder one opportunity, with a deadline, to assist DTF in obtaining cooperation from the reference that has not responded. If the Department is unable to confirm a qualifying experience reference, the Bid may be deemed non-responsive and removed from further consideration. | | | |
| **END OF TABLE 1** | | | | | |

# Technical Requirements

This section of the RFP provides instructions to Bidders regarding information that is to be included in the Technical Proposal. All 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 an explanation of 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 23-103.

| **TABLE 2.1: FUNCTIONAL REQUIREMENTS** | | | | | |
| --- | --- | --- | --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | | |
|  | **DEPOSIT ACCOUNTS** | | | |
| **1.1** | The Contractor must establish bank accounts in the name of the State of New York for the deposit of Remittances cleared for DTF. Separate bank accounts will be established for each Tax Application, as identified and directed 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. | |
|  | | |
| **1.2** | Each bank account must have a debit block which includes a filter to allow ACH Debit withdrawals initiated by the DTF or OSC.  **Note:** Currently, there are seven (7) separate bank accounts being utilized by the Department. It is anticipated that more accounts may be needed if and when check processing for new Tax Applications are added to the 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. | |
|  | | |
|  | **ICL FILE TRANSMISSIONS** | | | |
| **2.1** | The Contractor must be able to accept ICL file transmissions that:   * Use the ICL deposit exchange industry standard, such as ANSI X9.100-187 or X9.37 (Specifications for Electronic Exchange of Check and Data Image) and will be expected to follow current industry standards. * Include images sent at a minimum of 200 DPI. * Include a deposit value of up to $99,999,999.99 per ICL file transmission. | 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 maximum number of Electronic Items allowed per ICL file. * The maximum number of ICL files allowed per transmission. | | |
| **Describe:** | | |
|  | | |
| **2.2** | The Contractor must be able to receive, not necessarily process, multiple ICL transmissions per day, 24 hours a day, 365 days a year for each unique NYS bank account.  **Note:** See **Table 2.1 (*Functional Requirements),* Requirement 3.1** below for information on acknowledging each ICL 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. | |
| The Bidder should provide the maximum number of ICL transmissions allowed per day for each unique NYS bank account. | | |
| **Describe:** | | |
|  | | |
| **2.3** | The Contractor must provide same day credit for ICL files received prior to a mutually agreed upon cutoff time on any Banking Day and next Banking Day credit for ICL files received after the agreed upon cutoff time or received on non-Banking Days. | 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 the proposed ICL file receipt cutoff times for same day credit and next Banking Day credit. | | |
| **Describe:** | | |
|  | | |
|  | **ACKNOWLEDGEMENT OF FILES RECEIPT; NON-CONFORMING IMAGES** | | | |
| **3.1** | The Contractor must provide an electronic acknowledgement(s) of receipt for each ICL file transmission.  The electronic acknowledgement(s) of receipt must provide the following:   * total number of Electronic Items within each ICL file transmission; * Electronic transmission file name; and * total dollar amount for each ICL file transmission.   The Department prefers to receive this acknowledgement within one (1) hour of the Contractor’s receipt of the ICL file transmission. | 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. | |
| For both Banking and non-Banking Days, Bidders should describe the proposed process for providing an electronic acknowledgement(s) of receipt including the timeframe for the acknowledgement(s) to be sent to DTF. | | |
| **Describe:** | | |
|  | | |
| **3.2** | For each unique ICL file transmission, the Contractor must electronically provide, or make available electronically, to DTF: either information for Non-Conforming Images, or an acknowledgement that an ICL file transmission has no Non-Conforming Images. This information must be provided to DTF within 30 calendar days of receipt of the ICL file transmission to which it relates .  The Contractor may make this information available through an electronic portal. If it does so, the Department requires that:   * the Contractor provide affirmative notifications to DTF (such as via email alerts sent for each ICL file transmission received); and * the Contractor provide redundancy(ies) for alternative means of providing notification electronically if the portal is down or inaccessible. | 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 information for Non-Conforming Images and notification of the absence of Non-Conforming Images will be provided to the Department. Include in your description:   * the notification process to be used; and * the availability of this information on non-Banking days | | |
| **Describe:** | | |
|  | | |
| **3.3** | Information for Non-Conforming Images required in **Table 2.1 (*Functional Requirements*), Requirement 3.2** above must include:   * An electronic image of the Non-Conforming Image, front and back; * Deposit Location, which is a Department provided tracking number contained in the ICL file, that correlates to a specific Tax Application; * Dollar amount of each Non-Conforming Image; * Routing and check number of each Non-Conforming Image; * A reason code for each Non-Conforming Image; * The DTF assigned identifying number of each Non-Conforming Image (i.e., sequence number or document locator number assigned to each Electronic Item within the ICL 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. | |
|  | | |
|  | **MANUAL DEPOSITS** | | | |
| **4.1** | The Contractor must accept and process Original Checks for Manual Deposit provided by the Department.  **Note:** Certain Original Checks require Manual Deposit because they may not meet the standards for Check 21 electronic deposit and are not processable as Electronic 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. | |
|  | | |
| **4.2** | The Contractor must accept Manual Deposits sent via a delivery service to be determined by the Department and provide same day credit as of the date of receipt by the Contractor prior to the mutually agreed upon cutoff time.  **Note:** The Department will pay the fees associated with delivery services used to provide Original Checks to the Contractor for Manual Deposit payment processing. Bidders should not include any costs associated with delivery services for Manual Deposits in their Cost Proposal. | 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 the proposed cutoff times for same day credit of Manual Deposits.  **Note**: The Bidder must provide the location(s) where the Manual Deposits will be received and processed on **Attachment 22, *Cost Proposal Requirements Response Form***. Manual Deposits will come from the Albany, NY area. | | |
| **Describe:** | | |
|  | | |
| **4.3** | On occasion, DTF receives remittances that are Foreign Checks drawn in Non-US Funds. Processing of such checks by the Contractor is **not** included among the Check 21 Services solicited in this RFP. If any such check is erroneously included among Manual Deposits delivered to the Contractor, the Contractor shall deem it unbankable and return it to the Department for handling.  **Note:** If the Contractor deposits a Foreign Check in Non-US Funds, the Contractor shall be responsible for all fees and adjustments based on US dollar conversion rate at the time of the deposit and in the event of dishonorment. | 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 must describe its process to ensure Foreign Checks in Non-US Funds will not be processed. | | |
| **Describe:** | | |
|  | | |
| **5.** | **REPORTING** | | | |
| **5.1** | The Contractor must provide an online application to access standard bank account information. The application must include, but not be limited to: Bank Statements and entries for ICL deposits, Manual Deposits, Dishonorments, and credit and debit memos. Access to the previous day’s transactions must be available no later than 8:00 AM ET on the following Banking Day. Information must be kept for a minimum of ninety (90) days from the date of settlement. DTF access to the application will be controlled by DTF and must be available to OSC.  **Note:** The Department prefers access to the previous day’s transactions by 7:00 AM ET 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 provide a schedule for access through the online application to daily Bank Statements for the previous day’s deposits and other functionality. | | |
| **Provide schedule:** | | |
|  | | |
| **6.** | **ADJUSTMENTS** | | | |
| **6.1** | **Dishonorments** **for non-sufficient funds only –** The Contractor must re-present a Remittance which has been dishonored for non-sufficient funds, following the initial notice of Dishonorment. The Contractor should not notify DTF after initial Dishonorment and no entries should appear on the Bank Statement. If a Dishonorment occurs after a second attempt to present the Remittance, the Contractor must not attempt to re-present the Remittance again and the Contractor must then notify DTF.  **Note**: The Department prefers that the re-presentment of Remittances for non-sufficient funds does not occur immediately.  **For any other reason of Dishonorment**, the Contractor must inform DTF of the returned item upon initial Dishonorment. | 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 the timeframe for the re-presentment of Remittances dishonored due to non-sufficient funds. | | |
| **Provide timeframe:** | | |
|  | | |
| **6.2** | For dishonored Remittances received via an ICL transmission, the Department requires, on each Banking Day, a separate electronic data file for each bank account that contains the following information:   * Adjustment Date; * Check Date of Deposit; * Check amount; * Check account number, i.e., issuer’s bank account number; * Check ABA routing number, i.e., issuer’s routing number; * Check serial number, i.e., check number; and * Return reason code.   **Note:** The electronic data file containing Bank Adjustment Information must be formatted in one of the five (5) formats shown in **Exhibit C, *Sample Adjustment Data File Format***. | 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. | |
|  | | |
| **6.3** | For Bank Adjustments not covered in **Table 2.1 (*Functional Requirements*), Requirement 6.2** above, including debit memos, credit memos, and Adjustments on Manually Deposited Remittances, the Contractor must provide the following information each Banking Day:   * Deposit account number and/or account identifying name; * Type of Adjustment, i.e., Dishonorment debit, debit memo, credit memo; * Adjustment Date; * Check Date of Deposit; * Check amount; * Check account number, i.e., issuer’s bank account number; * Check ABA routing number, i.e., issuer’s routing number; * Check serial number, i.e., check number; * Adjustment Amount; * Return reason code; and * Copy of check (front and back).   **Note:** The Department requires the transmission of electronic files containing the aforementioned Requirements (both detail and summary information) by Adjustment type. | 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 method of providing Adjustment details including the method of electronic delivery. | | |
| **Describe:** | | |
|  | | |
| **7.** | **HELP DESK SUPPORT** | | | |
| **7.1** | The Contractor must provide Help Desk support for all issues regarding ICL files, which includes but is not limited to:   * ICL transmissions; * Electronic Acknowledgement; * Non-Conforming Images notification; and * Adjustment files.   Such support must be available during Banking Days.  The Department prefers Help Desk support between 7:00 AM – 5:00 PM 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 provide the hours in which the ICL Help Desk support will be available during Banking Days. | | |
| **Describe:** | | |
|  | | |
| **7.2** | The Contractor must provide Help Desk support for all issues regarding Manual Deposits, which includes but is not limited to Adjustment files. Such support must be available during Banking Days.  The Department prefers Help Desk support between 7:00 AM – 5:00 PM 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 provide the hours in which the Manual Deposit Help Desk support will be available during Banking Days. | | |
| **Describe:** | | |
|  | | |
| **END OF TABLE 2.1** | | | | | |

**2.2. Development / Support Service Requirements**

This section contains the specific Development / Support Service Requirements.

| **TABLE 2.2: DEVELOPMENT / SUPPORT SERVICE REQUIREMENTS** | | | |
| --- | --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | |
|  | **SERVICE LOCATION(S)** | | |
| **1.1** | The Department prefers that all Services be performed (all data processed and stored) at geographical Site(s) located within the Continental United States (“CONUS”). | The Bidder should provide complete information describing the primary and backup Site locations where it will perform, as follows:   * identify the service/activity, and the entity that performs the service/activity (if other than the Bidder), and the specific geographic location(s) in which the service/activity is performed; * for each geographic location identified, describe the security and data protection safeguards that Bidder has implemented to protect against 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 breach or suspected malfeasance involving State data. | |
| **Describe:** | |
|  | |
| **1.2** | During the term of the Agreement, including any extensions, the Contractor must provide DTF with written advance notice of any proposed change(s) to the geographical Site(s) where Services are performed (identified in its Proposal). The Contractor will provide such notice: (1) a minimum of 60 days’ before changing to a different geographical location within CONUS; and (2) a minimum of  180 days’ before changing to a geographical location outside of CONUS. | 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. |
|  | |
|  | **INTERNAL CONTROLS AND SECURITY FOR PHYSICAL ASSETS AND DATA** | | |
| **2.1** | The Contractor must be able to assure the security, confidentiality, integrity, and availability of Department Data in accordance with:   * Generally accepted information security policies, procedures, best practices and standards in the banking industry, and * NYS Security Policies, as follows: * 802.11 Wireless Network Security No. NYS-S15-003 - [https://its.ny.gov/80211-wireless-network-security](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2F80211-wireless-network-security&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012183567%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=h4LHaU8BIJWNkko2xOwKlCaW%2BcMqRALCeORk0%2FCmpc8%3D&reserved=0) * Information Security Risk Management No. NYS-S14-001 - [https://its.ny.gov/information-security-risk-management-standard](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Finformation-security-risk-management-standard&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=zjBrZ4fh8HEMwq7J7tcoEPHMefOzY1lQPd7fDXxm6%2Fk%3D&reserved=0) * Security Logging No. NYS-S14-005 - [https://its.ny.gov/security-logging-standard](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fsecurity-logging-standard&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=mjiqKCLm6xTn%2BAEUx9mIVX%2BqZSmsjofB%2BShDALK381k%3D&reserved=0) * Sanitation Secure Disposal No. NYS-13 -003 -[https://its.ny.gov/sanitization-secure-disposal-standard](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fsanitization-secure-disposal-standard&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=9CPoGKylrCQRk0iZ%2BCmX%2FRx7IcCKlICKZt5Vxxk1EGg%3D&reserved=0) * Secure Configuration No. NYS-S14-008 - [https://its.ny.gov/secure-configuration-standard](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fsecure-configuration-standard&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=5sHkF6SeuP%2BOIxglDBqPlmXXhm%2Bu51DcouBt6%2F2SpSI%3D&reserved=0) * Vulnerability Management No. NYS-S15-002 - [https://its.ny.gov/vulnerability-management](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fvulnerability-management&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=XKxN%2BJQS54rzQmg%2BnLqQmS6b9qG2PMGomIENGkhvaoQ%3D&reserved=0) * Patch Management No. NYS-S15-001 - [https://its.ny.gov/patch-management](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fpatch-management&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=O%2BTxpGoPYM0ZPlS0Szak6boLaN2MBbMOVtj2npE81Y4%3D&reserved=0) * Secure Coding No: NYS-S13-002 - [https://its.ny.gov/secure-coding-standard](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fsecure-coding-standard&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=3hlxgtzk%2FUCHXC8Zd4m5DIh3J35eUyv6pC8GCMsdoN0%3D&reserved=0) * Encryption No: NYS-S14-007 - [https://its.ny.gov/encryption-standard](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fencryption-standard&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=3PjNSIaVDVWg6S7OMBv4ljFzwWuEpLlTCwuA9uiK3Ew%3D&reserved=0) * Remote Access No: NYS-S14-010- [https://its.ny.gov/remote-access](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fremote-access&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=%2FGgv2BY33GqEbzw%2BRVQImRnJodDqr1Yr1YemPVeF1Y8%3D&reserved=0)   **Note:** The above NYS IT Policies (hereinafter referred to as “the NYS IT Security Policies”) can also be found at: <https://its.ny.gov/tables/technologypolicyindex>  The Department’s mandatory requirements for security, confidentiality, integrity, and availability include **all** of the following:   * Documented information security policies that address the security, confidentiality, integrity, and availability of the Contractor’s information systems. * Documented procedures and physical security controls which limit access to the Contractor’s data center, or an area where computer hardware is located, to only those employees with job functions that require access (computer operations staff, quality control, systems programmers, etc.). * Documented procedures and logical data access controls which restrict access to information stored within the computer system to only those employees who require access to such information to perform job related functions. * Network security controls that ensure the Contractor’s information systems are protected from unauthorized access from outside the Contractor’s network. * Policies and programs used for the encryption of data in transit and data at rest. | 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:   1. Describe how this Requirement will be met. 2. Describe its current security programs, policies, and procedures which will be evaluated and scored to the extent they demonstrate:  * Programs, policies & procedures used to provide discretionary access control to systems and data. This information should address both physical security and electronic data security. * Defined roles and responsibilities of all of those using the Contractor's information systems. * Separate computing environments for test, quality assurance, and production systems. * Policies, procedures and controls for backup and recovery of data. * Off-site storage and disaster recovery operations. * A process and procedure which provides for controlled destruction of system output or other records containing Department Data. * A process and procedure which conforms to generally accepted best practices to sanitize or dispose of obsolete electronic information on all forms of electronic media to be used in providing the Services. * Protection against unauthorized access or disclosure 1) by employees, consultants, and others located at its facilities; and 2) from external sources, such as dial-in or via internet access. * Procedures for data breach notification and data breach incident response. * Processes to monitor the Contractor’s and any Subcontractor’s compliance with its information security policies, such as internal audit controls and/or independent audit programs. * Network security controls or programs, such as virus protection, intrusion detection systems, and firewall rules that protect the Contractor’s and any Subcontractor’s information systems from unauthorized access. | |
| **Describe:** | |
| The Bidder must submit a copy of any audits, internal or external, performed within the past three (3) years that cover the specific requirements set forth in this section. Summary audit results or redacted audits are acceptable, as necessary to address confidentiality concerns. Bidder must indicate if security measures relating to requirements set forth in this section were found on audit to be adequate. | |
|  | Yes, the Bidder affirms it has submitted a copy of any audits, internal or external, performed within the past three (3) years that cover the specific requirements set forth in this section. |
|  | |
| **2.2** | Department Data stored on the Contractor’s system must be encrypted in transit and at rest. See ITS encryption standard, NYS-S14-007:  <https://www.its.ny.gov/document/encryption-standard> | 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. |
|  | |
| **2.3** | The connection, encryption algorithms, and all technology that receives, stores, processes, or transmits Department Data must meet the current versions of the NYS IT Security Policies.  Department Data and other data exchanged between the Contractor and DTF sent to the Department must be done via a secure file transfer solution 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. |
|  | |
| **2.4** | Systems operated outside of CONUS must not connect to State networks or the State data center. If a system operates outside of CONUS, a CONUS front end 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. |
|  | Bidder IT system(s) are located within CONUS and do not require a CONUS front end  **OR** |
|  | CONUS front end required |
| The Bidder should describe existing CONUS front end or, if the Bidder will need to make changes to comply with this Requirement, what changes will be made. | |
| **Describe:** | |
|  | |
| **2.5** | The Contractor must work with NYS to perform a security review/risk assessment of the proposed security architecture, the purpose of which is to determine whether adequate controls are in place to protect the availability of the system and the integrity and confidentiality of information.  Contractor’s solution will be evaluated prior to production implementation and after any significant system modifications. The review will be comprised of, but not limited to, evaluating:   * Description of the system including a listing of hardware and software; * The sensitivity of data that is stored or transmitted; * A diagram of the system including system components, data stores, and connections; * Physical and logical vulnerabilities and associated security controls; and * NYS review of relevant Contractor documentation.   The Contractor must remediate all risks identified by the security review / risk assessment or obtain the Department’s approval for compensating controls. The final outcome and Department approval of the security risk assessment must be documented and 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. |
|  | |
| **2.6** | Contractor employees and any Subcontractor employees must, before being assigned to work with Department Data in performing this Agreement, have undergone background checks and been found acceptable in accordance with Contractor’s standard procedures for accepting or rejecting candidates to work with such 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. |
|  | |
| **2.7** | The Contractor must not utilize any Department Data or information provided to it in connection with its performance of this Agreement for any purposes other than to perform the Services, or in accordance with Contractor’s record keeping and regulatory reporting obligations. | 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. |
|  | |
|  | **SYSTEMS ENVIRONMENT** | | |
| **3.1** | The Contractor must use generally accepted industry standards to implement and operate the systems environment to ensure that the requirements are achieved. This must include the use of auditable (by the Contractor) procedures for system operations, Change Control, capacity planning, performance management, problem management, backup (including off-site storage), business continuity, fail safe, and disaster recovery. If the systems environment is shared, the Contractor must follow auditable (by the Contractor) procedures which ensure the security and confidentiality of the Department’s data. If requested, the Contractor must provide DTF with audit results.  Connectivity  The Contractor must supply electronic data file exchange over the internet, to and from the State using secure protocols acceptable to the Department.  The Contractor must adhere to the State’s acceptable protocols for internet file exchanges.  The Department has approved the use of the following secure file transfer protocols, which are listed in order of preference. Encryption algorithms must comply with current FIPS 140.x guidelines.   * + 1. HTTPS (browser or compatible clients pickup and drop off at Department servers only, port 443). The encryption algorithm must be Transport Layer Security (TLS) 1.2 or better.     2. SFTP (SSH/FTP) using minimum 2048-bit key based authentication (port 22).   Additionally, the Department also supports the use of PGP “Pretty Good Privacy” or the open source equivalent GPG “Gnu Privacy Guard” with encryption key exchange. Testing is required to ensure that the encryption and version of software used by the Contractor is always compatible with Department software. This connection will need to meet all Department and industry standard security measures, including using standard TCP Ports.   * The Contractor must provide file transfer access to their server for the purpose of sending and retrieving files. The development of a schedule of file transfers to be picked up is required so that DTF retrieval 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 provide the method of secure file transfer protocols to be used. | |
| **Describe:** | |
|  | |
| **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’s 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.  Contractor must report unauthorized accesses, unauthorized disclosure, or unauthorized use of Department Data to DTF as soon as possible after the incident or event occurs or is discovered. 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 unauthorized access to systems (i.e., code, data, and network security); * Bidder’s recordkeeping of such unauthorized accesses, including how Bidder records unauthorized accesses to systems and data, and how long these records are maintained; * the method Bidder will use to communicate unauthorized accesses to the Department; and * if and how the Bidder ensures compliance that meets the elements set out in *NIST 800-53 R5 – Section 3.8 INCIDENT RESPONSE, IR1 – IR10*. (Alternatively, Bidder should provide the Incident Response Plan.) | |
| **Describe:** | |
|  | |
| **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 to 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 processing and deposit of Remittances for additional Tax Applications in the future, as needed by DTF.  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:** | |
|  | |
| **8.** | **TEST ENVIRONMENT** | | |
| **8.1** | The Contractor must maintain a User Acceptance Testing (“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 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. |
|  | |
| **9.** | **AUTOMATED SYSTEMS DESIGN, DEVELOPMENT, MAINTENANCE AND ENHANCEMENT** | | |
| **9.1** | The Contractor must adhere to generally accepted information technology standards for the development, documentation, maintenance, and enhancement of the proposed application solution 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 Proposed development tools and procedures must support rapid application development for the initial implementation and for addressing future changes. The initial implementation must include customization of the Adjustment files required in **Table 2.1 (*Functional Requirements*), Requirements 6.2 and 6.3**.  The Contractor must back up and retain all processing data which is sent to the Department for no less than six (6) months. | 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. |
|  |  |
| **9.2** | **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:** | |
|  | |
| **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. |
|  |  |
| **10.** | **USER ACCEPTANCE TESTING (“UAT”)** | | |
| **10.1** | The Contractor must adhere to generally accepted information technology standards for systems testing and User Acceptance Testing.  The Contractor must develop joint Testing plan(s) with DTF. The Contractor may be required to conduct additional Testing beyond implementation at the request of the Department.  The Contractor must acknowledge receipt, log, and assign for resolution, within one Business Day, for all defects discovered during Testing and 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. Timeframes may be determined by legislation, executive direction, or annual filing dates.  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. |
|  | |
| **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 Check 21 payment processing services; and the amount of time that each will be allocated to the Services. | |
| **Describe:** | |
|  | |
| **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 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, personnel, 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 performance reviews. | 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** | The Department anticipates that all Check 21 Services will be implemented and fully certified in production over a 12-month period. The Department will issue a Final Certification when the implementation is fully accepted by the Department.  As soon as feasible after Contract approval, 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 must include the following items:   * 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 * for each of the required elements the Contractor must integrate and identify 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     - Migration to testing environments * Testing, including:   + - User Acceptance Testing     - Integrated performance testing     - End-to-end testing, mimicking the complete process * Migration to production * Procedure(s) development, including:   + - Functional Contractor procedures     - Security and confidentiality     - Business continuity, disaster recovery, and fail-safe operations * Training development and execution, including: * Subcontractor services (if applicable)   For each milestone identified by Contractor in its Implementation Plan, the responsible party (i.e., Contractor, Subcontractor, or Department) must be indicated.  During implementation of the Services required by RFP 23-103, Contractor and DTF will refer to Contractor’s Proposal in response to the Requirements and discuss and refine the proposed Implementation Plan.  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:** | |
|  | |
| **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 or administratively 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:** | |
|  | |
| **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 contemplated 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 have a Business Continuity / Disaster Recovery Plan. All functionality provided to the Department for the Check 21 Services must have full redundancy. | 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 (1) describe how it will notify the Department of any changes to Deposit Locations, and (2) provide the alternate addresses for ICL transmissions and Manual Deposit locations to be used during a time when it must institute its Business Continuity / Disaster Recovery Plan in such a manner that it affects the provision of the Services under this Contract. | |
| **Describe:** | |
|  | |
| **16.2** | **Disaster Recovery Site Locations**  The Department prefers that the disaster recovery services described in **Table 2.2 (*Development / Support Service Requirements*), Requirement 16.1** be provided within CONUS (as is the case with all the Services, as indicated in **Table 2.2, *Development / Support Service Requirements*, Requirement 1.1**). | The Bidder should describe any disaster recovery services that will be provided outside of CONUS. | |
| **Describe:** | |
|  | |
| **17.** | **TRANSITION PLAN** | | |
| **17.1** | The Contractor will work with the Department to develop a detailed Transition Plan within one (1) year prior to the end of date of the 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. |
|  | |
| **17.2** | DTF requires that when records maintained by the Contractor on behalf of DTF in connection with these Services become obsolete (as determined by DTF or consistent with any regulatory retention requirements), such records shall be destroyed in such a manner that they cannot be recreated and the security of the data will be maintained. The destruction of data must be performed in accordance with industry best practices.  An officer or principal of the Contractor shall certify to DTF, in writing and under penalty of perjury, that such destruction has been completed in accordance with this Requirement. | 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. |
|  | |
| **17.3** | The Transition Plan may be subject to change, if necessary, as agreed or requested by the Department.  The Transition Plan must ensure that all information received or created under this Agreement is properly destroyed and purged as per the Department. (A purge for electronic information is done at the drive level.)  Transition requirements to be provided for in the Transition Plan are to include, but not be limited to, the following. Contractor must promptly:   * destroy or return to the Department, as directed, all paper records received or created under this Agreement.  Where destruction is required, records must be destroyed by shredding or disintegrating. Paper records should be shredded to 5/16 inch wide strips or smaller; * permit continued access by the Department to the Contractor’s system(s) until transfer of the Department Data to the Department or  the Department’s designee is tested and complete; * make sure to remove all Department Data from the Contractor’s systems, including but not limited to, both on-site and off-site backup copies, and storage devices. All electronic Department Data should be physically destroyed or purged (purging is done at the drive level). Electronic media containing Department Data must not be made available for reuse by other offices or released for destruction without first being subject to purging; and * comply with all record destruction policies in accordance with the NYS Office of Information Technology Services Policy for Sanitization/Secure Disposal in NYS-S13-003 found here:   Sanitation Secure Disposal No. NYS-13 -003 [https://its.ny.gov/sanitization-secure-disposal-standard](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fits.ny.gov%2Fsanitization-secure-disposal-standard&data=05%7C01%7CPatricia.Kahn%40tax.ny.gov%7C8ba8d5dfbe0a4792cca308dbbf7a40c8%7Cf46cb8ea79004d108ceb80e8c1c81ee7%7C0%7C0%7C638314304012339789%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=9CPoGKylrCQRk0iZ%2BCmX%2FRx7IcCKlICKZt5Vxxk1EGg%3D&reserved=0)  **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 last 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); * The name of the Contractor; * If a Subcontractor was hired to handle the destruction, provide the name and contact information of the Subcontractor; * Contractor contact name for information regarding the sanitization or disposal activity; and * The name and title of the officer, such as the company Chief Information Officer, Information Security Officer, 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, at the conclusion of the Contract, the Contractor must provide the Department’s designated contact with a notarized document.  Said document must be executed under penalty of perjury by an official authorized to bind the Contractor, affirming the Contractor has complied with the terms and conditions for record destruction and sanitation requirements during the transition period that are 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. |
|  |  |
| **17.4** | In the event of a reorganization, merger, acquisition, consolidation or other change to Contactor’s business impacting its performance under the Agreement (herein “Acquired Business Event” or “ABE”), the Contractor shall notify the Department in writing of such ABE as soon as possible, but no later than five (5) business days after execution of a notice of intent regarding the ABE.  The ABE written notification must be sent to the address for notices set forth in the Agreement and provide sufficient detail about the ABE and its impacts on the Services provided by the Contractor for the Department to assess whether the circumstances require contract termination. | 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. |
|  | |
| **17.5** | If the Contract is terminated by the Department prior to Contractor’s drafting a complete and acceptable Transition Plan, Contractor shall immediately begin work with the Department to complete a detailed Transition Plan. The Department will set a deadline for transition activities in the notice of termination and Contractor will comply with the deadline in good faith. | 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 2.2** | | | |

**2.3. Cash Management Requirements**

This section contains the specific Cash Management Requirements.

| **TABLE 2.3: 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 Assignments 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 or OSC and provide an online system for the Department or OSC to initiate/release, and review and/or approve, as applicable, 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 CHECK DEPOSITS** | | |
| **5.1** | The Contractor must agree that check deposits will be immediately and fully credited to the Department’s/OSC’s bank accounts and available per **Table 2.1 (*Functional Requirements)*** and must not be debited from the Department’s/OSC’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 as set forth in Section 105 of the State Finance Law 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 2.3** | | | |

## 2.4. Insurance Requirements

This section contains the Insurance Requirements.

| **TABLE 2.4: INSURANCE REQUIREMENTS** | | | |
| --- | --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | |
| **1** | The Contractor and any Subcontractor, as applicable, must procure and maintain insurance as generally described in Article XXIII, *Insurance* of **Exhibit I*, Preliminary Base Contract***. Bidders are encouraged to review the insurance requirements set forth therein.  The Contractor and any Subcontractor, as applicable, must provide proof of Workers’ Compensation and Disability Insurance as described in **Section 4.2.9*,******Workers’ Compensation and Disability Benefits Certifications***.  Prior to commencing work under the Agreement, the Contractor must provide the Department with certificates of insurance in a form acceptable to the Department 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 if 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. |
|  | |
| **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 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,** ***Workers’ Compensation and Disability Benefits Certifications***. | 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** | | | |

## 2.5. Financial Stability Requirements

This section contains the Financial Stability Requirements.

| **TABLE 2.5: 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 DTF’s 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.  The Contractor, and its Subcontractor, must continue to evidence financial stability. On-going financial stability 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 entity’s fiscal year. In addition, any material change in ownership, or material change in the financial condition, 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 to be provided, 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, if requested by DTF.  **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 above  OR  (b) submit reviewed annual financial statements for both 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.  OR  (c) submit unaudited/company prepared annual financial statements for both the parent company and subsidiary for the last three 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 2.5** | | | | |

## 2.6 Tax Secrecy Requirements

This section sets forth the Department’s Tax Secrecy Requirements.

| **TABLE 2.6: TAX SECRECY REQUIREMENTS** | | | |
| --- | --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | |
| **1.** | **TAX SECRECY AND CONTRACTOR NON-DISCLOSURE** | | |
|  | All persons who have or may have access to confidential tax information, including Contractors, and all Subcontractor(s), if applicable, and the respective employees and agents of each, must adhere to the tax secrecy and confidentiality provisions of the Tax Law and the Internal Revenue Code and not engage in any unauthorized accesses, use, or disclosures of any confidential 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. |
|  | |
| **2.** | **CONTRACTOR SIGNATURE ON NON-DISCLOSURE FORM** | | |
|  | Bidder and any Subcontractor performing Services must have a representative authorized to bind the organization(s) complete and submit with its Proposal a signed **Tax Information Access and Non-Disclosure Agreement (“*DTF-202 Form*”)**, attached as RFP **Attachment 13.** | 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 2.6** | | | |

# Financial Requirements

## Cost Proposal Requirements

Fees for all Services are to be provided by the Bidder on **Attachment 22, *Cost Proposal Requirements 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 22** 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 22** 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 22** 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.

The fully-loaded transaction fees must include all costs related to Services required in this RFP 23-103 including, but not limited to, staffing, facilities, equipment, supplies, systems maintenance, management, program support activities, training, FDIC or other pass-through 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***).

| **TABLE 3.1: COST PROPOSAL REQUIREMENTS AND RESPONSE** | | |
| --- | --- | --- |
| **1.** | **DEVELOPMENT AND IMPLEMENTATION COST** | |
| **1.1** | **One-Time Development and Implementation** | The Bidder’s Cost 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. 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. |
| **2.** | **TRANSACTION FEES** | |
| **2.1** | **Electronic Items** | This fee must include all costs related to:   * Transmission of an Original Check that has been converted to an electronic image – front and back – for purposes of electronic deposit. * Transmission of the electronic information concerning the check necessary for the Bank to deposit the check using electronic check clearing processes. * Transmission of data and images pertaining to any Adjustments, Dishonorments, Non-Conforming Images, and Deposit corrections for electronically deposited checks. |
| **2.2** | **Manual Deposits** | This fee must include all costs related to the processing of Original Checks which cannot be processed electronically. It must also include all costs related to transmission of data and images pertaining to any Adjustments, Dishonorments, and Deposit corrections for Manually Deposited checks. |
| **2.3** | **Monthly ICL Transmission – Per Account** | This is a flat monthly fee that must include all costs related to support of the ICL Transmission for each bank account. |
| **2.4** | **Monthly Account Maintenance – Per Account** | This is a flat monthly fee that must include all costs related to the maintenance for each bank account. |
| **3.** | **OVERDRAFT INTEREST CHARGES** | |
| **3.1** | **Overdraft Interest Rate** | Bidder to propose the not-to-exceed overdraft interest rate above Fed Funds Rate. |
| **4.** | **MANUAL DEPOSITS ADDRESS** | |
| **4.1** | **Address Where Manual Deposits will be Received for Processing** | Bidder to provide the address to which the Department will deliver Manual Deposits for payment processing. |
| **5.** | **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/state-agencies/travel> | |
| **5.1** | **Project Management: Indicate the hourly/per person rate for project management services associated with Changes.** | |
| **5.1.A** | **Project Manager:**   * Oversee projects comprised of multiple deliverables and/or phases. * Delegate and coordinate tasks. * Track project status, meetings, scope changes, issues. | |
| **5.2** | **Business Analyst: Indicate the hourly/per person rate for business analysis services associated with Changes.** | |
| **5.2.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. | |
| **5.3** | **Development: Indicate the hourly/per person rate for development services associated with Changes.** | |
| **5.3.A** | **Programmer:**   * Analysis, design, programming, component, and assembly testing of all application code. * Maintenance (including production support), Changes, and development work. * Write application software, data analysis, data access, data structures, data manipulation, databases, design, programming, testing and implementation, technical and user documentation, and software conversions. | |
| **5.4** | **Testing: Indicate the hourly/per person rate in testing services associated with Changes.** | |
| **5.4.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. * Develop and maintain user and technical documentation and project process documentation. | |
| **RESPONSE** | | |
| The Bidder must complete and submit **Attachment 22, *Cost Proposal Requirements 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** | | |

## Cost Increases

The One-Time Development and Implementation fees and the Overdraft Interest Rate may not be changed throughout the term of this Agreement (including the transition period and Contract renewals if any). Transaction fees and hourly rates for Changes shall not be increased during the initial year of the Agreement term. Thereafter, the fees may be increased for each subsequent annual period of said term (including the transition period and Contract renewals if any), upon the anniversary of the Agreement with no less than 60 days’ advance written request for increase 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 5% 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

The Department, following consultation and approval of the Office of the State Comptroller (“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 Department, as determined by OSC. The Department reserves the right to change the compensation method. The Department will not change the method of compensation at a frequency greater than once annually, except in extraordinary circumstances, as determined by OSC. The Department 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 the Department in accordance with the Cost Proposal, depending on the method of compensation.

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

### Payment by Direct Fee

If the Department, following consultation with 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, where applicable, the following month in any new year and, 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 the Department. If Earnings Credits remain as of the end date (whether by termination or expiration) of the Contract, such Earnings Credits may be applied, at OSC’s sole election and without limitation, to any other banking services (including services covered under a separate agreement) provided by the Bank to the State. 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 (“ECR”) 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 ECR shall be determined by OSC and confirmed with the Contractor monthly. OSC and the Department will not use any other method of calculation for the ECR.

Payment for Services by Direct Fee must be billed by the Contractor to the Department, 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 the Department along with the invoice to the Department as applicable. This analysis must include the monthly volume and total costs associated with the Accounts.

### Payment by Compensating Balances

If the Department, following consultation with 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 ECR 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 ECR 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 the Department. 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. If Earnings Credits remain as of the end date (whether by termination or expiration) of the Contract, such Earnings Credits may be applied, at OSC’s sole election and without limitation, to any other banking services (including services covered under a separate agreement) provided by the Bank to the State.

# 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 exemption from the disclosure requirements of the Freedom of Information Law.

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 I, *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 4.2.18, *Bidder-Proposed Change(s) to Preliminary Base Contract Terms/ Banking Services Schedules (“Bidder-Proposed Changes”)****.*

### Appendix A

**Appendix A, *Standard Clauses for New York State 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 of a public announcement shall not be considered by the Department until an Agreement approved by the AG and OSC is in place.

### New York State Vendor File

Prior to being awarded a contract pursuant to this RFP, 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 E, *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 New York State 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 F,** ***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 G,** ***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](mailto: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, the 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 – *Certificate of NYS Workers' Compensation Self-Insurance Coverage* (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 – *Certificate of Self-Insurance Coverage under the NYS Disability and Paid Family Leave 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 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 email to [itservicedesk@osc.ny.gov](mailto:itservicedesk@osc.ny.gov). Bidders opting to file a paper questionnaire can obtain the appropriate questionnaire from the VendRep website at <https://www.osc.state.ny.us/state-vendors/vendrep/profit-non-construction-questionnaire> 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 therefor. 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 to DTF by the individual or entity seeking to enter into a Procurement Contract.

**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).***

### 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 H, *Contractor Sales Tax Certification Forms*.**

**Exhibit H** 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 XXIV, *Contractor and Subcontractors*** of **Exhibit I, *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 / Banking Services Schedules (“Bidder-Proposed Changes”)

Proposals must conform to all terms and conditions set forth in this RFP**.**

All Bidder-Proposed Change(s) to terms and conditions set forth in **Exhibit I,** ***Preliminary Base Contract*,** must be provided to the Department in the Bidder’s Administrative Proposal. The Department requests that any changes proposed to its language/terms be submitted as a mark-up of **Exhibit I**, showing the changes the Bidder is proposing within the document. The Bidder agrees to all terms set forth in **Exhibit I** not so identified for discussion.

After a contract is awarded, the winning Bidder should submit all Bidder-Proposed Changes it may have to **Exhibit J, *Banking Services Schedules*** to the Department within one week (7 days) following DTF’s issuance of Notification of Intent to Award. The Department requests that any changes proposed to the language/terms of Exhibit J be submitted as a mark-up of Exhibit J, showing the changes the Bidder is proposing within the document. Negotiation of Bidder-Proposed Changes to **Exhibit J** must be completed along with negotiation of the Preliminary Base Contract and prior to submission of the Agreement to the Attorney General for review and approval.

**Note:** 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 to their Administrative Proposal all Bidder-Proposed Change(s) to **Exhibit I, *Preliminary Base Contract***, as a mark-up of **Exhibit I**, showing the changes the Bidder is proposing within the document. Within one week (7 days) following DTF issuance of Notification of Intent to Award, theWinning Biddershouldprovide any Bidder-Proposed Changes to **Exhibit J, *Banking Services Schedules***, as a mark-up of **Exhibit J**, showing the changes the Bidder is proposing within the document.

With regard to changes proposed to both **Exhibits I & J**, only those Bidder-Proposed Change(s) that meet all the following requirements will be considered by the Department:

* Each Bidder-Proposed Change (addition, counter-offer, deviation, or modification) must be specifically enumerated in the mark-up document; and
* The mark-up document containing the Bidder-Proposed Changes must identify the particular term(s) the Bidder objects to or proposes to modify, or add to, and the reasons therefore.
* If the Contract Awardee believes that additional bank services agreements are needed for it to provide these Services, it should submit same to the Department after it receives Notification of Intent to Award. **The Awardee is, however, specifically directed to refrain from submitting myriad overinclusive or inapplicable standard bank services schedules or master agreements to DTF. The Department will require overinclusive or inapplicable agreements to be modified or withdrawn, as may be appropriate.**

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 to 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 rights set forth in **Section** **4, *Administrative Requirements***. Failure of the Bidder to object to any terms identified in, respectively, **Exhibit I, *Preliminary Base Contract***, or **Exhibit J, *Banking Services Schedules*,** in the manner required will be deemed to constitute acceptance thereof by the Bidder/Contractor, as applicable.

### 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 a 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*.**

### Executive Order No. 16 Certification

In accordance with Executive Order No. 16, “all Affected State Entities are directed to refrain from entering into any new contract or renewing any existing contract with an entity conducting business operations in Russia.”

**Response Requirement**

The Bidder must complete and submit **Attachment 21, *Certification Under Executive Order No. 16 Prohibiting State Agencies and Authorities from Contracting with Businesses Conducting Business in Russia***.

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# 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**)

* Bidder-Proposed Change(s), if applicable (See **Section 4.2.18**)
* Request for Exemption from Disclosure, if applicable (See **Section 4.2.19**)

1. Tab 2 – Administrative Requirements Response Forms

### Volume Three Format

This volume must contain **Attachment 22, *Cost Proposal Requirements Response Form*.**

## Proposal Submission

The Bidder must submit one original and one copy 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](mailto: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 23-103

Check 21 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.

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# 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 three phases to the evaluation process. Proposals which pass Phase One of the evaluation will be further evaluated in Phase Two, followed by Phase Three.

## 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 Entity 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. **Technical Evaluation (60 points)**

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

1. **Financial Evaluation (40 Points)**

Cost Proposals will be scored concurrently and separately from the technical evaluations.

At the completion of Phase Two, the technical score and the financial score will be combined to determine the final score.

## Phase Three 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 2.5, *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

The Contract will be awarded to the Bidder whose Proposal obtains the highest final score and passes the financial stability requirements review.

The table below summarizes the evaluation point distribution:

|  |  |
| --- | --- |
| **EVALUATION COMPONENT** | **POINTS** |
| Technical Evaluation | 60 |
| Financial Evaluation | 40 |
| **TOTAL** | **100** |

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

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

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