

**PROPOSALS MUST BE SEALED AND ADDRESSED TO:**  
AGENCY: State Bureau of Procurement  
ADDRESS: P.O. Box 7867  
Madison WI 53707-7867

THIS IS NOT  
AN ORDER

**REQUEST FOR PROPOSAL**

PROPOSER (Name and Address)

☐ Remove from Proposal list for this commodity/service. (Return this page only.)

Proposal envelope must be sealed and plainly marked in lower corner with due date and Request for Proposal # **27889-CE** Late Proposals will be rejected. Proposals MUST be date and time stamped by the soliciting purchasing office on or before the date and time that the Proposal is due. Proposals dated and time stamped in another office will be rejected. Receipt of a Proposal by the mail system does not constitute receipt of a Proposal by the purchasing office. Any Proposal which is inadvertently opened as a result of not being properly and clearly marked is subject to rejection. Proposals must be submitted separately, i.e., not included with sample packages or other Proposals. Proposal openings are public unless otherwise specified. Records will be available for public inspection after issuance of the notice of intent to award or the award of the contract. Proposer should contact person named below for an appointment to view the Proposal record. Proposals shall be firm for acceptance for sixty (60) days from date of Proposal opening, unless otherwise noted. The attached terms and conditions apply to any subsequent award.

Proposals MUST be in this office no later than  
**NOVEMBER 9, 2007 2:00 PM CT**  
Public Opening ☐  
No Public Opening ☒

Name (Contact for further information)  
**CHERYL EDGINGTON email: cheryl.edgington@wisconsin.gov**

Phone (608) 267-6922 Fax (608) 267-0600 Date September 21, 2007

Quote Price and Delivery FOB

Wisconsin

Description

# Enterprise Banking Services

## LATE PROPOSALS WILL NOT BE ACCEPTED

Payment Terms

Delivery Time

☐ We claim minority preference [Wis. Stats. s. 16.75(3m)]. Under Wisconsin Statutes, a 5% preference may be granted to CERTIFIED Minority Business Enterprises. Proposer must be certified by the Wisconsin Department of Commerce. If you have questions concerning the certification process, contact the Wisconsin Department of Commerce, 5<sup>th</sup> Floor, 201 W. Washington Ave., Madison, Wisconsin 53702, (608) 267-9550.

☐ We are a work center qualified under Wis. Stats. s. 16.752. Questions concerning the qualification process should be addressed to the Work Center Program, State Bureau of Procurement, 6th Floor, 101 E. Wilson St., Madison, Wisconsin 53702, (608) 266-2605.

Wis. Stats. s. 16.754 directs the state to purchase materials which are manufactured to the greatest extent in the United States when all other factors are substantially equal. Materials covered in our Proposal were manufactured in whole or in substantial part within the United States, or the majority of the component parts thereof were manufactured in whole or in substantial part in the United States.

☐ Yes ☐ No ☐ Unknown

In signing this Proposal we also certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a Proposal; that this Proposal has been independently arrived at without collusion with any other Proposer, competitor or potential competitor; that this Proposal has not been knowingly disclosed prior to the opening of Proposals to any other Proposer or competitor; that the above statement is accurate under penalty of perjury.

We will comply with all terms, conditions and specifications required by the state in this Request for Proposal and all terms of our Proposal.

Name of Authorized Company Representative (Type or Print)

Title

Phone ( )

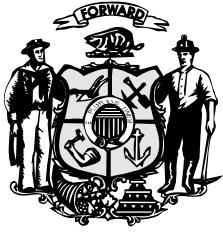
Fax ( )

Signature of Above

Date

Federal Employer Identification No.

Social Security No. if Sole Proprietor (Voluntary)



State of Wisconsin  
Request for Proposal  
Enterprise Banking Services

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**RFP # 27889-CE**

Issued by:

State of Wisconsin  
Department of Administration  
State Bureau of Procurement

For further information regarding this RFP, contact Cheryl Edgington at 608-267-6922

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## 1.0 GENERAL INFORMATION

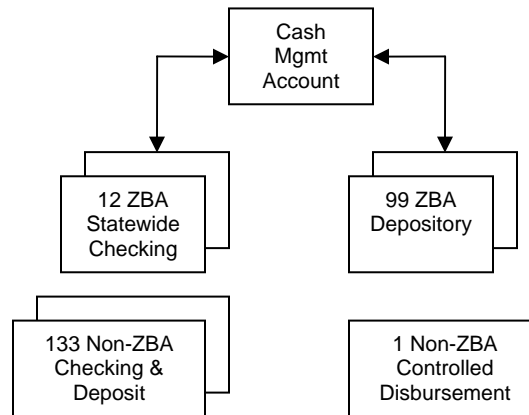
### 1.1 Background and Purpose

The purpose of this Request for Proposal (RFP) is to obtain competitive proposals from Proposers (herein referred to as “Proposer”) interested in contracting with the State of Wisconsin (“State”) for Enterprise Banking Services. The successful Proposer will serve as the primary depository for the State Controller’s Office and provider of cash management services necessary to the operations of Wisconsin state government. In addition, the Proposer will make the resulting contract services and pricing available to any Wisconsin municipality through a participation agreement. The award will be made strictly on the responses to requirements of this Proposal plus references and any required on-site visits or oral presentations.

### 1.2 Scope of the Project

The State and its agencies, boards and commissions utilize a centralized cash management structure. The State maintains a primary cash concentration account with 12 regular disbursement, zero-balance checking sub-accounts (ZBA), and 99 zero-balance deposit accounts.

Wisconsin’s Associated Account Pool  
Average Daily Collected Balance in FY 2006: \$9 million



In addition, the State maintains one controlled disbursement account for weekly Medicaid payments, and another 133 non-zero-balance, receipt deposit and checking accounts to collect a variety of program deposits and to make a limited number of check disbursements. The balances in ALL of these accounts are associated for daily cash balance and investment purposes. During fiscal year 2006, the consolidated average daily ledger balance for ALL of these accounts was approximately \$39 million, while the average daily collected balance was approximately \$9 million (see Appendix A-7).

In addition, the Department of Workforce Development maintains a pool of 6 cash management accounts for the Wisconsin Support Collection Trust Fund. This pool of accounts is used to receipt child support payments from non-custodial parents and disburse them to the custodial parents. Through April 2007, the average daily ledger balance for fiscal year 2007 was \$5 million, and the average daily collected balance was \$3 million.

The State also maintains an additional 89 regular-disbursement, non-zero-balance accounts for a variety of agency-specific applications. These accounts are low-volume, low-dollar accounts used by state agencies for remote depositing and/or small purchases. The Proposer will offer these accounts to state agencies, but the state may elect to locate these accounts at other financial institutions.

All investment transactions made by the State of Wisconsin Investment Board are cleared through one of the Board's two custodial banks, currently Mellon Trust and The Bank of New York. The Investment Board maintains a separate bank account at the State's bank and makes cash transfers between this account and each of its custodial banks each day depending upon the net cash position of the State and the statutory funds involved. Transfers are also made concurrently between the Investment Board's account at the State's Bank and the State Controller's account. At the end of each day the balance of the Investment Board's account in the State's Bank is effectively at zero. As many as six transfers may be made in a single working day.

Deposits of immediately available funds received late in the day, or on days when State offices are open, but the Federal Reserve banks or investment markets are closed, may be made available for the Proposer to invest on behalf of, and under the authority of, the State Investment Board in repurchase agreements or other overnight investments.

The volumes indicated in this RFP are the State's best estimate of the volume anticipated under the resulting contract for Enterprise Banking Services. However, the State provides no guarantee that the Proposer shall realize these volumes.

### 1.3 **Scope of Services Requested**

Generally, the services being requested include those cash management services which directly involve the Department of Administration – State Controller's Office. These services are divided into the following RFP sections:

Section No.	Section Name
5	Deposit and Check Presentment
6	Disbursement (Regular Disbursement, Controlled Disbursement, Reconciliation and Positive Pay)
7	Lockbox (Wholesale and Retail)
8	Electronic Funds Transfer (Automated Clearing House and Wire Transfer)
9	Information Reporting
10	Merchant Acquiring and Card Transaction Processing
11	Other Agency-Specific Services
12	Cost Proposal
13	Special Terms and Conditions
Appendix A	Supplemental Information
Appendix B	Lockbox Instructions

### 1.4 **Procuring and Contracting agency**

The Wisconsin Department of Administration issues this Request for Proposal (RFP) for the Wisconsin Depository Selection Board. The Department of Administration is the sole point of contact for the State of Wisconsin during the selection process. The person responsible for managing the procurement process is:

Cheryl Edgington	Phone 608-267-6922
State Bureau of Procurement	Fax 608-267-0600
101 E. Wilson Street – 6 <sup>th</sup> Floor	
P.O. Box 7867	
Madison, WI 53707-7867	

The Department of Administration – State Bureau of Procurement shall administer any contractual issues for the Enterprise Banking Services contract with the approval of the Depository Selection Board. The Department of Administration – State Controller's Office shall administer the day-to-day operational issues.

### 1.5 **Authority to Contract**

The Depository Selection Board is the State authority established for contracting banking services related to the operations of Wisconsin State government. The Board, as created by Chapter 418, Laws of 1977, is responsible for designation of the State's public depositories, review and designation of State agency bank accounts and banking services and contracting for banking services necessary for the safe keeping and processing of state funds. The Board members are the Secretary of the Department of Administration, the Secretary of the Department of Revenue and the State Treasurer.

The contractual authority of the Depository Selection Board is subject to the provisions of Chapter 16 of the Wisconsin Statutes relating to State Purchasing.

If the statutory authority of the Depository Selection Board is repealed, and no successor in interest is named or implied, then such repeal shall be notice on behalf of the State of termination of the contract. If the authority of the Board to administer banking services for the State is transferred to another agency, department or board then the contract shall be maintained in force but the new board, agency or department shall be substituted for the Depository Selection Board.

## 1.6 **Definitions**

The following definitions are used throughout the RFP:

Term	Definition
Contract	The written agreement covering the furnishing and delivery of work to be performed pursuant to this RFP.
Department or DOA	State of Wisconsin Department of Administration.
Proposal	Submission by any Proposer in response to this RFP
Proposer	A firm submitting a Proposal in response to this RFP.
Contractor	The Proposer awarded the contract.
RFP	Request for Proposal

## 1.7 **Questions, Clarification and/or Revisions to the RFP**

Any questions concerning this RFP must be submitted in writing via email only on or before **4:00 P.M. CT, Wednesday October 3, 2007** to [cheryl.edgington@wisconsin.gov](mailto:cheryl.edgington@wisconsin.gov)

Proposers must raise any questions, exceptions, or additions related to the RFP at this point in the RFP process. If a Proposer discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the Proposer shall notify the RFP Manager immediately of such error and request modification or clarification of the RFP.

In the event that it becomes necessary to provide additional clarifying data or information, or to revise any part of this RFP, necessary revisions, amendments, or supplements will be provided to all recipients of this initial RFP.

**Any contact with State employees concerning this RFP is prohibited, except as authorized by the RFP manager during the period between the issuance of the RFP to the issuance of the notice of intent to award, inclusive.**

If you intend to submit a response to this RFP, please email the following information to the RFP Manager, Cheryl Edgington, at [cheryl.edgington@wisconsin.gov](mailto:cheryl.edgington@wisconsin.gov) **no later than 4:00 PM CT on Wednesday October 3, 2007.**

- Name of firm intending to submit Proposal
- Contact name of person responsible for the Proposal
- Address, telephone, fax and e-mail information for the contact person
- The same information for an alternate contact person

Only those firms that respond with this intent and information by the stated time will receive information regarding the Vendor Conference. Absence of a submitted intent to respond does not prohibit a Proposer from responding to this RFP.

Each Proposal shall stipulate that it is predicated upon the requirements, terms, and conditions of this RFP and any supplements or revisions thereof.

**1.8 Reasonable Accommodations**

The Department will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities upon request. If you need accommodations for the vendor conference, contact the RFP Manager, Cheryl Edgington, at (608) 267-6922 (voice) or (608) 267-0600 (fax).

**1.9 Calendar of Events**

Listed below are specific and estimated dates and times of actions related to this RFP. The State reserves the right to change these dates and times, if necessary. The actions with specific dates must be completed as indicated unless otherwise changed by the State. The State will give notice of any changes to a specific date or time by issuing a supplement to this RFP posted on VendorNet at <http://vendornet.state.wi.us>. A formal notification may be issued for changes in estimated dates and times. The Department will endeavor to email supplemental information to those Proposers submitting the contact information required in Section 1.7 above, but Proposers also should check the VendorNet Website daily and are responsible for modifications or revisions to the RFP posted thereon.

Date	Event
Friday, September 21, 2007	RFP Issue Date
Wednesday, October 3, 2007	<ul style="list-style-type: none"><li>• Written Questions Due</li><li>• Intent to Respond Due</li></ul>
Friday, October 12, 2007 est.	Written Q&A posted to VendorNet
<b>Friday, November 9, 2007 2:00 P.M. CT</b>	Written Proposals Due
Week of December 3, 2007 est.	Notice of Intent to Award Contract Issued
Friday December 30, 2007 est.	Negotiated Contract Signed

**1.10 Contract Term and Funding**

The State will issue a contract to the winning Proposer for the period commencing July 1, 2008 and expiring June 30, 2014, after the successful completion of any final contract negotiations. In addition, the Depository Selection Board may, at its discretion, extend the contract for two (2) additional two (2) year terms until June 30, 2016, and June 30, 2018, respectively. Due to conversion timing issues, the State reserves the right to implement any portion of the services in this RFP after July 1, 2008 but before June 30, 2010.

The Proposer agrees that the contract issued hereunder is subject to statutory authorization and available funding.

**1.11 Amendments to the Contract**

Amendments to the contract adding or deleting specific services will be allowed to provide for services required or no longer required by the State. All amendments, modifications or clarifications shall be in writing signed by the Proposer and the State Bureau of Procurement. No payment for such services shall be made until an amendment, modification or clarification has been signed by both parties.

**1.12 VendorNet**

The State of Wisconsin's purchasing information and vendor notification service is available to all businesses and organizations that want to sell to the state. Anyone may access VendorNet on the Internet at <http://vendornet.state.wi.us> to obtain information on state purchasing practices and policies, goods and services that the state buys, and tips on selling to the state. Proposers may use

the same Web site address for inclusion on the bidders list for goods and services that the organization wants to sell to the state. A subscription with notification guarantees the organization will receive an e-mail message each time a state agency, including any campus of the University of Wisconsin System, posts a request for bid or a request for proposal in their designated commodity/service area(s) with an estimated value over \$25,000.

Organizations without Internet access receive paper copies in the mail. Increasingly, state agencies also are using VendorNet to post simplified bids valued at \$25,000 or less. Proposers also may receive e-mail notices of these simplified bid opportunities. VendorNet registration is not required to submit a proposal. Prospective Proposers may obtain information on official State proposals through the public notices posted to [www.wisconsin.gov](http://www.wisconsin.gov). To obtain information on the State's registration process, please go to the Web site shown in the paragraph above or call the VendorNet Information Center (1-800-482-7813; in the Madison area, please call 608-264-7897 or 608-264-7898), or contact VendorNet at [vendrhlp@mail.state.wi.us](mailto:vendrhlp@mail.state.wi.us).

**2.0 PREPARING AND SUBMITTING A PROPOSAL**

**2.1 General Instructions**

The evaluation and selection of a Contractor will be based on the information submitted in the Proposal plus references and any required on-site visits or oral presentations. Failure to respond to each of the requirements in the RFP may be the basis for rejecting a response.

Elaborate Proposals (e.g. expensive artwork) beyond that sufficient to present a complete and effective bid, are neither necessary nor desired.

**2.2 Incurring Costs**

The State of Wisconsin shall not be liable for any cost incurred by Proposers in replying to this RFP.

**2.3 Submitting the Proposal**

Proposers must submit an original (so marked) and eight (8) paper copies of all materials required for acceptance of their Proposal no later than **2:00 p.m. CT Friday November 9, 2007 to:**

<u>Postal Address</u>	<u>Common Carrier Address</u>
Cheryl Edgington	Cheryl Edgington
State Bureau of Procurement	State Bureau of Procurement
P.O. Box 7867	101 E. Wilson St. 6th Floor
Madison, WI 53707-7867	Madison, WI 53703

The State must receive Proposals at the location stated above and they must be time-stamped by the State Bureau of Procurement by the time specified above. Proposals not so stamped shall not be accepted. Receipt of a Proposal by the state mail system shall not constitute receipt by the State Bureau of Procurement for purposes of this RFP.

The State cannot ensure confidentiality of a submission once the intent to award has been issued, after which it becomes a public record. Proposers seeking confidential treatment of any portion of their submissions must request confidentiality in their cover letters and they must complete Form DOA-3027, which is included in Section 15 of this RFP. The State will determine whether it can honor a Proposer's request for confidentiality. **THE STATE WILL DENY ANY REQUEST FOR CONFIDENTIAL TREATMENT OF PROPOSED PRICING.**

All Proposals must be packaged, sealed and show the following information on the outside of the package:

- Proposer's name and address



- Request for Proposal title (“**Enterprise Banking Services**”)
- Request for Proposal number (“**RFP 27889-CE**”)
- Proposal due date (**November 9, 2007**)

An original plus two (2) copies of the **Cost Proposal** must be sealed and submitted as a separate part of the Proposal. The outside of the envelope must be clearly labeled with the words “**Cost Proposal, RFP 27889-CE**” and name of the Proposer and due date. The Cost Proposal must be received by the State at the location and on the date and time specified above.

#### 2.4 **Proposal Organization and Format**

Proposals must be typed and submitted on 8.5 by 11-inch paper bound securely. Proposals must be organized and presented in the order and by the number assigned in the RFP. Proposals must be organized with the following headings and subheadings. Each heading and subheading must be separated by tabs or otherwise clearly marked. The following RFP sections must be addressed:

- Request for Proposal form, signed by authorized company representative
- Introduction
- General Requirements (Section 4)
- Deposit and Check Presentment Services (Section 5)
- Disbursement Services (Section 6)
- Lockbox Services (Section 7)
- Electronic Funds Transfer Services (Section 8)
- Information Reporting Services (Section 9)
- Merchant Acquiring and Card Transaction Processing (Section 10)
- Other Agency-Specific Services (Section 11)
- Cost Proposal (**Section 12 – See Instructions Below**)
- Special Contract Terms and Conditions (Section 13)
- Contract Terms and Conditions (Section 14)
- Required Forms (Section 15)
  - Designation of Confidential and Proprietary Information (DOA-3027)
  - Vendor (Proposer) Information (DOA-3477)
  - Vendor (Proposer) References (DOA-3478)

The Proposer must submit its **Cost Proposal** on the **Section 12.2 Cost Proposal Worksheet** attached separately. The **Cost Proposal** must be sealed and submitted as a separate part of the Proposal (see Section 2.3 above). Failure to provide any requested information in the prescribed format may result in disqualification of the Proposal.

**No mention of the Cost Proposal may be made in the response to the technical requirements of this RFP.**

#### 2.5 **Oral Presentations and Site Visits**

Top scoring Proposers, based on an evaluation of the written proposal, may be required to participate in interviews and/or site visits to support and clarify their Proposals, if requested by the RFP evaluation committee. The State will make every reasonable attempt to schedule each presentation at a time and location that is agreeable to the Proposer. Failure of a Proposer to interview or permit a site visit on the date scheduled may result in rejection of their Proposal.

#### 2.6 **Withdrawal of Proposals**

Proposals shall be irrevocable until a contract is awarded unless the Proposal is withdrawn in writing prior to the Proposal closing date and time, or upon expiration of 60 days after the closing date and time if received by the RFP Manager. To accomplish this, the written request must be signed by an authorized representative of the Proposer and submitted to the RFP Manager. If a previously submitted Proposal is withdrawn before the Proposal due date and time, the Proposer may submit another Proposal at any time up to the Proposal closing date and time.

### 3.0 PROPOSAL SELECTION AND AWARD PROCESS

#### 3.1 **Preliminary Evaluation**

The Proposals will first be reviewed to determine if the mandatory requirements in Section 4.1 have been met. Failure to meet these mandatory requirements may result in the Proposal being rejected. In the event that all Proposals do not meet the mandatory requirements, the State reserves the right to continue the evaluation of the Proposals and to select the one that most closely meets the requirements specified in this RFP.

#### 3.2 **Proposal Scoring**

In order to ensure quality, the State will be completing a multi-phase evaluation process. **PROPOSER MAY NOT CONTACT ANY MEMBER OF AN EVALUATION COMMITTEE EXCEPT AT THE STATE'S DIRECTION.**

**Phase One:** An Evaluation Committee will review Proposals and score them against the stated criteria. The Evaluation Committee's scoring, comprised of Sections 4.0 – 11.0 and 13.0, defined as Quality points of the RFP, will be tabulated. Any Proposal that does not receive a minimum of **700** of the available **1,100** quality points in this phase (exclusive of the **1,000** Proposal Cost points) will be disqualified.

**Phase Two:** Proposals that meet the minimum 700 quality points, shall be awarded cost points based on a pre-established methodology. Proposals from certified Minority Business Enterprises may be awarded up to a five percent (5%) preference in this phase. At the Evaluation Committee's discretion, final scores and a contract award may be determined at this phase. Final scores, consisting of the quality points and Cost Proposal points, will then be tabulated and Proposals ranked based on the numerical scores received.

**Phase Three:** The Evaluation Committee may review references, request interviews, and/or conduct on-site visits and use the results in scoring the Proposals. The Evaluation Committee is not required to include all Phase Two Proposals in this phase.

#### 3.3 **Evaluation Criteria**

The Proposal will be evaluated according to the following criteria:

Section #	Section Name	Points
4.0	General Standards	150
5.0	Deposit and Check Presentment	250
6.0	Disbursement	100
7.0	Lockbox	200
8.0	Electronic Funds Transfer	75
9.0	Information Reporting	100
10.0	Merchant Acquiring and Card Transaction Processing	50
11.0	Other Agency-Specific Services	75
12.0	Cost Proposal	1,000
13.9.2	Targeted Business Enterprise Plan	100
Total		2,100

#### 3.4 **Right to Reject Proposals and Negotiate Contract Terms**

The State reserves the right to reject any and all Proposals and to negotiate the terms of the Contract, including the award amount, with the selected Proposer(s) prior to entering into the Contract. If contract negotiations cannot be concluded successfully with the highest scoring Proposer(s), the State may negotiate a contract with the next highest scoring Proposer(s).

#### 3.5 **Award and Final Offers**

The award will be granted in one of two ways. The award may be granted to the highest scoring responsive and responsible Proposer. Alternatively, the highest scoring Proposers may be requested to submit best and final offers. If best and final offers are requested by the RFP evaluation committee, they will be evaluated against the stated criteria, scored and ranked. The award will then be granted to the highest scoring Proposer.

### **3.6 Notification of Intent to Award**

All parties who respond to this RFP will be notified in writing of the State's intent to award the Contract as a result of this RFP.

After notification of the intent to award is made, and under the supervision of State Purchasing staff, copies of proposals will be available for public inspection from 8:00 a.m. to 4:00 p.m. Monday through Friday at 101 E. Wilson St., 6th Floor, Madison, Wisconsin, 53703. Proposers should schedule reviews with Cheryl Edgington, at (608) 267-6922.

Certain sections of the winning Proposal may be protected from public viewing where they represent proprietary information and they are appropriately designated following the formal declarations described in Section 15, Designation of Confidential and Proprietary Information (DOA-3027). In addition, all specific information obtained through reference checking that could result in identifying the reference source will be kept confidential.

### **3.7 Appeals Process**

Notices of intent to protest and protests must be made in writing. Protesters should make their protests as specific as possible and should identify statutes and Wisconsin Administrative Code provisions that are alleged to have been violated.

The written notice of **intent** to protest the intent to award a contract must be filed with:

Deputy Bureau Director  
State Bureau of Procurement  
Department of Administration  
101 E. Wilson St. 6th Floor  
P.O. Box 7867  
Madison, WI 53707-7867

and received in that office no later than five (5) working days after the notices of intent to award are issued.

The written protest must be received within ten (10) working days after the notice of intent to award is issued.

The decision of the head of the procuring agency may be appealed to the Secretary of the Department of Administration within five (5) working days of issuance, with a copy of such appeal filed with the procuring agency. The appeal must allege a violation of a statute or a provision of the Wisconsin Administrative Code.

## **4.0 GENERAL REQUIREMENTS [150 POINTS]**

### **4.1 Mandatory General Requirements**

Responses to each requirement must indicate that the Proposal either “does comply” with the requirement or “does not comply”. Failure to comply with a mandatory requirement may result in rejection of the Proposal. A succinct explanation of how each requirement can or cannot be met must be included.

#### **4.1.1 A Proven Performance Record for Large Cash Management Contracts**

The Proposer must provide a detailed description of its cash management experience with 1) state governments, and; 2) large governments or corporations. The Proposer must include the duration of the Contract, and the services provided. In addition, the Proposer must submit references according to form DOA-3478 Vendor References for a minimum of (4) clients equivalent in size and scope for which the Proposer currently provides cash management services.

4.1.2 Sufficient Processing Capacity

Refer to the Cost Proposal Worksheet in Section 12. The Proposer must be able to process the indicated volumes beginning July 1, 2008. The Proposer must list any services for which its current processing capacity is not sufficient to handle the annual volumes indicated. If the current capacity needs to be expanded, the Proposer must describe the amount of capacity that must be added and how it plans to accomplish this expansion including time frames for implementation.

4.1.3 Processing Locations

The Depository Selection Board has determined that all deposit, check presentment and lockbox processing services must be performed within the State of Wisconsin. The Proposer must list the addresses of its deposit, check presentment and lockbox processing facilities.

4.1.4 Qualification as a Public Depository

Appendix E contains the entire text of Chapter 34 Wis. Stats. The Proposer must explain why it meets the requirements contained in sec. 34.05(1) Wis. Stats. The Proposer may submit an opinion from their legal department to fulfill this requirement.

4.1.5 Ability to Accommodate Accidental Overnight Overdrafts

Proposers must be able to accommodate infrequent, accidental overnight overdrafts up to \$50 million. Please refer to the daily, consolidated ledger and collected balance information contained in Appendix A-8.

Whenever the Proposer is required to purchase Federal Funds at the request of the State or to cover accidental overdrafts of the State's account by some other method, the Proposer shall charge the State for the actual cost of such funds.

4.1.6 Daylight Overdrafts

Proposers must be able to accommodate significant daylight overdrafts to ensure required cash movement within the associated accounts. Daylight overdrafts typically range from \$25 - \$40 million and can occasionally exceed \$1 billion.

4.1.7 Disaster Recovery and Hot Back-Up Processing Site

Proposers must have a formal disaster recovery plan in place in the event of a systems failure or other disaster at the Proposer's primary processing site. Proposer must also indicate when the plan was last updated and tested. In addition, the Proposer must indicate whether or not a hot back-up processing site exists and describe its capabilities. If this plan includes activities at a site located outside of Wisconsin it must be operated by employees of the Proposer or under direct contract with the Proposer.

4.1.8 Associate Ledger and Collected Balances as Required by the State Controller

The Proposer must associate or consolidate the balances across accounts as described in Section 1.2.

4.1.9 Customer Service Ombudsman

The Proposer must designate a single point of contact for this Contract, to serve as an Ombudsman for day to day operational problems or questions. The Ombudsman must be familiar with the State's cash management activities sufficient to quickly troubleshoot the reported problem or question. The State requires that the Ombudsman or a comparable

backup be available for inquiries during normal business hours (7:30 a.m. to 5:00 p.m. Central Time) each banking day. The State also requires quick responses to any significant problems reported outside of normal business hours (see Section 4.2.5 below).

## 4.2 **Other General Requirements**

### 4.2.1 **Phoenix-Hecht Quality Index – Mean Numeric Scores**

The Proposer must provide their Phoenix Hecht quality index mean numeric score for the following categories:

Category	Quality Measure	Mean Numeric Score
ACH	Speed of error correction	
ACH	Accuracy of processing and reporting	
ACH	Overall features and capabilities	
Balance Reporting	Timeliness of information	
Balance Reporting	Accuracy and reliability	
Balance Reporting	Overall features	
Wholesale Lockbox	Speed of processing	
Wholesale Lockbox	Accuracy of processing	
Wholesale Lockbox	Quality of images	

### 4.2.2 **Financial Well Being of the Proposer**

The Proposer must provide their current Thompson BankWatch, Inc. (or other recognized rating service) rating. In addition, the Proposer must provide a copy of its most recent audited financial statements, including those of any bank holding companies or parents and those of any significant sub-contractors being proposed. The state reserves the right to supplement the financial information provided by the Proposer with information it obtains independently from market sources.

### 4.2.3 **Experienced Management and Technical Staff**

The Proposer must prepare a list of the key management and technical staff including implementation project team leader and key implementation project staff that will be assigned to the state's account in the following format:

Name/ Certification(s)	Service Area/Title	Years in Current Position/Other Relevant Experience	% Dedicated to State's Account
Jane Doe, CCM	Account Contact/ Relationship Mgr	5 Yrs/10 Years with Acme Bank as Teller	100%
John Doe, CCM	Lockbox/Retail Lockbox Manager	10 Yrs/20 Years with Acme Bank as Wholesale Lockbox Mgr	10%

Resumes of all key management and staff for both Implementation Project Team members as well as permanent staff must be included.

### 4.2.4 **Proposer's Organization and Infrastructure**

4.2.4.1 The Proposer must provide a description of its corporate structure including holding companies, parents, corporate affiliates and significant correspondents.

4.2.4.2 The Proposer must disclose the prime banking location for this RFP.

4.2.4.3 The Proposer must disclose the location of any branch banks or processing facilities located outside of the prime banking location that will be used to provide contract services.

4.2.5 Responding to Service Problems

Proposer must describe its procedures for receiving and responding to reports of service problems from the State during and outside of normal business hours. Include procedures for receiving, escalating, distributing and responding to problems reported through a customer service call center or similar facility.

4.2.6 Account Adjustments

Proposers must describe how inquiries requiring research and account adjustments will be handled including any established turn-around times. Proposers must also describe the system used to track and resolve potential account adjustments.

**Performance Standard**

The Proposer must provide all debit and credit memos to the State within 5 business days of the account adjustment.

4.2.7 Third-Party Processors

Proposers must describe the role of any third-party processor to be used by the Proposer in providing the services listed within this RFP.

4.2.8 Bank System Changes

**Performance Standards**

The Proposer shall notify the State at least 90 days in advance of any changes that will affect the transmission of data to the State. The Proposer shall not change the content or timing of any data files unless the change has been pre-approved by the State.

The Proposer shall notify the State at least 4 weeks in advance of any change affecting a report or reconciliation service.

4.2.9 Conversion Plan. (This section is provided for information only and will not be scored.)

The Proposer must present an outline of the strategic approach to the conversion activities. The plan should describe the organizational structure of the Proposer's conversion team as well as the desired management and staff from the State agencies. It should describe the operational plan, including key deadlines and timelines of critical conversion activities. It should describe any other key aspects of a successful conversion that the Proposer is either requiring or recommending as part of the Proposal.

**4.3 Utilizing Technology and Improving Processing Efficiency**

The State must be made aware of and presented with any technology advances or process changes that would result in more efficient processing or improved funds availability and any price reductions that correspond with those advances.

The Proposer must describe its ability to assist the state in improving the overall efficiency of its receipting and disbursing processes as listed in this RFP. The Proposer should describe specific examples of improvements that could benefit the State.

**5.0 DEPOSIT AND CHECK PRESENTMENT SERVICES [250 POINTS]**

**5.1 General Requirements**

5.1.1 Branch Locations

State agencies currently make deposits to approximately 582 bank accounts in approximately 110 cities throughout the State. Proposers must provide a listing of branch locations in the State of Wisconsin. For each branch location, the Proposer must indicate whether a depository account established at that location can zero-balance daily to the State's cash concentration account.

5.1.2 Deposit Processing

Proposers must describe how state deposits will be processed once they are received. This description should include:

5.1.2.1 A flow chart of the process.

5.1.2.2 Processing cut-off times.

5.1.2.3 A clear description of when in the process availability is assigned (i.e. continuously as checks are released for collection or at specific times during the day).

5.1.3 Funds Availability

5.1.3.1 Proposers must provide an availability schedule that includes the information contained in Section 5.2.2 – Availability Schedule.

5.1.3.2 Proposers must describe their internal controls for assuring that the availability proposed in Section 5.2.2 – Availability Schedule is applied to all State deposits.

5.1.3.3 If more timely availability than the proposed availability schedule can be provided in some cases, describe how this will be accomplished.

5.1.4 Check Processing

Proposers must describe the check processing operation (at each location) that will be used for the State of Wisconsin. The description should include:

5.1.4.1 The type of check reader/sorter equipment used.

5.1.4.2 A description of the encoding quality monitoring process.

5.1.4.3 The number of checks processed during calendar 2006.

5.1.4.4 The number of return items processed during calendar 2006.

5.1.4.5 The current and planned use of Electronic Check Presentment.

5.1.4.6 The current or planned use of Image Processing.

5.1.5 Error Tracking

Provide the various processing error rates which are tracked and used to measure processing accuracy such as encoding errors, file processing errors, item processing errors, etc. Describe the process used to monitor deposit processing and how problems are identified and corrected.

5.1.6 Electronic Check Re-presentment

Proposers must describe their ability to provide RCK electronic check re-presentment services.

5.1.7 Remote Deposit

Proposers must describe any services that they provide for scanning and transmitting check images for deposit from state agency remote locations or scanning and converting the checks to ACH-debit transactions.

**5.2 Technical Requirements**

Responses to each technical requirement must indicate that the Proposal either “does comply” with the requirement or “does not comply.” A succinct explanation of how each requirement can or cannot be met must be included.

The Proposer shall accept all items delivered to it (including its Madison [and other] agent) for deposit to the account of the State Controller in accordance with the following requirements:

5.2.1 Availability of Funds

5.2.1.1 The Proposer shall provide same-day ledger credit for those deposits that are couriered from the Madison branch to the Proposer’s main processing location and delivered to the bank by 10:00 p.m. If the Proposer can not provide same-day ledger credit for these deposits until 10:00 p.m. it should list an alternative ledger cut-off time.

5.2.1.2 Funds received by fed-wire or other wire transfer shall be considered immediately available funds.

5.2.1.3 Funds received through the Automated Clearing House shall be considered as immediately available funds on the ACH effective date.

5.2.1.4 Cash and “on us” items shall be considered immediately available funds if delivered to the Proposer by 10:00 p.m. If the Proposer can not provide immediately available funds for these deposits until 10:00 p.m. it should list an alternative cut-off time.

5.2.1.5 All other items shall be credited to the account of the State Controller based upon the availability schedule submitted in Section 5.2.2 – Availability Schedule which shall not be later than the Milwaukee office of the Federal Reserve Bank of Chicago’s schedule of credit availability, as indicated from time to time by the “Current Operating Circular”.

5.2.2 Availability Schedule

Proposers shall provide their availability for all endpoints. The availability listed shall not be changed without approval of the Contract Administrator. The availability shall be provided in two sections:

5.2.2.1 Certain ABA Institutions

The Proposer shall provide the following availability code assuming that a deposit (in the amount indicated) that is ready to be processed is received at 12:30 p.m.:

- 0 = Availability on the same ledger day as the deposit
- 1 = Availability on the first ledger day after the deposit
- 2 = Availability on the second ledger day after the deposit
- 3 = Availability on the third ledger day after the deposit date
- 4 = Availability on the fourth ledger day after the deposit date

The availability code listed by the Proposer and the deposit amount indicated on the **Section 5.2.2 Availability Worksheet** (attached separately) shall be used to determine the Proposer’s overall availability score.

5.2.2.2 All Other Endpoints

The Proposer shall provide the following availability code for each Federal Reserve Routing Symbol (not including those Federal Reserve Routing Symbol/ABA Institution Identifiers listed in Section 1) assuming that a deposit that is ready to be processed is received at 12:30 p.m.:



- 0 = Availability on the same ledger day as the deposit
- 1 = Availability on the first ledger day after the deposit
- 2 = Availability on the second ledger day after the deposit
- 3 = Availability on the third ledger day after the deposit date
- 4 = Availability on the fourth ledger day after the deposit date

In addition, the Proposer shall provide:

- a) Availability consideration for deposits received on Saturday or Sunday.
- b) Availability for rejected and returned items.

### **Performance Standard**

#### **Deposit Credit Based Upon Availability Schedule**

The Proposer shall credit the State's account based upon the RFP requirements and the Availability Schedule.

#### **5.2.3 Madison and Milwaukee Depository Locations**

5.2.3.1 The Proposer shall maintain depository locations in the cities of Madison and Milwaukee to accept deposits made on behalf of the State Controller and to provide checking and deposit services to state agencies, and to other fiscal agents which contract with the State of Wisconsin to perform designated services.

5.2.3.2 All balances in these accounts shall be considered as balances in the State Controller's account for the purpose of analysis and compensating balances.

5.2.3.3 The Madison and Milwaukee locations will be required to accept cash deposits from the State Controller and other state agencies.

5.2.3.4 The Madison and Milwaukee locations must have a secure area for delivery.

5.2.3.5 A night depository is required at the Madison and Milwaukee locations.

#### **5.2.4 Return Item Processing**

5.2.4.1 The Proposer shall automatically forward for collection, a second time, any item under \$1,000 returned to the Proposer NSF. For audit trail purposes only, the first time an item is returned the Proposer may debit and immediately credit the State account. A special coding may be required to be placed by the Proposer on all such debits and credits.

5.2.4.2 Each day's returned items shall include segregated listings for both the Department of Revenue and the Department of Transportation. The returns for all other agencies depositing to the General Control Account shall be combined.

5.2.4.3 For all returned items, the Proposer must supply a listing which includes the check number, check date, check amount, reason code, and full name on check.

#### **5.2.5 Deposit Verification**

5.2.5.1 The Proposer shall credit the State Controller's Account with the amounts shown on deposit tickets and make adjusting entries if the tickets vary from the actual amounts deposited. The Proposer shall notify the State Controller's Office (or the Department of Workforce Development for deposits to the Child Support accounts) of any overage or shortage that exceeds \$10. Such notification shall include information sufficient for the State Controller's Office to debit or credit the appropriate State agency.

5.2.5.2 If provisional credit is given, verification and adjustment must take place within 24 hours. In the event verification and adjustment occurs after this time, the credit shall be considered as deposited on the original deposit date for determining the monthly analysis and compensating balances.

5.2.5.3 The Proposer must identify and adjust all discrepancies.

5.2.3.4 The Proposer must accept for deposit both un-encoded and pre-encoded checks. The Departments of Revenue, Transportation, and the Department of Workforce Development – Bureau of Child Support process large daily deposits of pre-encoded checks. Specify the pricing for depositing both un-encoded and pre-encoded checks in Section 12 – Cost Proposal.

5.2.6 Money Processing Services

The Proposer must receive and count cash delivered from the State and provide cash or rolls of coins as needed. An example of this service is the annual Wisconsin State Fair.

5.2.7 Foreign Exchange Services

5.2.7.1 The Proposer shall allow for the following items to be deposited for immediate credit using a deposit ticket:

- Checks drawn on a Canadian bank in either Canadian Dollars or U.S. Dollars.
- Checks drawn on a European bank whose currency is now the Euro that are issued in the Euro.
- Checks issued in U.S. Dollars drawn on a foreign bank's U.S. correspondent bank are considered domestic items.
- Checks drawn on a bank located in one of the countries listed below if issued in the currency listed:

Australia	Australian Dollar
Austria	Euro
Brazil	Centavos
Belgium	Euro
China	Yuan
Denmark	Danish Kroner
England	British Pound
Finland	Euro
France	Euro
(Note: Checks from France must have the city of issue written on the check)	
Germany	Euro
Greece	Euro
Hong Kong	Hong Kong Dollar
Italy	Euro
Ireland	Euro
Japan	Japanese Yen
Luxembourg	Euro
Mexico	Peso
The Netherlands	Euro
New Zealand	New Zealand Dollar
Norway	Norwegian Kroner
Portugal	Euro
Saudi Arabia	Saudi Riyal
Scotland	British Pound
Singapore	Singapore Dollar
Spain	Euro
Sweden	Swedish Kroner

Switzerland

Swiss Franc

5.2.7.2 The Proposer shall upon request produce drafts in foreign currency. The drafts shall be issued and mailed within 5 business days of the request.

5.2.7.3 The Proposer shall wire money in third world currencies.

5.2.7.4 The Proposer shall offer the option to release wires within 24 hours or 4 business days, and shall provide price reductions accordingly.

5.2.7.5 Upon request, the Proposer shall establish bank accounts in foreign countries. The state agency shall have the ability to view account activity online.

5.2.8 Deposit Supplies and Equipment

The Proposer shall furnish supplies necessary to process check/coin deposits. Costs of providing deposit tickets, deposit bags, currency straps, etc., shall be passed through to the State. Present usage of deposit tickets for the State Controller is approximately 25,000 per year. Forms presently used are *three-part*, color coded, snap-out on NCR paper. The Proposer shall provide and pass through to the State, with the State contract administrator's written approval, the costs of equipment used by the State Controller's Office or State agencies in the processing of deposits.

5.2.9 Special Accounts

The State requires that a special category of interest-bearing accounts be established that will be outside of the normal cash concentration process. These accounts shall also earn interest at the compensating balance earnings rate. The State shall have the option of settling these accounts quarterly or annually. It is the State's intent to minimize the balances in these accounts such that the fees exceed the compensating balance earnings. However, if the net position of an account is positive, the Proposer shall pay interest directly to the account. If the net position is negative, the State will be invoiced accordingly. Initially, these accounts will include the following:

Account	Estimated Avg Daily Collected Balance
Wisconsin Support Collection Trust Fund	\$2,500,000
DPI Scholarship Program Trust	\$3,000,000
Universal Services Fund	\$500,000
DHFS Children's Special Benefit Fund	\$30,000
Bureau of Milwaukee Child Welfare	\$1,000,000
ETF Pharmacy Benefit Manager	\$8,500,000

5.2.10 Copies of Checks Deposited

The Bank shall provide online access to images of all checks deposited no later than the day after deposit and shall make them available for at least 7 years.

**6.0 DISBURSEMENT SERVICES [100 POINTS]**

**6.1 General Requirements**

The following table shows fiscal year 2007 check volumes by major check writing application:

**FY 2007 Checks Written – Major Check writing Applications**

State Series	Account Type	Purpose	Total No. Checks Issued	Total \$ Checks Issued
A	Pooled-ZBA	General Operations (Proposer and misc)	676,709	20,620,046,182
B	Pooled-ZBA	Payroll	218,138	176,768,786
C	Pooled-ZBA	University of Wisconsin	149,948	2,236,156,715
H	Pooled-ZBA	Employee Trust Funds Annuity	246,327	411,379,431
I	Pooled-ZBA	Rush Payments	2,785	10,023,732,258
J	Pooled-ZBA	Wisconsin Works	92,629	42,262,225
L	Pooled-ZBA	Lottery	5,945	36,936,736
M	Pooled-ZBA	Child Care Provider	159,177	211,386,304
P	Pooled-ZBA	Energy Assistance	201,758	103,252,203
R	Pooled-ZBA	Income Tax Refunds	1,277,977	968,231,029
S	Pooled-ZBA	Stop Payment Replacements	6,425	102,352,277
T	Pooled-ZBA	Income Tax Refunds	50,596	46,238,325
X	Pooled-ZBA	Garnishments	2,367	2,173,686
Fiscal Agent	Regular Disbursement	Child Support <sup>1</sup>	3,576,822	537,557,042
Fiscal Agent	Controlled Disbursement	Medicaid <sup>2</sup>	368,999	4,286,370,718
Fiscal Agent	Regular Disbursement	Supplemental Security Income <sup>2</sup>	477,898	65,055,614
Fiscal Agent	Regular Disbursement	BadgerCare, Senior Care, Medical Assistance Purchase Plan <sup>2</sup>	8,800	1,057,140
Fiscal Agent	Regular Disbursement	Wisconsin Well Woman's Program <sup>2</sup>	8,063	1,912,712
Fiscal Agent	Regular Disbursement	Wisconsin Chronic Disease Program <sup>2</sup>	4,999	4,307,442

<sup>1</sup> The Child Support program plans to convert the majority of their payment recipients from checks to ACH or Electronic Payment Cards (loaded via ACH transactions). It is estimated that 85% of the check volume indicated will be converted to ACH transactions by July 1, 2008.

<sup>2</sup> FY 2006 data shown.

6.1.1 Regular and Controlled Disbursement Account Services

The Proposer must describe its regular and controlled disbursement account services. Included should be a description of any innovative or unique cash management services that are offered to its larger government and/or corporate customers.

6.1.2 Account Reconciliation Services

The Proposer must describe its account reconciliation services including when full reconciliation files are transmitted to the customer.

6.1.3 Stop Payments

The Proposer must describe its web-based stop payment system including how the system verifies that a check is outstanding before a stop payment order is accepted. Describe the batch processing capabilities of the system.

6.1.4 Fraud Protection

6.1.4.1 The Proposer must describe its ability to accept daily check issuance data (including payee name) from the State and to provide a system for the State to view images of presented items that do not match the issuance data (Positive Pay).

- 6.1.4.2 The Proposer must describe its ability to reject attempts to cash checks that do not match the issued data at teller windows within their branch offices (Teller Positive Pay).
- 6.1.4.3 The Proposer must describe its ability to eliminate the following items from the State's daily decision process:
- Encoding errors.
  - Missing check numbers.
  - Missing account numbers.
  - Duplicate Image Replacement Documents (IRD's).
- 6.1.4.4 The Proposer must describe its ability to block paper debits to the state accounts used for ACH payments.
- 6.1.4.5 The Proposer must describe its ability to block ACH debits to state accounts. The Proposer must also describe its ability to filter ACH debits against specific company codes.

**Performance Standard**

The Proposer's system must provide positive pay decision items and images to the State by 9:00 a.m. CT each business morning. The State shall have until 2:00 p.m. CT to review exceptions and enter decisions.

6.1.5 **Nightly Batch File Transfer**

The Proposer must be able to accept checks issued and canceled check files created by the State's nightly batch processing schedule and update the bank's systems by the morning of the next business day (includes Saturday). Files are generally transmitted by the State between 10:00 p.m. and 3:00 a.m. Monday through Saturday (Sunday if Saturday is the last day of the month or if alternate scheduling is required for holidays, etc.) and updates of this information must be available for transactions at the opening of that business day (includes Saturday).

6.1.6 **Check Images**

The Proposer shall provide the State Controller's Office and other specified agencies, the ability to retrieve web-based images of paid checks within three days after payment. The Proposer shall provide real-time Internet access to the images of checks issued within the previous 90 days. The Proposer shall also provide access to an archive of checks issued through the Proposer. These archived images shall be available upon request. Describe the process that the State will use to request and view the archived images and the length of time that the images are available.

**6.2 Technical Requirements**

Responses to each technical requirement must indicate that the Proposal either "does comply" with the requirement or "does not comply." A succinct explanation of how each requirement can or cannot be met must be included.

6.2.1 **Reconciliation Services**

6.2.1.1 Daily check issuance and cancelled check information will be transmitted to the Proposer. The record layout for this file is contained in Appendix A-1. The Proposer will provide a separate monthly reconciliation for each major check writing application listed above. The reconciliation must show the checks issued, checks paid, checks stopped, checks cancelled and checks outstanding.

6.2.1.2 The Proposer will provide paid check images online and on CD-ROM or DVD-ROM. The Proposer will provide accompanying indices and software necessary to retrieve images in a batch mode. The Proposer will also provide duplicate CD-ROMs or DVD-ROMs.

- 6.2.1.3 The Proposer shall initiate any adjustments necessary to paid checks within 30 days of reconciliation.
- 6.2.1.4 The Proposer must provide a summary of all adjustments made to each account including any adjustments to the paid and outstanding check reports.
- 6.2.1.5 The Proposer must provide a monthly electronic file (CD-ROM or DVD-ROM) of all checks that were paid during the month and all checks that were outstanding at the end of the month. This file will include the account number, serial number, fund, agency, voucher, amount, issue date, paid date (if any) and stop date (if any).
- 6.2.1.6 The Proposer must provide a daily electronic file of paid checks for specified accounts. The file will include the account number, serial number, amount, issue date and paid or stop date.
- 6.2.1.7 The Proposer must provide the Department of Workforce Development with a weekly file of cleared Child Support checks.

#### **Performance Standards**

- The Proposer shall process in that night's processing cycle all issued and cancelled check files received from the State by 10:00 p.m. of each bank business day.
- The Proposer must provide the weekly file of cleared Child Support checks to the Department of Workforce Development by 6:00 p.m. Saturday.
- The Proposer must communicate any change in the reconciliation services and/or reconciliation reports to the State at least four calendar weeks prior to the change.
- The Proposer must send weekly account reconciliation data for the Child Support checks to the Department of Workforce Development and its fiscal agent within 7 business days of the end of the period.

#### **6.2.2 Truncation**

6.2.2.1 The Proposer shall provide for all checks to be stored and truncated after a period of 2 months.

6.2.2.2 In the event a paid check is NOT imaged because it was mutilated or pulled out for adjustment, the original check must be retrieved and returned to the State Controller's Office on a monthly basis. This includes any checks that are imaged in carriers. There are approximately 12,000 of these checks per year.

#### **6.2.3 Unpaid Checks**

The Proposer shall honor all state checks for one year from the date of issue and then shall stale date all unpaid checks on a quarterly basis by removing from the outstanding list all checks that are one year old and electronically reporting the account number, check number and amount of each item deleted.

#### **Performance Standard**

The quarterly unpaid check file shall be transmitted to the State within 7 working days of the end of the quarter.

#### **6.2.4 Fraudulent Checks**

The Proposer must act as an agent to collect all fraudulent checks cashed. Items returned with affidavits of forged endorsements will be processed and credits will be made when credit is received or within 60 days for on-us items and 90 days for other items,

whichever is sooner. If collection cannot be accomplished, the financial institution initially cashing the check is responsible for investigating the forgery claim and pursuing any legal action. When requested, the Proposer must assist the State Controller's Office and the issuing state agency in investigating forged check transactions.

6.2.5 Agency Contingent Checking Accounts

The Proposer shall offer separate checking account services to various State agencies upon approval of the State Controller's Office. These services will include separate reconciliation and check stock for each account. The check stock shall be purchased by the Proposer, furnished to the agency, and the cost added to the monthly billing by the Proposer. Balances in these checking accounts may be considered as balances in the cash concentration account for the monthly analysis and compensating balances.

6.2.6 Enterprise Check Stock

The Proposer will provide the check stock for all series and accounts as requested by the Department of Administration – State Controller's Office or the entity having check signing authority. All costs shall be passed through to the State at the cost to the Proposer through the consolidated account analysis.

6.2.7 Cashing of State-Issued Checks

The Proposer shall cash any State-issued check presented by a Payee with the proper identification:

- Drivers License;
- State of Wisconsin ID Card;
- Milwaukee County ID Card.

6.2.8 Automated file confirmations – Cancelled Check Files

The Proposer must provide a service that automatically confirms that cancelled check files transmitted by the State to the Proposer have been received and processed. The confirmations must:

6.2.8.1 Be sent via secure e-mail;

6.2.8.2 Be available within two hours after file submission;

6.2.8.3 Include a contact name and number;

6.2.8.4 Be created after the file has updated the teller line;

6.2.8.5 Include by file the:

- file number;
- date;
- time;
- file name;
- first record number;
- last record number;
- total number of records per account in the transmission;
- total dollar amount per account in the transmission.

## **7.0 LOCKBOX SERVICES [200 POINTS]**

### **7.1 General Requirements**

The State currently utilizes 46 wholesale lockboxes and 12 retail lockboxes. See Appendix B for a listing of lockbox volumes by month.

#### **7.1.1 Mail Processing**

- 7.1.1.1 The Proposer must indicate the distance to the post office and the average length of time between the pickup of items at the post office and delivery to the lockbox department.
- 7.1.1.2 The Proposer must indicate the number of mail pick-ups each day and the time of each pick-up.
- 7.1.1.3 The Proposer must describe how mail is received at the lockbox site and transferred to the lockbox processing department. Each delivery phase and the associated time delays must be indicated.
- 7.1.1.4 The Proposer must describe the mail sorting operation, including manual and automated handling, ability to read bar codes, peak volume and contingency plans.
- 7.1.1.5 Proposers must provide a copy of their current Phoenix-Hecht Postal Survey Mail Arrival Pattern report.

7.1.2 General Lockbox Processing

- 7.1.2.1 Proposers must list the brand, model and quantity of machines currently used in the following lockbox processes:
  - High-speed presorting;
  - High-speed extraction;
  - Low-speed extraction;
  - Image capture/Courtesy Amount Recognition.
- 7.1.2.2 Proposers must indicate their daily lockbox processing cut-off times, and their daily lockbox deposit cut-off times.
- 7.1.2.3 Proposers must describe any priority handling of items over \$50,000.
- 7.1.2.4 Proposers must describe their certified mail handling.

7.1.3 Wholesale Lockbox Processing

- Proposers should describe and flowchart their wholesale lockbox operation including the following processing functions:
- Mail collection;
  - Mail receipting and logging;
  - Batch creation;
  - Image capture;
  - Batch balancing;
  - Data entry;
  - Check encoding.

7.1.4 Retail Lockbox Processing

- Proposers should describe and flowchart their retail lockbox operation including the following processing functions:
- Mail collection;
  - Mail receipting and logging;
  - Presorting;
  - High-speed extraction;
  - Low-speed extraction;
  - Batch creation;
  - Image capture/OCR Scanning/Character Amount Recognition;
  - Batch balancing;
  - Check encoding;



- Data transmission.

7.1.5 Check Processing

Proposers must describe how the check processing function interfaces with the lockbox department.

7.1.6 Performance Monitoring

7.1.6.1 Proposers must list and describe the key performance measures currently tracked for lockbox processing.

7.1.6.2 Proposers must describe their process for responding to reports of performance problems such as keying or sorting errors.

7.1.7 Lockbox Imaging

For OCR processed remittance documents, the Proposer should describe their current and future capabilities to provide images of the front and back of the OCR document along with the check in an electronic format (i.e. Internet or CD ROMs).

7.1.8 Accounts Receivable Conversion

7.1.8.1 The Proposer should describe their ability to convert checks received through lockbox to ACH debit transactions.

7.1.8.2 The Proposer should describe the timing of the conversion and when the State will receive settlement for these items.

**7.2 Technical Requirements**

Responses to each technical requirement must indicate that the Proposal either “does comply” with the requirement or “does not comply.” A succinct explanation of how each requirement can or cannot be met must be included.

7.2.1 General operations

The Proposer will be authorized to pick up mail at the U.S. Post Office located at 345 West St. Paul Avenue, Milwaukee, Wisconsin 53203. The lockbox processing and mail pick-up schedule must track maximum availability of mail from the U. S. Post Office, including weekends and holidays. All items picked up at the post office in accordance with the Proposer’s schedule shall be processed by the Proposer on that same calendar day. The only exception is when the number of items picked up at the post office exceeds 18,000 for an individual lockbox in a calendar day. In these instances, the Proposer must process and return to the State a minimum of 18,000 remittances per lockbox on that same calendar day (see Section 7.3). All lockbox items shall be processed in order to meet the schedule of the Milwaukee Branch of the Federal Reserve Bank of Chicago or the cut off times for other clearinghouse presentments.

7.2.2 Lockbox Instructions

Appendix B lists the detailed lockbox instructions to be used in processing the State’s remittances.

7.2.3 Unique Zip Code

The State has its own Zip Code and will authorize the Proposer to act as its agent. Assignment of drawer or P.O. Box numbers is at the discretion of the State with the consent of the Proposer. All present lockboxes have drawer numbers that can be used for this Contract.

7.2.4 Listed Services

Services include manual lockboxes, OCR lockboxes, data entry, data transmission, photocopying, candling, date stamping, exception handling, envelope opening, providing a typed list and handling of enclosed forms.

7.2.5 Daily lockbox reports

The Proposer must email a daily lockbox status report to the State providing the following daily processing statistics for selected high volume lockboxes:

- Number of mail items received;
- Number of items processed;
- Number of items remaining in house;
- Number of exceptions in process;
- Received date for the oldest items remaining to be processed.

7.2.6 Lockbox Imaging

7.2.6.1 The Proposer must maintain images of the front and back of all checks processed through the lockbox for a minimum of two years.

7.2.6.2 On at least a weekly basis, for requested lockboxes, the Proposer must provide CD-ROM's or DVD's that contain images of the checks and remittance documents received. The image index and the access software must be contained on each CD-ROM or DVD.

7.2.6.3 The state will request copies of checks processed through retail lockbox. These copies must be forwarded to the state within 5 business days.

7.2.7 Lockbox Deposits

The Proposer must establish a separate deposit account for each lockbox. Returned items must be posted to an alternative account as specified by the State.

**7.3 Lockbox Performance Standards**

7.3.1 Mail Pick Up

The Proposer shall pick-up mail from the post office located at 345 West St. Paul Avenue, Milwaukee, Wisconsin 53203 at the times indicated in the schedule agreed to by the State.

7.3.2 Lockbox Processing Time

All items picked up at the post office in accordance with the Proposer's schedule shall be processed by the Proposer on that same calendar day. The only exception is when the number of items picked up at the post office exceeds 18,000 for an individual lockbox in a calendar day. On these days, the Proposer must process a minimum of 18,000 remittances per lockbox on that same calendar day.

7.3.3 Lockbox Processing Errors

Processing errors must be less than .5% per lockbox, per day. Errors in processing documents are defined as those that cause payments to be applied to the wrong state account, payment amounts applied for more or less than the check amount, data posted improperly to an account or data posted to the wrong account, or other situations that cause the state to correct an improperly processed transaction.

7.3.4 Delivery of Remittance Documents to State Agencies

All items processed by the Proposer must be available for courier pickup and return to the corresponding state agency by 5:00 p.m. Central Time on the date processed.

**8.0 ELECTRONIC FUNDS TRANSFER SERVICES [75 POINTS]**

**AUTOMATED CLEARING HOUSE SERVICES**

**8.1 General Requirements**

During fiscal year 2007, the State originated approximately 8.5 million ACH transactions.

Proposers must provide the following information in relation to ACH services:

- 8.1.1 Cut-off time for customer initiation of ACH transactions so that settlement occurs by 8:00 a.m. the next business day.
- 8.1.2 Whether the Proposer can automatically redeposit items returned for insufficient or uncollected funds.
- 8.1.3 Describe the ACH return process, including when funds are posted to the customer's account.
- 8.1.4 Describe any ability to provide ACH returns to the State in an electronic file.
- 8.1.5 Describe the Proposer's online ACH services including available reports.
- 8.1.6 Whether the customer can build a database of repetitive transactions.
- 8.1.7 Security procedures that are in place to minimize the risk of unauthorized transactions.
- 8.1.8 Whether the Proposer bank offers services to protect the State's accounts from unauthorized debits.
- 8.1.9 Whether the Proposer can automatically direct returns to an alternate account.

## **8.2 Technical Requirements**

Responses to each technical requirement must indicate that the Proposal either "does comply" with the requirement or "does not comply." A succinct explanation of how each requirement can or cannot be met must be included.

### **8.2.1 Record formats**

The Proposer must be able to initiate and receive the following electronic payment formats:

- ACH-PPD;
- ACH-CCD;
- ACH-CCD+/Vendor Express;
- ACH-CTX;
- EDI-ANSI ASC X12.

### **8.2.2 ACH Transactions**

The Proposer shall act as the State's Originating Depository Financial Institution (ODFI) and Receiving Depository Financial Institution (RDFI) and shall originate and receive ACH transactions per NACHA Operating Rules. The Proposer shall also provide:

- A daily electronic report of all ACH rejects or account changes such as routing number changes, bank account number changes, etc.;
- A daily NACHA file of ACH credit payments.

### **8.2.3 Online System**

8.2.3.1 The Proposer must provide an online method of entering ACH (debit and credit) transactions with appropriate security for multiple agencies and users.

8.2.3.2 The Proposer must provide a downloadable file of detailed ACH activity for same day and prior day activity.

8.2.4 Automated file confirmations – ACH Files

The Proposer must provide a service that automatically confirms that ACH files transmitted by the State to the Proposer have been received and processed. The confirmations must:

8.2.4.1 Be sent via secure e-mail.

8.2.4.2 Be available within two hours after file submission.

8.2.4.3 Include a contact name and number.

8.2.4.4 Include by file the:

- file number;
- date;
- time;
- file name;
- first record number;
- last record number;
- total number of records per account in the transmission;
- total dollar amount per account in the transmission.

8.2.5 Pay by Phone (PBP)

The Proposer must be able to accept payment transactions from pay-by phone files in a CCD+ format created by the State or subcontractor, debit the bank accounts of the payees on the date selected, and deposit the money into the State bank account. The Proposer must adhere to a confirmation process whereby the State or its subcontractor must contact the Proposer to verify the PBP total and only after successful confirmation is the Proposer authorized to process the file.

**WIRE TRANSFER SERVICES**

**8.3 General Requirements**

During fiscal year 2007, the State initiated approximately 12,888 wire transfers and received approximately 4,735 wire transfers. Proposers must provide the following information in relation to wire transfer services:

8.3.1 Cut-off times for customer initiation of wire transfers to ensure same-day execution.

8.3.2 How wire transfers can be customer-initiated from a remote site.

8.3.3 How the Proposer will accommodate a repetitive wire set-up function.

8.3.4 The Proposer's procedures and time frames for repairing incoming and outgoing wires.

**8.4 Technical Requirements**

Responses to each technical requirement must indicate that the Proposal either "does comply" with the requirement or "does not comply." A succinct explanation of how each requirement can or cannot be met must be included.

8.4.1 Federal Wires

8.4.1.1 The Proposer must be able to initiate and receive fed wires. The Proposer shall charge the State the Fed charge for federal wires.

8.4.1.2 The Proposer must be able to accept and process an electronic file of outgoing wire transfers for settlement on a same day basis. The file will be transmitted at approximately 11:30 a.m. each day.

8.4.2 Notification of Incoming Wires

8.4.2.1 The Proposer shall receive and immediately credit the State's account for incoming wire transfers.

8.4.2.2 The Proposer must provide an electronic file with detailed prior day wire transfer activity.

8.4.2.3 The Proposer must provide the ability to access current day wire activity detail information.

8.4.3 Online Initiation

8.4.3.1 The Proposer must provide an online method of entering wire transfer transactions with appropriate security for multiple agencies and users.

8.4.3.2 The Proposer must supply a downloadable file of wire transfer activity for same day and prior day activity that includes detail information about each wire.

**9.0 INFORMATION REPORTING SERVICES [100 POINTS]**

**9.1 General Requirements**

The Proposer must provide an online information reporting system. Describe the features of this system including:

9.1.1 The minimum system requirements (hardware and software) necessary for the State to access the Proposer's information reporting system.

9.1.2 Hours of access.

9.1.3 The time that previous day information will be available to the State.

9.1.4 The time that incoming ACH transactions may be viewed online.

9.1.5 The time that intra-day incoming wires may be viewed online.

9.1.6 The ability to initiate ACH and wires via the Internet.

9.1.7 A description of inquiry capabilities.

9.1.8 A description of the security access system including the establishment of access rights/roles for users.

9.1.9 Other bank services available through the system.

In addition, the Proposer must provide examples of balance and transaction reports.

**9.2 Technical Requirements**

Responses to each technical requirement must indicate that the Proposal either "does comply" with the requirement or "does not comply." A succinct explanation of how each requirement can or cannot be met must be included.

9.2.1 Account Reporting/Electronic Account Reporting

The Proposer will provide the State Controller's Office with information and reports regarding the activity and balances in its various accounts. The information must be provided electronically, for viewing and printing at multiple locations by multiple users with the flexibility to restrict access by account. The information must be available on a

daily and monthly basis. Electronic account statements must be made available for each account on either a daily or monthly basis as required by the State.

At a minimum the following information must be available electronically:

- 9.2.1.1 Daily balance information available at 7:00 a.m. Central Time each business day showing the previous day's activity including the ending ledger balance, the ending collected balance, float assignment for the uncollected balance, and a month-to-date ledger and collected balance.
- 9.2.1.2 Daily information at the transaction level showing all prior day activity including deposits, adjustments, ACH and wire transfer activity, and check presentments.
- 9.2.1.3 Current day (real-time) reporting to monitor deposits, wire and ACH activity.
- 9.2.1.4 Detail information reporting for any prior day wire and ACH activity posting to our account(s).

The Proposer must provide sample screen shots and reports from their information reporting system.

9.2.2 Stop Payments

The Proposer will provide designated agencies with online access to display and print required information and to enter stop payment orders. The information must be available for viewing at multiple locations by multiple users with the flexibility to restrict access by user and account. At a minimum, the following must be provided:

- 9.2.2.1 A 4:30 p.m. cut-off for same-date action.
- 9.2.2.2 Verification that the check is still outstanding at the time when the stop is placed.
- 9.2.2.3 15 months of outstanding check history available online.
- 9.2.2.4 Stops must remain in effect for 15 months or until the check is removed from the outstanding listing.
- 9.2.2.5 Ability to stop payment on a range of checks (minimum 500).
- 9.2.2.6 An audit report recapping valid stop payments initiated the prior day must be available by 7:30 a.m. Central Time.
- 9.2.2.7 Ability to import a file of stop payments.
- 9.2.2.8 Ability to cancel a stop payment order online.
- 9.2.2.9 Ability to remove a check from the outstanding check file.

The Proposer should provide sample screen shots and reports from their stop payment system.

9.2.3 Monthly Account Analysis

Each month, no later than the 15th business day, the Proposer shall provide to the State Controller's Office, and other Depository Selection Board members upon request, in both hard copy and electronic format, the previous month's Account Analysis showing activity in each compensation category, computation of the average daily collected balance and the

resulting excess position in compensation balances, or the remaining deficit position to be paid in direct fees. All accounts with agents of the Proposer, established as a result of this procurement, or otherwise directed by the Board, shall be consolidated with the Proposer's accounts for analysis purposes and shall include those accounts for State agents (see Appendix F for current Account Analysis).

### **Performance Standard**

#### **Availability of Balance Information**

Summary and detail daily balance information must be available at 7:00 a.m. Central Time each business day regarding the previous day's activity including the ending ledger balance, the ending collected balance, float assignment for the uncollected balance, and month-to-date ledger and collected balances.

## **10.0 MERCHANT ACQUIRING AND CARD TRANSACTION PROCESSING SVCS [50 POINTS]**

### **10.1 General Requirements**

The State of Wisconsin (excluding the University of Wisconsin) currently utilizes more than 275 merchant accounts to accept Visa/MasterCard credit/debit card payments. The following table shows the number/amount of credit/debit card payments received per channel during calendar year 2007:

Payment Channel	# Transactions	\$ Transactions
POS	252,772	\$17,308,438
Internet	662,311	33,980,940
IVR	165,587	9,862,106
Total	1,080,670	\$61,151,484

- 10.1.1 The Provider must be a member of the Visa International Service Association and the MasterCard Worldwide organization.
- 10.1.2 The Proposer shall not have the exclusive right to provide the State's merchant acquiring and card transaction processing. The State may elect to contract with several firms for these services.
- 10.1.3 The State may elect to utilize the Proposer's e-payment gateway services for credit/debit card and e-check payments submitted through the Internet and through Interactive Voice Response. The State reserves the right to negotiate these services and the related fees through a contract amendment. The Proposer shall not have the exclusive right to provide e-payment gateway services to the State.

### **10.2 Technical Requirements**

Responses to each technical requirement must indicate that the Proposal either "does comply" with the requirement or "does not comply." A succinct explanation of how each requirement can or cannot be met must be included.

#### **10.2.1 Merchant Acquiring Services**

The Proposer shall acquire Visa and MasterCard charges and credits generated in favor of the State.

#### **10.2.2 Card Transaction Processing Services**

- 10.2.2.1 The Proposer shall process all VISA and MasterCard and to the extent applicable, Discover Card and American Express transactions in accordance with all applicable provisions of the VISA, USA Operating Regulations,

MasterCard International Rules, Discover Card Rules and American Express Rules as amended from time to time.

10.2.2.2 The Proposer shall accept MasterCard, Visa, Discover and American Express credit and debit transactions via Internet, retail point of purchase, mail order and telephone. This shall include the authorization and settlement of Visa and MasterCard transactions through the appropriate authorization and settlement networks. This shall also include the establishment of merchant and terminal identification numbers.

10.2.2.3 Upon the certification and approval of the Proposer the State may choose to submit online transactions utilizing a Proposer-approved e-payment gateway interface.

10.2.2.4 The Proposer shall provide online real-time authorization processing. Authorization responses must be returned within 3 seconds on average.

10.2.2.5 The authorization processing system must be available 99.95% of the time.

10.2.2.6 The Proposer shall provide an online system to view credit/debit card authorization transactions submitted via Point of Sale, Internet, and IVR channels and their settlement. The Proposer shall provide screen shots of the available reports.

10.2.2.7 The Proposer's online reporting system shall not show the full 16-digit card number in reports or files. The Proposer shall describe the controls/audit trail used in making the full card number available to system users.

10.2.2.8 The Proposer shall describe the daily processing cut-offs, and when authorized transactions are settled and funded.

10.2.3 Fees

The Proposer shall utilize an "interchange plus" pricing for the State, whereby the Proposer shall pass through the interchange % rates and per item fees, and the assessment % rates as published by Visa and MasterCard.

The Proposer shall combine all other per transaction fees (including authorization, settlement, etc.) into a uniform "authorization fee" that shall be assessed to each authorized transaction. This fee shall be listed in Section 12 – Cost Proposal. The Proposer may not charge any other per transaction fees, monthly statement fees, or miscellaneous fees without the approval of the Contract Administrator.

## **11.0 OTHER AGENCY-SPECIFIC SERVICES [75 POINTS]**

Responses to each requirement must indicate that the Proposal either "does comply" with the requirement or "does not comply." A succinct explanation of how each requirement can or cannot be met must be included.

### **11.1 Department of Workforce Development - Bureau of Child Support**

The Bureau of Child Support (BCS) is responsible for collecting and disbursing approximately 4.5 million annual child support payments totaling \$950 million. This is a critical state program that affects more than 500,000 parents and children within the State of Wisconsin.

BCS requires that the Proposer designate individuals who are familiar with the services, including any agreed upon special handling provisions provided to the Child Support program, and that these individuals deliver prompt attention to any problems that may arise.



See Appendix A-7 for a list of the special reports provided to BCS.

**11.2 State of Wisconsin Building Commission Line of Credit**

The Proposer shall provide up to \$50,000,000 in tax-exempt and taxable loans under a line of credit (see Appendix A-2 for detailed terms).

**11.3 Department of Veterans Affairs - Veterans First Mortgage Loan Program**

The Department of Veterans Affairs lends money through a variety of loan programs to veterans through approximately 100 lending institutions throughout the State. The loans are secured by first mortgages on the residences financed, and mortgage payments are collected by the lenders and remitted to the Department as described in Appendix A-3.

**11.4 Department of Revenue**

Processing requirements specific to the Department of Revenue can be found in Appendix A-4.

**11.5 Department of Justice - Special Currency Deliveries**

The Department of Justice requires currency for delivery to its investigators and agents for the purpose of purchasing drugs and other items. The State Controller's Office will call the Proposer's wire transfer department and the Proposer's administrator who then authorizes the transfer and delivery of money to the agent or investigator. Up to \$500 thousand in currency may be required the business day following notification to the Proposer.

**11.6 Custodial, Securities Management and Trust Services**

**11.6.1 Miscellaneous Agencies - Escrow Accounts**

The Proposer shall upon request, establish escrow accounts in which agencies may require Proposers to make deposits pending satisfactory Contract performance.

**11.6.2 Department of Revenue - Lottery prize funds**

The Department of Revenue - Lottery Division may elect to utilize the services of the Proposer for purposes of purchasing federal government bonds, serving as the custodian or trustee, and selling those securities. See Appendix A-5 for specific information regarding these requirements.

**11.6.3 Department of Corrections – Inmate Trust Funds**

The Proposer shall provide services for the Department of Corrections Inmate Trust Funds per Appendix A-6.

**11.6.4 State Controller's Office – Pledged Securities**

The Proposer shall upon request, be required to serve as the custodian or trustee for securities which are required to be on deposit with the State Controller for certain banks and insurance companies doing business in Wisconsin. See Appendix A-9 for a listing of securities as of June 30, 2007.

**12.0 COST PROPOSAL [1,000 POINTS]**

**12.1 General Instructions on Preparing Cost Proposals**

The Cost Proposal should be submitted in a separate envelope with the written Proposal. The Cost Proposal will be scored using a standard quantitative calculation where the most points will be awarded to the Proposal with the lowest cost. Various costing methodologies and models are available to analyze the cost information submitted to determine the lowest costs to the State. The State will select one method and use it consistently throughout its analysis. The cost methodology will be available at the time that the Proposals are due.

**12.2 Format for Submitting Cost Proposals**

Complete the Cost Proposal Worksheet provided.

**12.3 Fixed Price Period**

All prices, costs, and conditions outlined in the Proposal shall remain fixed and valid for acceptance for 180 days starting on the due date for Proposals.

**12.4 Price Adjustments**

**12.4.1 Pass through Price Adjustments**

Any pass through price adjustments will be allowed upon approval of the Contract Administrator.

**12.4.2 Unanticipated Service Volume Increases**

The State may elect to renegotiate at any time, the price for those services for which the annual volume for the most recently completed fiscal year exceeds 125% of the volume listed in Section 12 – Cost Proposal. If the State and the Proposer are unable to reach an agreement on a renegotiated price, the State reserves the right to seek the services within that RFP section through another Proposer.

**12.4.3 Changes in the Names of Services Provided**

**Performance Standard**

The Proposer must notify the State at least 30 days prior to renaming a service on the monthly account analysis.

**12.4.4 Other Price Adjustments**

No other price adjustments shall be made without the express written approval of the State Bureau of Procurement.

**12.4.5 Unauthorized Price Adjustments**

The State shall consider any billed item that does not exactly match the original Cost Proposal in Section 12 to be an unauthorized price adjustment. The only exceptions are those listed in Sections 12.4.1 – 12.4.4 above.

**Performance Standard**

Proposer billings must not contain unauthorized price adjustments.

**12.5 All Costs Represented**

The Cost Proposal Worksheet in Section 12 represents all costs to be considered in making comparisons in order to award the Contract for Enterprise Banking Services. The State will not pay fees for services not itemized on the Cost Proposal Worksheet. All Proposals submitted must contain a per-item cost (or show “no cost”) for each item. Do not leave blank spaces. Proposers may add additional cost lines to the Cost Proposal worksheet based only on service volumes enumerated in the RFP. Proposers must add cost lines at the end of the cost schedule and label the items “Additional Service Charges”. If a Proposer adds a cost line, a volume from the RFP or appendices document must also be shown. In addition, the section and page reference of the location of the volume within the RFP or appendices must be shown on the cost line. An example is provided below:

Additional Service Charges				
Section	TMA Code	Service	Volume	Cost
7.0	XXX XXX	Lockbox No. 622 – Manual processing surcharge	8,292 (Appendix B, Page 6)	\$.xx per remittance

**12.6 Unanticipated Services**

The State reserves the right to negotiate with the successful Proposer reasonable fees for services unanticipated or not existing at the time of the Contract award. The State may, at its option, contract for such services through an alternative process.

**12.7 Implementation Costs**

Each Proposer understands that it may incur significant costs to implement this Contract and that any such costs must be included within the costs specified in Section 12 - Cost Proposal.

### 13.0 SPECIAL CONTRACT TERMS AND CONDITIONS [SECTION 13.9.2 – 100 POINTS]

Responses to each technical requirement must indicate that the Proposal either “does comply” with the requirement or “does not comply.” A succinct explanation of how each requirement can or cannot be met must be included.

#### 13.1 Payment of Charges

The Depository Selection Board may pay for the services rendered by the Proposer either by direct fees (State issued check, or authorized account debit) or by compensating balances or any combination thereof. It is currently the Board's policy to maximize the investment of daily collected balances within the State Investment Fund.

#### 13.2 Calculation of Compensating Balance Earnings

Compensating balance earnings shall be computed monthly for each account using the following formula:

Average Daily Ledger Balance	\$XX,XXX,XXX
Less: Average Daily Float (dynamic, item-by-item method*)	<u>-XX,XXX,XXX</u>
Average Collected Balance	\$XX,XXX,XXX
Less: Current Federal Reserve Requirement	<u>-XXX,XXX</u>
Average Collected Balance Net of Federal Reserve Requirement	\$XX,XXX,XXX
Times: Current month's average of the 90 (91-92) day U.S. Treasury Bill rate as reported in Moody's Bond Survey	$\times \frac{XX}{100}\%$
Equals: Annualized Compensating Balance Earnings	\$XX,XXX
Divided by 12	$\div 12$
Equals: Monthly Compensating Balance Earnings	<u>\$XX,XXX,XXX</u>

\* Under the "dynamic, item-by-item method" of float calculation, the availability of each deposit is calculated item-by-item based on the Proposer's availability schedule.

#### 13.3 Progressive Contract Administration Actions

The Proposer acknowledges that harm will be incurred by the State due to the Contractor's failure to meet performance specifications established in this RFP. In general, the State will follow a progressive contract administration model for the purposes of managing Contract performance. It is the State's intent to work in partnership with the Proposer to resolve all quality issues. However, the State will not accept service performance below the standards established in this RFP.

Unless otherwise specified, progressive contract administration actions shall be as follows:

First Incident: Written notification of performance deficiency.  
Second Incident: Request for corrective action plan.  
Third Incident: Service Level Agreement.

In addition, when the Contractor fails to meet any service requirement, the State shall be entitled to reimbursement of 1) additional administrative costs incurred up to \$5,000 per instance and; 2) the amount of lost earnings credits caused by delayed deposits.

If the progressive contract administration model does not result in satisfactory contract performance, the State reserves the right to terminate the Contract.

The table below lists the primary performance standards identified in the RFP.

RFP Section	Performance Standard	How Standard is Measured
4.1.13	The Proposer must provide debit and credit memos to the State within 5 business days of the account adjustment.	Actual credit and debit memos must be received within 5 business days 98% of the time.
4.2.8	Bank System Changes:  The Proposer shall notify the State at least 90 days in advance of any changes that will affect the transmission of data to the State. The Proposer shall not change the content or timing of any data files unless the change has been pre-approved by the State.  The Proposer shall notify the State at least 4 weeks in advance of any change affecting a report or reconciliation service.	Actual transmission or data content changes.  Report or reconciliation service changes.
5.2.2	Deposit Credit Based Upon Availability Schedule	Daily balance reporting and/or periodic review by State
6.1.4	The Proposer's system must provide positive pay decision items and images to the State by 9:00 a.m. CT each business morning. The State shall have until 2:00 p.m. CT to review exceptions and enter decisions.	Proposer shall meet the standard 99% of the time.
6.2.1	The Proposer shall process in that nights processing cycle all issued and cancelled check files received from the State by 10:00 p.m. of each bank business day.	The Proposer shall meet the standard 100% of the time.
6.2.1	The Proposer must provide the weekly file of cleared Child Support checks to the Department of Workforce Development by 6:00 p.m. Saturday.	The Proposer shall meet the standard 99% of the time.
6.2.1	The Proposer must communicate any change in the reconciliation services and/or reconciliation reports to the State at least four calendar weeks prior to the change.	The Proposer shall meet the standard 98% of the time.
6.2.1	The Proposer must send weekly account reconciliation data for the Child Support checks to the Department of Workforce Development and its fiscal agent within 7 business days of the end of the period.	Proposer shall meet the standard 95% of the time.
6.2.3	The quarterly unpaid check file shall be transmitted to the State within 7 working days of the end of the quarter.	Proposer shall meet the standard 98% of the time.
7.3.1	Mail Pick Up Based on Agreed-Upon Schedule	Proposer weekly pickup times
7.3.2	Lockbox Processing Time	Daily/Monthly Lockbox Reports
7.3.3	Lockbox Processing Errors	State agency review of items processed

7.3.4	Delivery of Remittance Documents to State Agencies	Arrival of documents at state agencies
<b>RFP Section</b>	<b>Performance Standard</b>	<b>How Standard is Measured</b>
9.2.3	Availability of Daily Balance Information	Daily balance reporting to state
12.4.3 and 12.4.5	Each of the following items shall be considered a billing error: 1. Unauthorized change in service name; 2. Unauthorized price adjustment; 3. Other price or volume errors.	Account analysis statements must be 99% accurate (i.e. billing errors can not exceed 1% of the service names, volumes and prices listed in the analysis statements.
13.8.2	The quarterly TBE fulfillment reports shall be received by the Contract Manager by the 15 <sup>th</sup> of each month following the fiscal quarter.	Accurate and complete TBE report.

#### **13.4 Visits to Bank**

The Proposer agrees that the Depository Selection Board or one or more of the persons who serve as its staff or advise it, may visit the Proposer at any time to observe and inspect the operations of the Proposer in providing service under the Contract.

#### **13.5 Legislative Audit Bureau/Outside Auditors**

The Proposer shall cooperate with and make space available for auditors when the Legislative Audit Bureau or any outside auditors employed by the Board, the Legislature, or federal agencies audit this Contract or any agency of the State for which services are being provided under this Contract.

Within 30 days of issuance, the Proposer's outside auditors shall provide the Board with a copy of any report that provides information regarding the adequacy of the Proposer's internal controls. This includes but is not limited to SAS 70 Audit Reports.

#### **13.6 Requirement of Confidentiality**

Much of the information received through lockboxes is classified as confidential by statutes. The Proposer shall have all employees who process state records sign a statement that will be similar to the following:

*"The Proposer is the primary depository for the State of Wisconsin. Because of this relationship, you will be working with return documents and checks for various Departments of State Government. The State requests you are specifically aware of the following:*

*Wisconsin law prohibits revealing or offering to reveal any information on certain tax and other documents required to be filed with various Departments of the State, which are processed through the Proposer. If you were to divulge any such information, you could be fined a minimum of \$100 and a maximum of \$500, imprisoned for not less than one month nor more than six months or both fined and sent to jail.*

*In addition, confidentiality is a key aspect of your work at the Proposer. The application for employment with the Proposer stresses the requirements of high standards of honesty and discretion and further states that failure to maintain those standards is cause for dismissal from the Proposer.*

*I acknowledge that I have received, read and understood the above information."*

#### **13.7 Computer Programs and Other Software**

All computer software developed by the Proposer or its subcontractors solely for the operations contemplated under this Contract and which are used solely for the operations contemplated under this Contract, shall belong to and shall be delivered both in written and electronic storage form to the State of Wisconsin 24 months prior to the termination of the Contract. The Proposer shall provide to the State of Wisconsin printouts of all automated lockbox documentation 24 months prior to the termination of the Contract. The Proposer agrees that if it should not make a contract proposal or is an unsuccessful competitor, or is not named as a Proposer following the termination of the contract contemplated by this RFP, it will cooperate with the State and any successor in order to smoothly transition the State's banking needs to the successor institution.

### **13.8 Prime Contractor and Subcontractors**

Prior to the implementation of a subcontracted service, the Contract Administrator shall approve any contracts, leases and costs. The Prime Contractor will be responsible for Contract performance when subcontractors are used. However, when subcontractors are used, they must abide by all terms and conditions of the Contract. If subcontractors are to be used, the Proposer must clearly explain their participation.

### **13.9 Minority and Targeted Business Enterprise Programs**

#### **13.9.1 Minority Business Enterprise**

The State of Wisconsin is committed to the promotion of minority business in the State's purchasing program and a goal of placing 5% of its total purchasing dollars with certified minority businesses. Authority for this program is found in ss. 15.107(2), 16.75(4), 16.75(5) and 560.036(2), Wisconsin Statutes. The contracting agency is committed to the promotion of minority business in the State's purchasing program.

The State of Wisconsin policy provides that minority-owned business enterprises certified by the Wisconsin Department of Commerce, Bureau of Minority Business Development should have the maximum opportunity to participate in the performance of its contracts. The Contractor is strongly urged to use due diligence to further this policy by awarding subcontracts to minority-owned business enterprises or by using such enterprises to provide goods and services incidental to this agreement, with a goal of awarding at least 5% of the contract price to such enterprises.

The Proposer shall furnish appropriate quarterly information about its effort to achieve this goal, including the identities of such enterprises certified by the Wisconsin Department of Commerce and their contract amount.

A listing of certified minority businesses, as well as the services and commodities they provide is available from the Department of Administration, Office of the Minority Business Program, 608/267-7806. The listing is published on the Internet at: <http://www.doa.state.wi.us/dsas/mbe/index.asp>.

#### **13.9.2 Targeted Business Enterprise [100 Points]**

In addition to the MBE goals set forth above, and in connection with the performance of work under this Contract, the Proposer must take appropriate steps to foster, support and encourage Targeted Business Enterprise participation for the Proposer's suppliers and subcontractors. As part of Appendix G, each Proposer shall submit a proposed **Targeted Business Enterprise Plan**. A Targeted Business Enterprise Plan shall state how the Proposer proposes to use the following targeted businesses:

- Small Businesses - less than \$1.5 million in gross annual sales in the most recent calendar or fiscal year
- Minority Businesses - at least 51% owned, controlled and actively managed by a minority group member or members who are U.S. citizens or persons lawfully admitted to the U.S. for permanent residence. For the purposes of the TBE program,

Minority Businesses do not need to be certified by the State of Wisconsin Department of Commerce.

- Woman's Businesses - sole proprietorships, partnerships, joint ventures or corporations that are at least 51% owned, controlled, and actively managed by women;
- Veteran Businesses - small businesses that are at least 51% owned by one or more veterans.

The Targeted Business Enterprise Plan should indicate the percentage of targeted business participation; type of Targeted Business Enterprise; the targeted business's FEIN, name, address, commodity/service provided, and dollar value of the contract or subcontract. Listing a firm on the Targeted Business Enterprise Plan shall constitute a representation that the Proposer has communicated directly with the firm listed, and the listed firm is available and will complete the specified work. Failure to comply with the conditions of this clause may result in the Proposer being eliminated from further consideration for a contract.

Listing a Targeted Business is also a commitment by the Proposer that, if awarded a contract, the Proposer will enter into a contract with the Targeted Business Enterprise firm listed, for the work and price set forth thereon. Failure to comply with this commitment may result in termination of the Contract, or withholding of payment equal to the amount of the affected Targeted Business Contract.

If a contract results from this solicitation, the Proposer shall certify for each of the Targeted Business Enterprise firms identified in their Targeted Business Enterprise Plan, on a form supplied by the State, that the Targeted Business Enterprise firms meet the criteria set forth above.

#### **Reporting Requirements**

Targeted Business Enterprise program fulfillment reports shall be provided on a quarterly basis via email to an address identified by the Contract Manager. Quarterly reports must capture the following details:

- Vendor name
- Vendor Address
- FEIN
- TBE status
- Supplies/Services purchased
- Spend with Contractor

The State's fiscal quarters are:

- July 1st through September 30th,
- October 1st through December 31st,
- January 1st through March 31st, and
- April 1st through June 30th.

Consistent late deliveries or non-delivery of required reports shall be considered a breach of this Contract and may result in Contract termination, and may preclude the Contractor from bidding on future State procurements.

For more information about the State's MBE/TBE Program Requirements see Appendix G.

#### **13.10 Executed Contract to Constitute Entire Agreement**

In the event of contract award, the contents of this RFP (including all attachments), RFP addenda and revisions, and the Proposal of the successful Proposer, and additional terms agreed to, in



writing, by the agency and the Contractor shall become part of the Contract. Failure of the successful Proposer to accept these terms as a contractual agreement may result in cancellation of award.

The following priority for Contract documents will be used if there are conflicts or disputes.

Proposer's Proposal Dated November 9, 2007  
State Request for Proposal Dated September 21, 2007  
Standard Terms and Conditions

**13.11 Termination of Contract**

The State may terminate this Contract after providing the Contractor with sixty (60) days written notice of the Contractor's right to cure a failure of the Contractor to perform under the terms of this Contract. The State also may terminate this Contract if Contractor files a petition in bankruptcy, becomes insolvent, or dissolves. Upon termination, the agency's liability will be limited to the pro rata cost of the services performed as of the date of termination plus expenses incurred with the prior written approval of the agency. In the event that the Contractor terminates the Contract, for any reason whatsoever, it will refund to the agency within 30 days of said termination, all payments made hereunder by the State to the Contractor for work not completed or not accepted by the State. Such termination will require written notice to that effect to be delivered by the Contractor to the State not less than 2 years prior to said termination.

## 14.0 CONTRACT TERMS AND CONDITIONS

*Note: The State of Wisconsin reserves the right to incorporate the following provisions, in substantially the same form as set forth below, into the contract negotiated with the successful Proposer. Failure of the successful Proposer to accept these provisions may result in cancellation of the award.*

**APPLICABLE LAW, JURISDICTION, AND VENUE:** This Contract shall be governed by the laws of the State of Wisconsin. In legal action brought under this Contract, venue shall lie in Madison, Dane County, Wisconsin.

**TERM AND TERMINATION:** The Initial Term of this Contract shall be for six (6) years from the Effective Date. This Contract is eligible for two (2) two-year renewals, unless terminated as otherwise provided.

The State may terminate this Contract after providing the Contractor with sixty (60) days written notice of the Contractor's right to cure a failure of the Contractor to perform under the terms of this Contract. The State also may terminate this Contract if Contractor files a petition in bankruptcy, becomes insolvent, or dissolves.

The Contractor may terminate this Contract after providing the State with twenty four (24) months written notice of the State's right to cure a failure of the State to perform under the terms of this Contract.

Upon the expiration or termination of this Contract for any reason; each party will be released from all obligations to the other arising after the date of expiration or termination except for those that by their terms survive such termination or expiration.

**CONTRACTOR COMPLIANCE:** The Contractor shall at all times comply with and observe all federal state, and local laws, ordinances, and regulations that are in effect during the term of this Contract that may affect in any manner the Contractor's work or obligations hereunder.

**CONTRACT CANCELLATION:** The State reserves the right to cancel this Contract in whole or in part without penalty if the Legislature fails to appropriate the funds necessary to complete the Contract.

The State may also cancel this Contract without penalty if the Contractor:

- fails to follow the sales and use tax certification requirements of s. 77.66 of the Wisconsin Statutes;
- has a delinquent Wisconsin tax liability;
- fails to follow the non-discrimination or affirmative action requirements of subch. II, Chapter 111 of the Wisconsin Statutes (Wisconsin's Fair Employment Law);
- is or becomes a federally debarred contractor; or
- is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.

**CONTRACTOR'S INSURANCE RESPONSIBILITY:** The Contractor shall maintain the following minimum insurance coverage:

- Worker's compensation insurance as required by the Wisconsin Statutes for all of the Contractor's employees engaged in the work performed under this Contract;
- Commercial liability, bodily injury and property damage insurance against any claim(s) that may occur in carrying out the terms of this Contract, with a minimum coverage of one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations; and
- Motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out the terms of this Contract, with a minimum coverage of one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.

The state reserves the right to require higher or lower limits where warranted.

**NONDISCRIMINATION AND AFFIRMATIVE ACTION:** The Contractor shall not discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, national origin, developmental disability as defined in s.51.01(5), Wis. Stats., or sexual orientation as defined in

s.111.32(13m), Wis. Stats.. This provision shall include, but is not limited to, employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the Contractor shall take affirmative action to ensure equal employment opportunities.

Unless exempted by workforce size or contract amount, the Contractor must submit a written affirmative action plan to the State.

The Contractor shall post the notice provided by the contracting state agency, setting forth the provisions of the State of Wisconsin's nondiscrimination laws in its workplace, website or conspicuous places in order that the Contractor's employees and applicants for employment are able to read it.

Failure to comply with the conditions of this provision may result in the termination of this Contract as provided in Section 3 herein, the Contractor's being declared an "ineligible" contractor, or the withholding of contractual payment until The Contractor is in compliance.

**CONTRACTOR TAX DELINQUENCY:** If the Contractor has a delinquent Wisconsin tax liability the State, at its discretion, may either cancel the Contract as provided herein, or offset any contractual payments owed to the Contractor by the State.

**CONTRACTOR INDEMNIFICATION:** Contractor shall hold the State harmless and shall indemnify the State and its agencies and employees against any and all claims, suits, actions, liabilities and costs of any kind, including attorney's fees, for personal injury or damage to property arising from the acts or omissions of the Contractor, its agents, officer, employees or subcontractors.

**CONFIDENTIAL INFORMATION:** In connection with the performance of work hereunder, it may be necessary for Customer to disclose to Contractor certain information, which is considered to be confidential and proprietary to Customer. Contractor agrees that, for a period of two (2) years from the date of disclosure, it will maintain the confidentiality of all such information which is clearly identified as confidential at the time of first disclosure to Contractor by using the same degree of care that Contractor takes to hold in confidence its own proprietary information of a similar nature. Contractor shall not, however, be required to keep confidential any information which is or becomes publicly available without fault on the part of Contractor, is already in Contractor's possession prior to receipt from Customer, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall also require each of the employees, whom it provides to perform Services for Customer, to also agree in writing to similarly maintain the confidentiality of Customer's information.

**PATENT INFRINGEMENT:** The Contractor guarantees that any items provided to the State hereunder were manufactured or produced in accordance with applicable federal labor laws, and that the sale or use of said items shall not infringe any United States patent. The Contractor shall at its own expense defend every suit brought against the State of Wisconsin for any alleged patent infringement by reason of the sale or use of such items, provided that the Contractor is promptly notified of such suit, and is given all related documents. The Contractor shall pay all costs, damages, and profits recoverable in any such infringement lawsuit.

**INDEPENDENT CONTRACTOR:** The Contractor shall act as an independent contractor in performing all services under this Contract and, except as otherwise outlined herein, shall maintain complete control over its employees and subcontractors, if any.

**STATE EMPLOYEES:** The Contractor may not contract with or employ a State employee or an individual retained as a full-time contractor by the State during the term of this Contract.

**ANTITRUST ASSIGNMENT:** The Contractor recognizes that in actual economic practice, overcharges resulting from antitrust violations are usually borne by the purchaser. Therefore, the Contractor hereby assigns to the State of Wisconsin any claim it may have for overcharges as to goods, materials or services purchased in connection with this Contract resulting from antitrust violations.

**FOREIGN CORPORATION:** The Contractor shall conform to all the requirements of Chapter 180, Wis. Stats., relating to a foreign corporation (i.e. any corporation other than a Wisconsin corporation), and shall possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a said certificate. A certificate of authority may be obtained from the Department of Financial Institutions, Division of Corporation, P. O. Box 7846, Madison, WI 53707-7846; telephone (608) 266-3590.

**PAYMENT TERMS AND INVOICING:** The State of Wisconsin shall pay properly submitted vendor invoices within thirty (30) days of receipt, providing that the goods or services to be provided to the State have been delivered, installed (if required), and accepted as specified.

A properly submitted invoice is one that is submitted in accordance with instructions contained on the State's purchase order, includes a reference to the proper purchase order number, and is submitted to the proper address for processing.

If the State fails to pay a properly submitted invoice within 30 days of receipt, it shall pay a late payment penalty of one percent (1%). However, if the State declares a good faith dispute in regard to an invoice pursuant to s. 16.528 (3)(e) of the Wisconsin Statutes, it shall pay any undisputed portion of said invoice, and will be exempt from the prompt payment requirement for the disputed portion.

**STATE TAX EXEMPTION:** The State of Wisconsin and its agencies are exempt from payment of Wisconsin sales or use tax on all purchases but are required to pay the state excise or occupation tax on its purchases of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. The State of Wisconsin and its agencies may also be subject to another state's taxes on purchases made in that state depending on its laws.

**PROMOTIONAL ADVERTISING AND NEWS RELEASES:** Reference to or use of the State of Wisconsin, the Great Seal of the State of Wisconsin, the Wisconsin Coat of Arms, any of the State's departments, agencies or other subunits, or any State official or employee for commercial promotion is strictly prohibited. News releases pertaining to this Contract shall not be made without prior written approval of the State. Release of broadcast e-mails pertaining to this Contract shall not be made without prior written approval of State.

**NOTICE AND CHANGE OF CONTACT INFORMATION:** Any notice required or permitted to be given hereunder shall be deemed to have been given on the date of delivery by personal service or hand delivery or three (3) business days after being mailed. In the event the Contractor moves or updates contact information, the Contractor shall inform the State of such changes in writing within ten (10) business days. The State shall be held responsible for payments or purchase orders delayed due to the Contractor's failure to provide such notice.

**RECORDKEEPING AND RECORD RETENTION:** The Contractor shall establish and maintain adequate records of all expenditures incurred under the Contract. All records shall be kept in accordance with generally accepted accounting procedures. All procedures shall be in accordance with federal, State and Local ordinances.

**EXAMINATION OF RECORDS:** The State shall at any time during normal business hours, upon reasonable notice, have access to and the right to examine, audit, excerpt, transcribe, and copy, on Contractor's premises, any directly pertinent records and computer data storage media of Contractor involving transactions relating to this Contract. If the material is on computer data storage media, the Contractor shall provide copies of the data storage media or such computer printout as may be requested by the State. The Contractor, following final payment, shall retain such material for three (3) years. This provision shall also apply in the event of a cancellation or termination of this Contract. Any charges for copies of books, documents, papers, records, computer data storage media or computer printouts provided by the Contractor shall not exceed the actual cost to the Contractor.

**BREACH NOT WAIVER:** A failure to exercise or a delay in exercising any right, power or remedy hereunder on the part of the either party shall not operate as a waiver thereof. No express waiver shall affect any event or default other than the event or default specified in such waiver, and any such waiver shall be in writing. A waiver of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The making of any payment to the Contractor under this Contract shall not constitute a waiver of default, evidence of proper Contractor performance, or acceptance of any defective item or work furnished by the Contractor.

**ASSIGNMENT OF CONTRACT:** The Contractor may not assign this Contract to another party without the prior written consent of the State.

**ENTIRE AGREEMENT AND AMENDMENT:** This Contract contains the entire agreement of the parties and supersedes all prior communications, representations or agreements between the parties, whether oral or written. This Contract may not be modified or amended except by mutual agreement of both parties in writing.

**SEVERABILITY:** If any provision of this Contract is found by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Contract shall remain valid and in full force and effect. The invalid provision shall be replaced by a valid provision that comes closest in intent to the invalid provision.

**WAIVER OF SOVEREIGN IMMUNITY:** Nothing in this Contract shall be construed to constitute a waiver of the State's sovereign immunity.

**15.0 REQUIRED FORMS**

The following forms must be completed and submitted with the Proposal in accordance with the instructions given in Section 2.4. Blank forms are attached.

Designation of Confidential and Proprietary Information (DOA-3027)

Vendor Information (DOA-3477)

Vendor Reference (DOA-3478)

**DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION**

The attached material submitted in response to Bid/Proposal #\_\_\_\_\_ includes proprietary and confidential information which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, we ask that certain pages, as indicated below, of this bid/proposal response be treated as confidential material and not be released without our written approval.

**Prices always become public information when bids/proposals are opened, and therefore cannot be kept confidential.**

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in s. 134.90(1)(c), Wis. Stats. as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

We request that the following pages not be released

Section	Page #	Topic

IN THE EVENT THE DESIGNATION OF CONFIDENTIALITY OF THIS INFORMATION IS CHALLENGED, THE UNDERSIGNED HEREBY AGREES TO PROVIDE LEGAL COUNSEL OR OTHER NECESSARY ASSISTANCE TO DEFEND THE DESIGNATION OF CONFIDENTIALITY AND AGREES TO HOLD THE STATE HARMLESS FOR ANY COSTS OR DAMAGES ARISING OUT OF THE STATE'S AGREEING TO WITHHOLD THE MATERIALS.

Failure to include this form in the bid/proposal response may mean that all information provided as part of the bid/proposal response will be open to examination and copying. The state considers other markings of confidential in the bid/proposal document to be insufficient. The undersigned agrees to hold the state harmless for any damages arising out of the release of any materials unless they are specifically identified above.

Company Name	_____
Authorized Representative	_____
Authorized Representative	Signature
	_____
	Type or Print
Date	_____

This document can be made available in accessible formats to qualified individuals with disabilities.

## PROPOSER INFORMATION

1. BIDDING / PROPOSING COMPANY NAME \_\_\_\_\_  
FEIN \_\_\_\_\_

Phone (    ) \_\_\_\_\_ Toll Free Phone (    ) \_\_\_\_\_

FAX (    ) \_\_\_\_\_ E-Mail Address \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip + 4 \_\_\_\_\_

2. Name the person to contact for questions concerning this bid / Proposal.  
Name \_\_\_\_\_ Title \_\_\_\_\_

Phone (    ) \_\_\_\_\_ Toll Free Phone (    ) \_\_\_\_\_

FAX (    ) \_\_\_\_\_ E-Mail Address \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip + 4 \_\_\_\_\_

3. Any Proposer awarded over \$25,000 on this contract must submit affirmative action information to the department.  
Please name the Personnel / Human Resource and Development or other person responsible for affirmative action in the company to contact about this plan.

Name \_\_\_\_\_ Title \_\_\_\_\_

Phone (    ) \_\_\_\_\_ Toll Free Phone (    ) \_\_\_\_\_

FAX (    ) \_\_\_\_\_ E-Mail Address \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip + 4 \_\_\_\_\_

4. Mailing address to which state purchase orders are mailed and person the department may contact concerning orders and billings.

Name \_\_\_\_\_ Title \_\_\_\_\_

Phone (    ) \_\_\_\_\_ Toll Free Phone (    ) \_\_\_\_\_

FAX (    ) \_\_\_\_\_ E-Mail Address \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip + 4 \_\_\_\_\_

5. CEO / President Name \_\_\_\_\_

This document can be made available in accessible formats to qualified individuals with disabilities.

**PROPOSER REFERENCE**

FOR

PROPOSER: \_\_\_\_\_

Provide company name, address, contact person, telephone number, and appropriate information on the product(s) and/or service(s) used for four (4) or more installations with requirements similar to those included in this solicitation document. If Proposer is proposing any arrangement involving a third party, the named references should also be involved in a similar arrangement.

Company Name \_\_\_\_\_

Address (include Zip + 4) \_\_\_\_\_

Contact Person \_\_\_\_\_ Phone No. \_\_\_\_\_

Product(s) and/or Service(s) Used \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Company Name \_\_\_\_\_

Address (include Zip + 4) \_\_\_\_\_

Contact Person \_\_\_\_\_ Phone No. \_\_\_\_\_

Product(s) and/or Service(s) Used \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Company Name \_\_\_\_\_

Address (include Zip + 4) \_\_\_\_\_

Contact Person \_\_\_\_\_ Phone No. \_\_\_\_\_

Product(s) and/or Service(s) Used \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Company Name \_\_\_\_\_

Address (include Zip + 4) \_\_\_\_\_

Contact Person \_\_\_\_\_ Phone No. \_\_\_\_\_

Product(s) and/or Service(s) Used \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_



This document can be made available in accessible formats to qualified individuals with disabilities.