

**REQUEST FOR PROPOSALS**  
**FOR PROFESSIONAL SERVICES**  
OVER-THE-COUNTER COLLECTIONS BANKING  
ISSUED BY DELAWARE STATE TREASURY  
CONTRACT NUMBER TRE14101-OTC\_BANK



**I. Overview**

- A. Objective.** The Delaware State Treasury (Treasury) seeks professional services to obtain a qualified commercial bank to provide statewide Over-the-Counter (OTC) collections banking services. This Request for Proposals (RFP) is issued pursuant to Title 29, Sections 6981 and 6982, of the Delaware Code.

The scheduled timeline for this RFP process is:

- |                                     |                |
|-------------------------------------|----------------|
| • Public Notice                     | March 10, 2014 |
| • Deadline for Questions            | March 18, 2014 |
| • Response to Questions Posted      | March 20, 2014 |
| • Deadline for Receipt of Proposals | April 10, 2014 |
| • Estimated Notification of Award   | April 30, 2014 |

- B. Background.** Delaware state government is comprised of many diverse revenue-generating agencies spanning the width and breadth of the state. These agency sites include public schools, parks, courts and many others, and they all are committed to receiving, depositing and reconciling State revenue in the most efficient manner possible.

Treasury's role is to provide guidance, policy and overall management for this process. It works closely with the agencies and the Division of Accounting to account for all revenue. Treasury's Receipts and Disbursements Section and Treasury Services Section work together and with the State's contracted banks to achieve superior cash management.

Since 2010, the State implemented Remote Check Deposit (RCD) at several agencies. This revenue is deposited into the State's electronic collections bank, The Bank of New York Mellon, and is outside the scope of this RFP. Because of RCD, the State's OTC deposits have declined in the past 18 months, though the number of sites that retain the ability and willingness to deposit has remained constant.

- C.** A mandatory pre-bid meeting has not been established for this Request for Proposal.

## II. Scope of Services

### A. General Information

Agencies making Over-the-Counter (OTC) deposits will be required to use the OTC collections bank. The services described in this section are not related in any way to the State's electronic collections, investments or lockbox operations.

### B. Requirements

The collection bank shall perform the following services for the State.

1. Deposit Items. The bank shall:
  - a. Process all submitted items and make multiple daily deposits.
  - b. Provide same day ledger credit for items deposited during normal banking hours at all locations.
  - c. Provide next day ledger credit for items deposited after normal banking hours.
  - d. Process rejects, mutilated, or "non-machinable" items as a "machinable" document and do not reduce the total of the deposit.
  - e. Process each correction or adjustment as a charge or credit to the account and do not change the deposit total.
  - f. For corrections and adjustments, provide an advice of correction or adjustment to Treasury within two business days. This advice may be provided via internet, fax or email, and must include:
    - Copy of deposit ticket;
    - Date and amount of error;
    - Explanation of error; and
    - Batch numbers and item reference numbers where applicable.
  - g. Provide descriptive receipt for all deposits.
  - h. Provide the State with the same exact availability as that which the bank receives for each deposited item. This should be based on point of deposit determined by ABA numbers of each deposit item.
  - i. Provide an availability schedule detailing collection endpoints and a brief description of how availability is determined.
    - Provide day of credit and availability cut-off times to receive stated availability. The State will not permit Federal Reserve fractional availability float charges to be passed on.
    - Promptly inform the State of any changes to the availability schedule, such as changes in direct sends, high-dollar group pulls by Federal Reserve District, extended hours at the Federal Reserve Bank, etc.
  - j. Make a credit or debit adjustment for all deposits corrections not identified after 30 days. These deposit corrections will also be reversed.

2. Return Deposit Items. The bank shall:
  - a. Automatically redeposit via the Automated Clearing House (ACH) system those deposit items that qualify under NACHA rules.
  - b. Automatically redeposit as checks those deposit items that do not qualify under NACHA rules for ACH redeposit.
  - c. Post check images and a report on its website by the next business day. Both the report and the images will be downloadable. The following data should be provided if available:
    - Name of depositing agency (if available);
    - Date and amount of item returned;
    - Reason for return; and
    - Serial number of original deposit ticket.

- d. Process all return deposit items.

*Note: Return item charges will only be acceptable as of the date of physical return to the bank and only for the amount of the return item. No additional charges (for example: return deposit float and penalties) will be accepted.*

3. Deposit Reconciliation. The bank shall:
  - a. Provide a daily BAI-formatted file, which will contain at a minimum the following data:
    - Identifying number of the depositing agency (from MICR line);
    - Amount of the deposit;
    - Number of items included in each deposit;
    - All other credit and debit entries;
    - Date of deposit; and
    - Return items.

*Note: Identifying numbers should be provided with all debit entries, credit entries and return items.*

- b. Ensure that the BAI file is available by two methods:
  - Secure File Transfer Protocol (SFTP). This method will be used to send the file directly to the State's automated accounting system; and
  - Online reporting (website) download. This method will be used to "pull" the file into Treasury for use by the reconciliation team there.

4. Checks paid. The bank shall:
  - a. Provide check payment and processing for checks through the normal demand deposit account (DDA) banking system.
  - b. Establish the State's General Collection Account (and other collection account(s) as specified by the State Treasurer) as "Preferred Status" account(s). That is, honor all overdrafts (if any) without penalty to the State.
  - c. Honor all checks presented for payment regardless of the balance in certain account(s).



- 7. Pre-Printed Checks.** The bank shall:  
Provide liaison with a third party check printer (such as Deluxe and Harland Clarke), and pass through the vendor's check printing fees without additional markup.

  - The bank will accept check orders either through telephone or in-person branch visits.
  - Check printing fees will be charged to the State's account analysis. The bank will NOT direct debit fees from the individual demand deposit accounts. The fees will be rolled into the State's quarterly invoice.
  - The bank will assist State personnel in resolving issues with the check printer.
  
- 8. Safe Deposit Service.** The bank shall:  
Provide to the State at least two large safe deposit boxes. The location of these boxes shall be mutually-determined by the bank and the State.
  
- 9. Night Deposit Service.** The bank shall:

  - a.** Provide plastic sealed night deposit bags per agency for all State agencies which require their use.
  - b.** Process night deposit bags for all State agencies the following day.
  - c.** Process night deposits consisting of loose and rolled coin and currency of various denominations along with various checks.
  
- 10. Coin and Currency Deposits.** The bank shall:

  - a.** Process unwrapped coin and unstrapped currency deposits.
  - b.** Provide immediate availability and same day credit for all coin and currency deposits.
  
- 11. Foreign Item Exchange and Canadian Items.** The bank shall:

  - a.** Accept and exchange all foreign currency and checks into U.S. dollars at market rates as converted to U.S. dollars at the time of deposit.
  - b.** Charge any fee to the analysis account. The bank will NOT direct debit fees from the individual demand deposit accounts. The fees will be rolled into the State's quarterly invoice.
  - c.** Scan and email the appropriate advice containing a complete and specific description of any charges, indicating the item to which such charges relate, to Treasury within three business days of deposit. Advices should not be sent via regular USPS mail.

**12. Demand Deposit Account (DDA) Daily Statements.** The bank shall:

- a. Provide Treasury with a daily statement for the main General Collection Account. The statement will include the following information:
  - Credit memos and deposits listed in amount order;
  - Debit memos and all checks paid listed in amount order; and
  - All credit memos, paid checks, returned items and debit memos (sorted in numerical order) should be returned with the DDA statement.
- b. Make this statement available both electronically (via website download) and in hard copy via USPS regular mail. The bank shall provide a sample of each type of statement (electronic and hard copy) in its proposal (Tab M).

*Note: This statement provides the basis for reconciling bank deposits and researching possible errors. The online version allows Treasury to quickly conduct reconciliation, but it is considered unofficial. While the paper version will arrive at Treasury later, it is important because it is considered to be the official statement.*

**13. Special Demand Deposit Statements.** The bank shall:

Provide special DDA statements, upon request, for various accounts at times other than normal statement cycle cut-off. A “special” statement is defined as one that is the same as a routine, periodic statement, but which is requested at a time other than the designated cut-off date.

**14. Additional Demand Deposit Statements.** The bank shall:

Provide additional DDA statements, upon request, for various requests. An “additional” statement is defined as one that is identical to a routine statement that is issued at the normal cut-off period; it may be a regenerated original or a photocopy of the original.

**C. Electronic Fund Transfers**

**1. Outgoing Wire Transfers.** The bank shall:

Establish industry-standard protocols with Treasury for initiating both repetitive and non-repetitive wire transfers. This should be available by both telephone operator assist, and also by an online banking module. This service will include:

- Password protection;
- Unique transaction reference numbers;
- Call-back and confirmation procedures; and
- Tokens and other relevant security devices.

**2. Incoming Wire Transfers.** The bank shall:

Process all incoming wire transfers, both domestic and international, in accordance with Federal Reserve rules.

*NOTE: There should not be any wire transfers into the State’s OTC collections bank; senders should direct these to the State’s electronic collections bank. However, it is possible that wires will be sent in error to the OTC bank.*

3. Standing Transfer Order (STO). The bank shall:  
Establish a repetitive daily STO for the purpose of concentrating funds from the State's main collection account at the OTC bank to any other bank designated by Treasury. This service will include:
  - Initiation as close to 10:00 a.m. as possible, but no later than 10:15 a.m.; and
  - A sweep of all account funds, less any "floor" amount designated by Treasury.
4. Automated Clearing House (ACH) Debits. The bank shall:  
Reject all ACH debit transactions from other banks into the State's main collection account unless approved by designated Treasury personnel. The bank shall ensure that an ACH debit blocks are placed on accounts.
5. Automated Clearing House (ACH) Credits. The bank shall:  
Accept and process incoming ACH credit transfers from other banks in accordance with NACHA standards. Addenda records shall also be processed, and this data shall be transmitted to the State.

*NOTE: There should no ACH credits into the Main Collection Account. At the direction of Treasury, the bank must be able to add an ACH block to any account.*

*NOTE: The State will not initiate any outgoing ACH credits from the OTC bank.*

#### **D. General Banking Specifications**

1. Compensation. The bank shall:
  - a. Accept payment on both a fee basis and a compensating balances basis.

*Note: The State intends to pay for all banking services through fees, but the vendor must be prepared to accept compensating balances upon request, as dictated by the State's budget and other concerns.*

- b. Invoice the State quarterly. However, the vendor will have the capability and willingness to invoice the State monthly upon request. The invoice may be sent via secure email attachment.
- c. Accept either of the following methods of payment:
  - ACH credit. This is expected to be the primary payment method. The vendor must accept standard ACH credits without any special addenda records. *The State's vendor payment ACHs are in the CCD (Cash Concentration or Disbursement) or CTX (Corporate Trade Exchange) formats.*
  - Purchasing card. This will be considered a secondary method of payment if the ACH credit method is unavailable.
- d. Accept payments with invoices that have been corrected manually (by "pen and ink" changes) in those instances where the State has been charged incorrectly, and where the State and the bank agree to the changes and the revised amount of the invoice.
- e. Waive any invoice fee or any other cost associated with producing an invoice.

2. Account analysis. The bank shall:
- a. Provide via electronic transmission a monthly “822 file” analysis of the General Disbursement Account and any related account(s). An analysis must be provided for each account as well as a combined analysis for the entire relationship of account(s).
  - b. Provide a detailed hard copy account analysis package to Treasury. This account analysis package will be due in this office no more than 15 calendar days following the close of the month for which the analyses are made, and the package will contain the following:
    - 1) Individual account statements for all accounts.
    - 2) A summary analysis that rolls the detail from all individual statements into a single, comprehensive statement. It will include:
      - Account information. The individual analyses should contain complete account name, account number and contact information for the State agencies owning the accounts (if available).
      - Balance information. Both the individual and summary analyses will detail the average ledger balance, average uncollected funds, average collected balance, reserve requirement, adjustments and net available balance. In addition, all balance adjustments will be explained. Average collected balance is defined as average ledger balance minus any uncollected funds. The dollar value of these uncollected funds will be determined by the availability schedule submitted with the vendor's proposal. The reserve requirement must be calculated and equal to the amount mandated by the Federal Reserve.
      - Earnings credit information. Both the individual and summary analyses will detail the computation of earnings credit. The earnings credit rate will be equal to or greater than the 90-day Treasury Bill rate for that period, as published by the Wall Street Journal. Earnings credit will be computed as follows:
 
$$\frac{(\text{Net Avail Bal}) \times (\text{Earnings Credit Rate}) \times (\text{Actual Days in Month})}{(\text{Actual days in Year})}$$
      - The bank must carry forward any excess earnings credit to offset service charges for the following month within the quarter. Excess earnings credit is defined as the surplus dollar amount that is remaining from the earnings credit that is above and beyond what is needed to offset the service charge for a given month.
      - Service. Each analysis will provide a detailed listing of the banking services rendered for that month. This listing will include a service description, AFP code, volume, unit price, fee basis charge, compensating balance basis charge, subtotals for each grouping or

section of services (such as deposits, deposited items, ACHs, wire transfers, controlled disbursements, etc.) and a total.

- Adjustment line item. The summary analysis will include a line item within the services listing or elsewhere on the statement that is to be used exclusively for adjustments. These adjustments will typically be used to correct errors made on previous months' analyses, and they should be supported with a written explanation by the vendor.
  - A written explanation for any unusual adjustments to balances and services that cannot be explained in the space provided on the analysis itself.
  - A written notification of the termination or start of a new service that is not a part of the original proposal or contract. The State will not be liable to pay for any service, whether or not it is requested by a State agency, unless the vendor notifies the Treasury Services Director or Banking Services Manager in writing and receives permission to implement the proposed service.
- 3. Collateralization of Deposits.** Collateralization requirements are determined by the State's Cash Management Policy Board and enforced by Treasury. As of the publication date of this RFP, all contracted banks are required to pledge collateral against all State deposits that are housed under the State's EIN.

*Note: For detail about the State's collateralization requirements, visit:*

<http://treasury.delaware.gov/wp-content/uploads/CMPB-Investment-Guidelines-for-web-as-of-Mar-2012.pdf>

- 4. Disaster Recovery Program.** The bank shall:
- a.** Provide a summary description of its Disaster Recovery Program (sometimes referred to as a Continuity of Operations Plan) as it relates to the State. As described earlier, a summary of the plan shall comprise a separate section of the bank's proposal.
  - b.** Provide Treasury with any updates to this plan should these changes affect the State's account.
  - c.** Provide Treasury with a copy of the bank's Statement on Auditing Standards No. 70 (Type 2), commonly called SAS 70, on internal controls as part of its proposal.

*Note: A single SAS 70 may be included with the original proposal; there is no need to provide multiple copies. It does not have to be contained within the bound, tabbed proposal.*

### III. Required Information

The requirements of this section are promulgated by the Office of Management and Budget, Division of Government Support Services, which oversees statewide contracting.

#### Minimum Requirements

1. Provide proof of a valid Delaware business license to perform services as identified in the scope of work.

*Note: Prior to the execution of the contract, the successful Vendor shall either furnish Treasury with proof of State of Delaware Business licensure or initiate the application process.*

2. Complete all appropriate attachments and forms as identified within the RFP.
3. Provide proof of insurance, including coverage amounts, which shall be no less than as identified in Section IV-D-6-f.
4. Maintain a minimum of four retail (deposit accepting) banking branches in each of Delaware's counties.

### IV. Professional Services RFP Administrative Information

#### A. RFP Issuance

##### 1. Public Notice

Public notice has been provided in accordance with 29 *Del. C.* §6981.

##### 2. Obtaining Copies of the RFP

This RFP is available in electronic form through the State of Delaware Procurement website at [www.bids.delaware.gov](http://www.bids.delaware.gov) and <http://treasury.delaware.gov>. Paper copies of this RFP will not be available.

##### 3. Assistance to Vendors with a Disability

Vendors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the Designated Contact no later than ten days prior to the deadline for receipt of proposals.

##### 4. RFP Designated Contact

All requests, questions, or other communications about this RFP shall be made in writing via email to Treasury. Address all communications to the person listed below; communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor. Vendors should rely only on written statements issued by the RFP designated contact.

**James DiDonato, Manager of Banking Services**  
**[james.didonato@state.de.us](mailto:james.didonato@state.de.us)**

*Note: Vendors should review the RFP and compile their questions into a single email if at all possible. Further, Treasury will only communicate with a single point of contact at each vendor.*

**5. Consultants and Legal Counsel**

The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact the State's consultant or legal counsel on any matter related to the RFP.

**6. Contact with State Employees**

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business.

**7. Organizations Ineligible to Bid**

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.

**8. Exclusions**

The Proposal Evaluation Team reserves the right to refuse to consider any proposal from a vendor who:

- a) Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract;
- b) Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;
- c) Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;
- d) Has violated contract provisions such as;
  - 1) Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
  - 2) Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;
- e) Has violated ethical standards set out in law or regulation; and
- f) Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

**B. RFP Submissions**

**1. Acknowledgement of Understanding of Terms**

By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

**2. Proposals**

To be considered, all proposals must be submitted in writing and respond to the items outlined in this RFP. The State reserves the right to reject any non-responsive or non-conforming proposals. Each proposal must be submitted with **THREE** paper copies and **ONE** electronic copy on CD or DVD media disk. The softcopy version should be in Adobe Acrobat PDF format.

All properly sealed and marked proposals are to be sent to Treasury and received no later than 4:00 p.m. on **Friday, April 10, 2014**. The proposals must be delivered to:

**Delaware State Treasury  
ATTN: James DiDonato  
820 Silver Lake Blvd, Suite 100  
Dover DE 19904**

Vendors should clearly indicate that the packages contain proposals. Any proposal received after this date shall not be considered and shall be returned unopened. The vendor bears the risk of delays in delivery. The contents of any proposal shall not be disclosed as to be made available to competing entities during the negotiation process. Proposals will be date stamped upon receipt.

Upon receipt of vendor proposals, each vendor shall be presumed to be thoroughly familiar with all specifications and requirements of this RFP. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.

**3. Proposal Modifications**

Any changes, amendments or modifications to a proposal must be made in writing, submitted in the same manner as the original response and conspicuously labeled as a change, amendment or modification to a previously submitted proposal. Changes, amendments or modifications to proposals shall not be accepted or considered after the hour and date specified as the deadline for submission of proposals.

**4. Proposal Costs and Expenses**

The State of Delaware will not pay any costs incurred by any Vendor associated with any aspect of responding to this solicitation, including proposal preparation, printing or delivery, attendance at vendor's conference, system demonstrations or negotiation process.

**5. Proposal Pricing**

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through **December 31, 2016**. The State of Delaware reserves the right to ask for an extension of time if needed.

**6. Proposal Opening**

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the State of Delaware personnel. Any unopened proposals will be returned to the submitting Vendor.

There will be no public opening of proposals, but a public log will be kept of the names of all vendor organizations that submitted proposals.

The contents of any proposal shall not be disclosed in accordance with Executive Order 31 and Title 29, Chapter 100, of Delaware Code.

**7. Non-Conforming Proposals**

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this RFP. The determination of whether an RFP requirement is substantive or a mere formality shall reside solely within the State of Delaware.

**8. Concise Proposals**

The State of Delaware discourages overly lengthy and costly proposals. It is the desire that proposals be prepared in a straightforward and concise manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. The State of Delaware's interest is in the quality and responsiveness of the proposal.

**9. Realistic Proposals**

It is the expectation of the State of Delaware that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable.

The State of Delaware shall bear no responsibility or increase obligation for a vendor's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

**10. Confidentiality of Documents**

All documents submitted as part of the vendor's proposal will be deemed confidential during the evaluation process. Vendor proposals will not be available for review by anyone other than the Evaluation Team or its designated agents. There shall be no disclosure of any vendor's information to a competing vendor prior to award of the contract.

The State of Delaware is a public agency as defined by state law, and as such, it is subject to the Delaware Freedom of Information Act, Title 29, Chapter 100, of Delaware Code. Under the law, all the State of Delaware's records are public records (unless otherwise declared by law to be confidential) and are subject to inspection and copying by any person. Vendors are advised that once a proposal is received by the State of Delaware and a decision on contract award is made, its contents will become public record and nothing contained in the proposal will be deemed to be confidential except proprietary information.

Vendor(s) shall not include any information in their proposal that is proprietary in nature or that they would not want to be released to the public. Proposals must contain sufficient information to be evaluated and a contract written without reference to any proprietary information. If a vendor feels that it cannot submit its proposal without including proprietary information, it must adhere to the following procedure,

or its proposal may be deemed unresponsive and will not be recommended for selection. Vendor(s) must submit such information in a separate, sealed envelope labeled "Proprietary Information" with the RFP number. The envelope must contain a letter from the vendor's legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not "public record" as defined by 29 *Del. C.* § 10002(d), and briefly stating the reasons that each document meets the said definitions.

Upon receipt of a proposal accompanied by such a separate, sealed envelope, the State of Delaware will open the envelope to determine whether the procedure described above has been followed.

#### **11. Multi-Vendor Solutions (Joint Ventures)**

Multi-vendor solutions (joint ventures) will be allowed only if one of the venture partners is designated as the **primary vendor**. The **primary vendor** must be the joint venture's contact point for the State of Delaware and be responsible for the joint venture's performance under the contract, including all project management, legal and financial responsibility for the implementation of all vendor systems. If a joint venture is proposed, a copy of the joint venture agreement clearly describing the responsibilities of the partners must be submitted with the proposal. Services specified in the proposal shall not be subcontracted without prior written approval by the State of Delaware, and approval of a request to subcontract shall not in any way relieve the primary vendor of responsibility for the professional and technical accuracy and adequacy of the work. Further, the primary vendor shall be and remain liable for all damages to the State of Delaware caused by negligent performance or non-performance of work by its subcontractor.

Multi-vendor proposals must be a consolidated response with all cost included in the cost summary. Where necessary, RFP response pages are to be duplicated for each vendor.

##### **a. Primary Vendor**

The State of Delaware expects to negotiate and contract with only one vendor. The State of Delaware will not accept any proposals that reflect an equal teaming arrangement or from vendors who are co-bidding on this RFP. The primary vendor will be responsible for the management of all subcontractors.

Any contract that may result from this RFP shall specify that the primary vendor is solely responsible for fulfillment of any contract with the State as a result of this procurement. The State will make contract payments only to the awarded vendor. Payments to any-subcontractors are the sole responsibility of the primary vendor.

Nothing in this section shall prohibit the State of Delaware from the full exercise of its options regarding multiple source contracting.

##### **b. Sub-contracting**

The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality,

delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. **The primary vendor shall be wholly responsible for the entire contract performance whether or not subcontractors are used.** Any subcontractors must be approved by State of Delaware.

**c. Multiple Proposals**

A primary vendor may not participate in more than one proposal in any form. Sub-contracting vendors may participate in multiple joint venture proposals.

**12. Discrepancies and Omissions**

Vendor is fully responsible for the completeness and accuracy of their proposal, and for examining this RFP and all addenda. Failure to do so will be at the sole risk of vendor. Should vendor find discrepancies, omissions, unclear or ambiguous intent or meaning, or should any questions arise concerning this RFP, vendor shall notify the State of Delaware's Designated Contact, in writing, of such findings at least ten (10) days before the proposal opening. This will allow issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of vendor's proposal upon which award could not be made. All unresolved issues should be addressed in the proposal.

Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the Designated Contact, in writing, at least ten (10) calendar days prior to the time set for opening of the proposals.

**a. RFP Question and Answer Process**

Treasury will allow written requests for clarification of the RFP. All questions will be consolidated into a single set of responses and posted on the State's website at [www.bids.delaware.gov](http://www.bids.delaware.gov) and <http://treasury.delaware.gov> according to the timetable on Page 1. Responses will not mention vendor names or be vendor specific. Questions should reference the relevant section of the RFP.

Questions must be submitted by the vendor's sole point of contact, and they may be inserted into the body of an email sent to the State of Delaware's Designated Contact.

**13. State's Right to Reject Proposals**

The State of Delaware reserves the right to accept or reject any or all proposals or any part of any proposal, to waive defects, technicalities or any specifications (whether they be in the State of Delaware's specifications or vendor's response), to sit and act as sole judge of the merit and qualifications of each product offered, or to solicit new proposals on the same project or on a modified project which may include portions of the originally proposed project as the State of Delaware may deem necessary in the best interest of the State of Delaware.

**14. State's Right to Cancel Solicitation**

The State of Delaware reserves the right to cancel this solicitation at any time during the procurement process, for any reason or for no reason. The State of Delaware

makes no commitments expressed or implied, that this process will result in a business transaction with any vendor.

This RFP does not constitute an offer by the State of Delaware. Vendor's participation in this process may result in the State of Delaware selecting your organization to engage in further discussions and negotiations toward execution of a contract. The commencement of such negotiations does not, however, signify a commitment by the State of Delaware to execute a contract nor to continue negotiations. The State of Delaware may terminate negotiations at any time and for any reason, or for no reason.

**15. State's Right to Award Multiple Source Contracting**

Pursuant to 29 *Del. C.* § 6986, the State of Delaware may award a contract for a particular professional service to two or more vendors if the agency head makes a determination that such an award is in the best interest of the State of Delaware.

**16. Notification of Withdrawal of Proposal**

Vendor may modify or withdraw its proposal by written request, provided that both proposal and request is received by the State of Delaware prior to the proposal due date. Proposals may be re-submitted in accordance with the proposal due date in order to be considered further.

Proposals become the property of the State of Delaware at the proposal submission deadline. All proposals received are considered firm offers at that time.

**17. Revisions to the RFP**

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware's website at [www.bids.delaware.gov](http://www.bids.delaware.gov) and <http://treasury.delaware.gov>. The State of Delaware is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

**18. Exceptions to the RFP**

Any exceptions to the RFP, or the State of Delaware's terms and conditions, must be recorded in Tab O. Acceptance of exceptions is within the sole discretion of the evaluation committee.

**19. Award of Contract**

The final award of a contract is subject to approval by the State of Delaware. The State of Delaware has the sole right to select the successful vendor(s) for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or to not award a contract, as a result of this RFP.

- a. Notice in writing to a vendor of the acceptance of its proposal by the State of Delaware and the subsequent full execution of a written contract will constitute a contract, and no vendor will acquire any legal or equitable rights or privileges until the occurrence of both such events.

- b. After reviews of the evaluation committee report and its recommendation, and once the contract terms and conditions have been finalized, the State of Delaware will award the contract.
- c. The contract shall be awarded to the vendor whose proposal is most advantageous, taking into consideration the evaluation factors set forth in the RFP.

It should be explicitly noted that the State of Delaware is not obligated to award the contract to the vendor who submits the lowest bid or the vendor who receives the highest total point score, rather the contract will be awarded to the vendor whose proposal is the most advantageous to the State of Delaware. The award is subject to the appropriate State of Delaware approvals.

- d. After a final selection is made, the winning vendor will be invited to negotiate a contract with the State of Delaware; remaining vendors will be notified in writing of their selection status.

### **C. RFP Evaluation Process**

An evaluation team composed of representatives of the State of Delaware will evaluate proposals on a variety of quantitative criteria.

#### **1. Proposal Evaluation Team**

The Proposal Evaluation Team shall be comprised of representatives of the State of Delaware. The Team shall determine which vendors best meet the requirements established in this RFP. The Team may negotiate with one or more vendors during the same period and may, at its discretion, terminate negotiations with any or all vendors. The Team shall make a recommendation regarding the award to the Cash Management Policy Board, which shall have final authority to award a contract.

#### **2. Proposal Selection Criteria**

The Proposal Evaluation Team shall score each proposal against weighted criteria. All assignments of points shall be at the sole discretion of the Evaluation Team.

The proposals shall contain the essential information on which the award decision shall be made. The information required to be submitted in response to this RFP has been determined by the State of Delaware to be essential for use by the Team in the bid evaluation and award process. Therefore, all instructions contained in this RFP shall be met in order to qualify as a responsive and responsible contractor and participate in the Proposal Evaluation Team's consideration for award. Proposals which do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the Team.

The Team reserves the right to:

- Select for contract or for negotiations a proposal other than that with lowest costs.
- Reject any and all proposals or portions of proposals received in response to this RFP or to make no award or to issue a new RFP.
- Waive or modify any information, irregularity, or inconsistency in proposals received.

- Request modification to proposals from any or all vendors during the contract review and negotiation.
- Negotiate any aspect of the proposal with any vendor and negotiate with more than one vendor at the same time.
- Select more than one vendor pursuant to 29 *Del. C.* §6986.

**Criteria Weight**

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be used by the Evaluation Team to evaluate proposals:

<b>Criteria</b>	<b>Weight</b>
Logistics: The size of the branch network and proximity to agency locations	<b>25</b>
Industry standing: Ability to provide state-of-the-art products now, and to keep pace with innovation and technology in the future.	<b>25</b>
Support: The experience of the cash management team that will directly manage the relationship.	<b>20</b>
Pricing: The competitiveness of the bank's fee structure.	<b>20</b>
References: Reviews from current clients who are receiving similar services.	<b>10</b>
<b>Total</b>	<b>100%</b>

Vendors are encouraged to review the evaluation criteria and to provide a response that addresses each of the scored items. Evaluators will not be able to make assumptions about a vendor's capabilities so the responding vendor should be detailed in their proposal responses.

**3. Proposal Clarification**

The Evaluation Team may contact any vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Proposals may not be modified as a result of any such clarification request.

**4. References**

The Evaluation Team may contact any client of the vendor, whether or not included in the vendor's reference list, and use such information in the evaluation process. Additionally, the State of Delaware may choose to visit existing installations of comparable systems, which may or may not include vendor personnel. If the vendor is involved in such site visits, the State of Delaware will pay travel costs only for State of Delaware personnel for these visits.

**5. Oral Presentations**

After initial scoring, the Evaluation Team may invite selected vendors to make oral presentations at the Delaware State Treasury. All vendors submitting proposals should be prepared to do so.

*Note: This may be considered a “second round” in the evaluation process. Since vendors will incur expenses associated with oral presentations, the Evaluation Team will only invite vendors that are being given serious consideration.*

Vendors will have their presentations scored or ranked based on their ability to successfully meet the needs of the contract requirements, successfully demonstrate their product and/or service, and respond to questions about the solution capabilities.

#### **D. Contract Terms and Conditions**

##### **1. Contract Use by Other Agencies**

If no state contract exists for a certain good or service, covered agencies may procure that certain good or service under another agency's contract so long as the arrangement is agreeable to all parties. Agencies, other than covered agencies, may also procure such goods or services under another agency's contract when the arrangement is agreeable to all parties, as defined by Title 29, Chapter 6904(e), of the Delaware Code.

##### **2. General Information**

- a. The term of the contract between the successful bidder and the State shall be for FOUR years with THREE optional one-year extensions. The contract will start on January 1, 2015 and will expire on December 31, 2018. With approval of the optional extensions, the potential contract end date is December 31, 2021.**
- b.** The selected vendor will be required to enter into a written agreement with the State of Delaware. The State of Delaware reserves the right to incorporate standard State contractual provisions into any contract negotiated as a result of a proposal submitted in response to this RFP. Any proposed modifications to the terms and conditions of the standard contract are subject to review and approval by the State of Delaware. Vendors will be required to sign the contract for all services, and may be required to sign additional agreements.
- c.** The selected vendor or vendors will be expected to enter negotiations with the State of Delaware, which will result in a formal contract between parties. Procurement will be in accordance with subsequent contracted agreement. This RFP and the selected vendor's response to this RFP will be incorporated as part of any formal contract.
- d.** The State of Delaware's standard contract will most likely be supplemented with the vendor's software license, support/maintenance, source code escrow agreements, and any other applicable agreements. The terms and conditions of these agreements will be negotiated with the finalist during actual contract negotiations.

- e. The successful vendor shall promptly execute a contract incorporating the terms of this RFP within twenty (20) days after award of the contract. No vendor is to begin any service prior to receipt a State of Delaware purchase order signed by two authorized representatives of the agency requesting service, properly processed through the State of Delaware Accounting Office and the Department of Finance. The purchase order shall serve as the authorization to proceed in accordance with the bid specifications and the special instructions, once it is received by the successful vendor.
- f. If the vendor to whom the award is made fails to enter into the agreement as herein provided, the award will be annulled, and an award may be made to another vendor. Such vendor shall fulfill every stipulation embraced herein as if they were the party to whom the first award was made.

**3. Collusion or Fraud**

Any evidence of agreement or collusion among vendor(s) and prospective vendor(s) acting to illegally restrain freedom from competition by agreement to offer a fixed price, or otherwise, will render the offers of such vendor(s) void.

By responding, the vendor shall be deemed to have represented and warranted that its proposal is not made in connection with any competing vendor submitting a separate response to this RFP, and is in all respects fair and without collusion or fraud; that the vendor did not participate in the RFP development process and had no knowledge of the specific contents of the RFP prior to its issuance; and that no employee or official of the State of Delaware participated directly or indirectly in the vendor's proposal preparation.

Advance knowledge of information which gives any particular vendor advantages over any other interested vendor(s), in advance of the opening of proposals, whether in response to advertising or an employee or representative thereof, will potentially void that particular proposal.

**4. Lobbying and Gratuities**

Lobbying or providing gratuities shall be strictly prohibited. Vendors found to be lobbying, providing gratuities to, or in any way attempting to influence a State of Delaware employee or agent of the State of Delaware concerning this RFP or the award of a contract resulting from this RFP shall have their proposal immediately rejected and shall be barred from further participation in this RFP.

The selected vendor will warrant that no person or selling agency has been employed or retained to solicit or secure a contract resulting from this RFP upon agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State of Delaware shall have the right to annul any contract resulting from this RFP without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

All contact with State of Delaware employees, contractors or agents of the State of Delaware concerning this RFP shall be conducted in strict accordance with the manner, forum and conditions set forth in this RFP.

**5. Solicitation of State Employees**

Until contract award, vendors shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State of Delaware's employ in order to accept employment with the vendor, its affiliates, actual or prospective contractors, or any person acting in concert with vendor, without prior written approval of the State of Delaware's contracting officer. Solicitation of State of Delaware employees by a vendor may result in rejection of the vendor's proposal.

This paragraph does not prevent the employment by a vendor of a State of Delaware employee who has initiated contact with the vendor. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Vendors may not knowingly employ a person who cannot legally accept employment under state or federal law. If a vendor discovers that they have done so, they must terminate that employment immediately.

**6. General Contract Terms**

**a. Independent Contractors**

The parties to the contract shall be independent contractors to one another, and nothing herein shall be deemed to cause this agreement to create an agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes.

It may be at the State of Delaware's discretion as to the location of work for the contractual support personnel during the project period. The State of Delaware shall provide working space and sufficient supplies and material to augment the Contractor's services.

**b. Non-Appropriation**

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the contractual agreement, in whole or part, the agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds.

**c. Licenses and Permits**

In performance of the contract, the vendor will be required to comply with all applicable federal, state and local laws, ordinances, codes, and regulations. The cost of permits and other relevant costs required in the performance of the contract shall be borne by the successful vendor. The vendor shall be properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C. § 2502*.

Prior to receiving an award, the successful vendor shall either furnish the State of Delaware with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P.O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone to one of the following numbers: (302) 577-8200—Public Service, (302) 577-8205—Licensing Department.

Information regarding the award of the contract will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject vendor to applicable fines and/or interest penalties.

**d. Notice**

Any notice to the State of Delaware required under the contract shall be sent by registered mail to:

**Delaware State Treasury  
ATTN: James DiDonato  
820 Silver Lake Blvd, Suite 100  
Dover DE 19904**

**e. Indemnification**

**(1) General Indemnification.** By submitting a proposal, the proposing vendor agrees that in the event it is awarded a contract, it will indemnify and otherwise hold harmless the State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney's fees, arising out of the vendor's, its agents and employees' performance work or services in connection with the contract, regardless of whether such suits, actions, claims or liabilities are based upon acts or failures to act attributable, whole or part, to the State, its employees or agents.

**(2) Proprietary Rights Indemnification.** Vendor shall warrant that all elements of its solution, including all equipment, software, documentation, services and deliverables, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the vendor in writing and vendor shall defend such claim, suit or action at vendor's expense, and vendor shall indemnify the State of Delaware against any loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful.

If any equipment, software, services (including methods) products or other intellectual property used or furnished by the vendor (collectively "Products") is or in vendor's reasonable judgment is likely to be, held to constitute an infringing product, vendor shall at its expense and option either:

- Procure the right for the State of Delaware to continue using the Product(s);
- Replace the product with a non-infringing equivalent that satisfies all the requirements of the contract; or
- Modify the Product(s) to make it or them non-infringing, provided that the modification does not materially alter the functionality or efficacy of the product or cause the Product(s) or any part of the work to fail to conform to the requirements of the Contract, or only alters the Product(s) to a degree that the State of Delaware agrees to and accepts in writing.

**f. Insurance**

- (1) Vendor recognizes that it is operating as an independent contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney’s fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the vendor’s negligent performance under this contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the vendor in their negligent performance under this contract.
- (2) The vendor shall maintain such insurance as will protect against claims under Worker’s Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this contract. The vendor is an independent contractor and is not an employee of the State of Delaware.
- (3) During the term of this contract, the vendor shall, at its own expense, carry insurance minimum limits as follows:

a.	Commercial General Liability	\$1,000,000 per person and \$3,000,000 per occurrence
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And at least one of the following, as outlined below:

b.	Medical or Professional Liability	\$1,000,000/\$3,000,000
c.	Misc. Errors and Omissions	\$1,000,000/\$3,000,000
d.	Product Liability	\$1,000,000/\$3,000,000

The successful vendor must carry (a) and at least one of (b), (c), or (d) above, depending on the type of Service or Product being delivered.

- (4) The vendor shall provide a Certificate of Insurance (COI) as proof that the vendor has the required insurance. The COI shall be provided prior to agency contact prior to any work being completed by the awarded vendor(s).

**g. Performance Requirements**

The selected Vendor will warrant that it possesses, or has arranged through subcontractors, all capital and other equipment, labor, materials, and licenses

necessary to carry out and complete the work hereunder in compliance with any and all Federal and State laws, and County and local ordinances, regulations and codes.

**h. Warranty**

The Vendor will provide a warranty that the deliverables provided pursuant to the contract will function as designed for a period of no less than one (1) year from the date of system acceptance. The warranty shall require the Vendor correct, at its own expense, the setup, configuration, customizations or modifications so that it functions according to the State's requirements.

**i. Costs and Payment Schedules**

All contract costs must be as detailed specifically in the Vendor's cost proposal. No charges other than as specified in the proposal shall be allowed without written consent of the State of Delaware. The proposal costs shall include full compensation for all taxes that the selected vendor is required to pay.

The State of Delaware will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed. The State of Delaware may require holdback of contract monies until acceptable performance is demonstrated (as much as 25%).

**j. Penalties**

The State of Delaware may include in the final contract penalty provisions for non-performance, such as liquidated damages.

**k. Termination for Cause**

If for any reasons, or through any cause, the Vendor fails to fulfil in timely and proper manner his obligations under the contract, or if the Vendor violates any of the covenants, agreements or stipulations of the contract, the State of Delaware shall thereupon have the right to terminate the contract by giving written notice to the Vendor of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports or other material prepared by the Vendor under the contract shall, at the option of the State of Delaware, become its property, and the Vendor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is useable to the State of Delaware.

**l. Termination for Convenience**

The State of Delaware may terminate the contract at any time by giving written notice of such termination and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports or other material prepared by the Vendor under the contract shall, at the option of the State of Delaware, become its property, and the Vendor shall be entitled to compensation for any satisfactory work completed on such documents and other materials which is useable to the State of Delaware. If the contract is terminated by the State of Delaware as so provided, the Vendor will be paid an amount which bears the same ratio to the total

compensation as the services actually performed bear to the total services of the Vendor as covered by the contract, less payments of compensation previously made. Provided however, that if less than 60 percent of the services covered by the contract have been performed upon the effective date of termination, the Vendor shall be reimbursed (in addition to the above payment) for that portion of actual out of pocket expenses (not otherwise reimbursed under the contract) incurred by the Vendor during the contract period which are directly attributable to the uncompleted portion of the services covered by the contract.

**m. Non-discrimination**

In performing the services subject to this RFP the vendor, as set forth in Title 19, Chapter 7, Section 711 of Delaware Code, will agree that it will not discriminate against any employee or applicant with respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The successful vendor shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of contract.

**n. Covenant against Contingent Fees**

The successful vendor will warrant that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement of understanding for a commission or percentage, brokerage or contingent fee excepting bona-fide employees, bona-fide established commercial or selling agencies maintained by the Vendor for the purpose of securing business. For breach or violation of this warranty the State of Delaware shall have the right to annul the contract without liability or at its discretion to deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

**o. Vendor Activity**

No activity is to be executed in an off shore facility, either by a subcontracted firm or a foreign office or division of the vendor. The vendor must attest to the fact that no activity will take place outside of the United States in its transmittal letter. Failure to adhere to this requirement is cause for elimination from future consideration.

**p. Work Product**

All materials and products developed under the executed contract by the vendor are the sole and exclusive property of the State. The vendor will seek written permission to use any product created under the contract.

**q. Contract Documents**

The RFP, the purchase order, the executed contract and any supplemental documents between the State of Delaware and the successful vendor shall constitute the contract between the State of Delaware and the vendor. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP, Vendor's response to the RFP and purchase

order. No other documents shall be considered. These documents will constitute the entire agreement between the State of Delaware and the vendor.

**r. Applicable Law**

The laws of the State of Delaware shall apply, except where Federal Law has precedence. The successful vendor consents to jurisdiction and venue in the State of Delaware.

In submitting a proposal, vendors certify that they comply with all federal, state and local laws applicable to its activities and obligations including:

- The laws of the State of Delaware;
- The applicable portion of the Federal Civil Rights Act of 1964;
- The Equal Employment Opportunity Act and the regulations issued there under by the federal government;
- A condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- That programs, services, and activities provided to the general public under resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

If any vendor fails to comply with any requirement of this paragraph, the State of Delaware reserves the right to disregard the proposal, terminate the contract, or consider the vendor in default.

The selected vendor shall keep itself fully informed of and shall observe and comply with all applicable existing federal and state laws, and county and local ordinances, regulations and codes, and those laws, ordinances, regulations, and codes adopted during its performance of the work.

**s. Severability**

If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

**t. Scope of Agreement**

If the scope of any provision of the contract is determined to be too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the contract shall not thereby fail, but the scope of such provisions shall be curtailed only to the extent necessary to conform to the law.

**E. RFP Miscellaneous Information**

**1. No Press Releases or Public Disclosure**

Vendors may not release any information about this RFP. The State of Delaware reserves the right to pre-approve any news or advertising releases concerning this RFP, the resulting contract, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this RFP or resulting contract shall require the prior express written permission of the State of Delaware.

**2. Definitions of Requirements**

To prevent any confusion about identifying requirements in this RFP, the following definition is offered: The words *shall*, *will* and/or *must* are used to designate a mandatory requirement. Vendors must respond to all mandatory requirements presented in the RFP. Failure to respond to a mandatory requirement may cause the disqualification of your proposal.

*Balance of page is intentionally left blank*

## Exhibit 1: Proposal Format

The vendor’s proposal should be organized as described below. The hard copy version shall be presented on standard 8.5x11 paper and be bound by a 3-ring (preferred) or spiral notebook. The instructions and order found below supersede any conflicting information that may be found in this RFP.

TAB A	Cover letter	This is optional.
TAB B	Scope of Services	Insert the portion of the RFP called “Scope of Services,” which comprises Section II.
TAB C	Bid form	The bid form must show all services and estimated volumes as provided in the RFP, and it must be signed by an officer authorized to bind the bank to the prices and services detailed in the proposal. Any modifications to the bid form must be delineated in the Performance Exceptions tab.
TAB D	Questionnaire	The completed questionnaire should be inserted here. Questions must not be omitted or modified.
TAB E	Narrative	The bank may describe in its own terms its ability to satisfy the State’s requirements. This may include charts, graphs and ratings, but the narrative should be kept as concise as possible.
TAB F	Performance Exceptions	Any deviation from the Scope of Services, or from the Bid Form pricing, should be detailed in this tab. Each exception should reference the relevant portion of the RFP.
TAB G	Bank officers	Provide the complete contact information and work experience of the bank staff that will manage this relationship. It is not necessary to include a help desk or similar group.
TAB H	References	Provide the contact information and brief description of at least two government and two private entities that now utilize similar services with your bank.
TAB I	Statement of Non-Collusion	This standard State of Delaware RFP form must be completed and signed by an officer authorized to bind the bank to the statement.
TAB J	Subcontractor Information	Provide detailed information about any subcontractor that may be used in the performance of this contract. If none, please leave blank.
TAB K	Employing Delawareans Report	This standard State of Delaware RFP form must be completed and signed by an officer authorized to bind the bank to the report.
TAB L	Availability Schedule	Provide an availability schedule detailing collection endpoints and a brief description of how availability is determined.
TAB M	Samples of Daily Statements	These are screen prints and redacted paper statements that show the content and layout of these reports.
TAB N	Disaster Recovery Plan (summary)	This is a synopsis of the DRP as it pertains to the bank’s relationship with the State of Delaware.
TAB O	Exceptions to the RFP	Any requirement that the bank does not intend to meet must be described, along with an alternate plan to provide the service.

In addition, one copy of the Statement on Standards for Attestation Engagements (SSAE-16) – which effectively replaces SAS 70 – should be provided. This does not need to be contained in the proposal binder.

## Exhibit 2: Non-Collusion Statement

**CONTRACT NO.:** TRE14101-OTC\_BANK  
**CONTRACT TITLE:** OVER-THE-COUNTER COLLECTION BANKING

This is to certify that the undersigned Vendor has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal, **and further certifies that it is not a sub-contractor to another Vendor who also submitted a proposal as a primary Vendor in response to this solicitation** submitted this date to the State of Delaware, DELAWARE STATE TREASURY. It is agreed by the undersigned Vendor that the signed delivery of this bid represents the Vendor's acceptance of the terms and conditions of this solicitation including all specifications and special provisions.

**NOTE:** Signature of the authorized representative must be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware.

COMPANY NAME \_\_\_\_\_

NAME OF AUTHORIZED REP \_\_\_\_\_

SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_

COMPANY ADDRESS \_\_\_\_\_

PHONE NUMBER \_\_\_\_\_ FAX NUMBER \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

FEDERAL E.I.N. \_\_\_\_\_ DELAWARE BUSINESS LICENSE NO: \_\_\_\_\_

COMPANY CLASSIFICATIONS:  CERT. NO.: _____	Certification type(s)	Circle all that apply	
	Minority Business Enterprise (MBE)	Yes	No
Woman Business Enterprise (WBE)	Yes	No	
Disadvantaged Business Enterprise (DBE)	Yes	No	
Veteran Owned Business Enterprise (VOBE)	Yes	No	
Service Disabled Veteran Owned Business Enterprise (SDVOBE)	Yes	No	

[The above table is for informational and statistical use only.]

PURCHASE ORDERS SHOULD BE SENT TO:  
 (COMPANY NAME) \_\_\_\_\_

ADDRESS \_\_\_\_\_

CONTACT \_\_\_\_\_

PHONE NUMBER \_\_\_\_\_ FAX NUMBER \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

**AFFIRMATION:** Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?

YES \_\_\_\_\_ NO \_\_\_\_\_ if yes, please explain \_\_\_\_\_

**THIS PAGE SHALL HAVE ORIGINAL SIGNATURE, BE NOTARIZED AND BE RETURNED WITH YOUR PROPOSAL**

SWORN TO AND SUBSCRIBED BEFORE ME this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

Notary Public \_\_\_\_\_ My commission expires \_\_\_\_\_

City of \_\_\_\_\_ County of \_\_\_\_\_ State of \_\_\_\_\_

## Exhibit 3: Employing Delawareans Report

Contract No. TRE14101-OTC\_BANK

Contract Title: OVER-THE-COUNTER COLLECTION BANKING

As required by House Bill # 410 (Bond Bill) of the 146<sup>th</sup> General Assembly and under Section 30, no bid for any public works or professional services contract shall be responsive unless the prospective bidder discloses its reasonable, good-faith determination of:

1. Number of employees reasonable anticipated to be employed on the project: \_\_\_\_\_
2. Number and percentage of such employees who are bona fide legal residents of Delaware: \_\_\_\_\_  
Percentage of such employees who are bona fide legal residents of Delaware: \_\_\_\_\_
3. Total number of employees of the bidder: \_\_\_\_\_
4. Total percentage of employees who are bona fide resident of Delaware: \_\_\_\_\_

If subcontractors are to be used:

1. Number of employees who are residents of Delaware: \_\_\_\_\_
2. Percentage of employees who are residents of Delaware: \_\_\_\_\_

“Bona fide legal resident of this State” shall mean any resident who has established residence of at least 90 days in the State.

## Exhibit 4: DTI Confidentiality and Non-Disclosure Agreement



### DEPARTMENT OF TECHNOLOGY AND INFORMATION

William Penn Building  
801 Silver Lake Boulevard  
Dover, Delaware 19904-2407

### CONFIDENTIALITY (NON-DISCLOSER) AND INTEGRITY OF DATA AGREEMENT

The Department of Technology and Information (DTI) is responsible for safeguarding the confidentiality and integrity of data in State computer files regardless of the source of those data or medium on which they are stored; e.g., electronic data, computer output microfilm (COM), tape, or disk. Computer programs developed to process State Agency data will not be modified without the knowledge and written authorization of DTI. All data generated from the original source data, shall be the property of the State of Delaware. The control of the disclosure of those data shall be retained by the State of Delaware and DTI.

I understand that, when performing work for DTI, my firm acts as an extension of DTI and, therefore we are responsible for safeguarding the State's data and computer files as indicated above. We will not use, disclose, or modify State data or State computer files without the written knowledge and written authorization of DTI. Furthermore, I understand that we are to take all necessary precautions to prevent unauthorized use, disclosure, or modification of State computer files, and I should alert my immediate supervisor of any situation which might result in, or create the appearance of, unauthorized use, disclosure or modification of State data.

Penalty for unauthorized use, unauthorized modification of data files, or disclosure of any confidential information may mean the loss of my position and benefits, and prosecution under applicable state or federal law. This statement applies to the undersigned contractor and to any others working under the contractor's direction.

I, the undersigned, hereby affirm that I have read DTI's Policy on Confidentiality (Non-Disclosure) and Integrity of Data and understand the terms of the above Confidentiality (Non-Disclosure) and Integrity of Data Agreement, and that we agree to abide by the terms above.

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*Signature of authorized official*

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*Printed name of authorized official*

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*Title*

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*Date*

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*Name of contractor*

## Exhibit 5: Questionnaire

### Account Reconciliation Program

1. Do you offer full ARP with your controlled disbursement services? Partial ARP? Are they available via the Internet (where the State retrieves) or via transmission (where the bank sends)? *This is for the benefit of the user State agencies, not the Treasury.*
2. Are serial numbers repaired as part of the account reconciliation process?
3. May we specify cutoff dates for ARP reports? For bank statements?
4. How soon after cutoff will the following be available?
  - Full recon: Canceled checks via your website
  - Partial recon: Bank statements
  - Partial recon: Canceled checks via your website
5. The State intends to store images of checks rather than the checks themselves. Please describe your bank's check imaging service, including:
  - Any special hardware and software requirements for the State.
  - Storage and image retrieval options (length of time, types of media, etc.)
  - Image formats.
6. Briefly explain how your online stop payment service works. Please include:
  - Daily deadline for stop payment actions, including rescinding orders.
  - How stops are renewed after the initial period expires.
  - Options, such as dollar range, that may exist.
  - Limitations and special considerations.

### Information Reporting – Online

1. For historical reports, how far into the past can online reports be retrieved? If it varies by type of report, then please provide details.
2. It is useful for Treasury and agencies to download and print online statements and reports. What formats are available for download and print? Adobe Acrobat? Plain text? MS Word? MS Excel?
3. What Internet security features are in place to safeguard State data?
4. Are daily statements in BAI format available via your online reporting system?
5. How frequently is your online balance and transaction information updated? Does the bank have a standard (in terms of minutes) for posting information to the website? (If there is a report availability schedule, please include that.)

6. Can the bank provide detailed information online for:
  - Deposits?
  - Return items?
  - Items pending return?
  - Deposit corrections?
  - Miscellaneous debits and credits?
7. Are images of returned checks available online? Briefly describe the information available for returned items.

### **Information Reporting – Transmission**

1. Treasury desires to not only get a daily BAI file via the bank's secure website, but also to have a BAI file transmitted to the State's automated accounting system (FSF). Please explain how such file transmissions are typically made. What are the basic system requirements?

### **Impact of Regulatory Changes**

1. Do you pass along FDIC charges exactly as you are charged? How often is it calculated? How often is it charged? If not passed on exactly as charged, why not?
2. Will we receive "real time" online notification of any daylight OD on our account?

### **Account Setup and Statements**

1. What is your field size for naming the individual accounts?
2. How many lines are permitted in the name/address portion of the statement?
3. Will the bank block a certain amount of account numbers for use by the State?

### **E-Commerce and Internet Capabilities**

1. Do you have ability to interface with the following vendors for various reporting, and reconciliation systems:
  - Chesapeake System Solutions – automated reconciliation
  - Peoplesoft Financials – outgoing ACH files creation
2. Please list any other major vendor with which you have working experience.
3. Specific to E-Commerce and Internet capabilities, describe your security, authorization protocol, and authentication requirements. (Please indicate if this has been address elsewhere in your questionnaire responses.)

### **Retail branch banking**

1. How many retail branches do you have in Delaware? How are they distributed by county?
2. Do any branches offer extended hours for over-the-counter service? If so, please identify their locations and extended hours.

3. Is check imaging accomplished at the branch level? At a central location?
4. What restrictions do you place on the size of each deposit batch? Any other restrictions?

**Relationship Management**

1. From what location will your State of Delaware relationship be managed?

**Exhibit 6: Bid Sheet**

**Bank Name:** \_\_\_\_\_

Service Description & Bank Code	Annual Volume	Per Item Fee	Total Annual Fee
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<b>Maintenance</b>			
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FDIC INSURANCE CHARGE <i>(Nominal, projected amount)</i>			\$ 5,000.00
MONTHLY MAINTENANCE <i>(Based on 6 accounts x 12 months)</i>	72		
IMAGE STATEMENT	48		
ADDITIONAL OR DUPLICATE STATEMENTS	72		
ACCOUNT ANALYSIS STATEMENT	72		

<b>Deposit and Branch Services</b>			
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NIGHT BAGS DEPOSITED	4,000		
NIGHT BAGS FURNISHED	5,000		1
CURRENCY DEPOSITED PER \$1.00	15,000,000		
COIN AND CURRENCY FURNISHED	100,000		
DEPOSITS	53,000		
ITEMS DEPOSITED	400,000		2
ITEMS DEPOSITED, CANADIAN ITEMS	50		
RETURN DEPOSIT ITEM SPECIAL HANDLING	50		
REDEPOSITED ITEMS	1,000		
FOREIGN CHECK COLLECTION <i>(Normally Canadian items)</i>	20		
CHECKS AND ITEMS PAID	5,900		
CHECK ORDERS	10		

<b>Reconciliation</b>			
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COPY OF CHECK OR DOCUMENT <i>(Scan and send via email)</i>	400		
BASIC RECONCILEMENT MAINTENANCE	12		
BASIC RECONCILEMENT PER CHECK PAID	5,600		
DEPOSIT RECONCILEMENT MAINTENANCE	12		
DEPOSIT RECONCILEMENT PER ITEM	56,000		
PARTIAL RECONCILEMENT PER ITEM (CHECK PAID)	6,000		
CD-ROM IMAGING - PER ITEM	6,000		3
CD-ROM IMAGING - MONTHLY MAINTENANCE	12		

<b>ACH Transfers</b>			
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INCOMING ACH CREDITS	1,000		4

**DELAWARE STATE TREASURY ♦ OTC COLLECTION BANKING**

<b>Wire Transfers</b>			
	OUTGOING, REPETITIVE (Nominal volume)	10	
	OUTGOING, NON-REPETITIVE (Nominal volume)	10	
	STANDING TRANSFER ORDER	250	
<b>Information Services</b>			
	ONLINE MODULE, MONTHLY MAINTENANCE	72	
	PREVIOUS DAY SUMMARY REPORT	72	
	PREVIOUS DAY DETAIL REPORT (Main collection account only)	12	
	SAME DAY SUMMARY REPORT	72	
	SAME DAY DETAIL REPORT	12	
	BAI FILE DAILY TRANSMISSION	250	
	SAME DAY (INTRADAY) ACH REPORTING	12	
<b>Miscellaneous</b>			

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**Bid sheet notes:**

- 1 Assumes that agencies will order night bags through the bank's vendor and that the cost will be passed through on the monthly AA statement.
- 2 Treasury prefers to have its items deposited service bundled into a single fee, rather than broken out by category.
- 3 Currently, Treasury initiates image requests by calling the bank's Help Desk, and they are sent via secure email attachment. For this RFP, the vendor's imaging options should include deposit slips.
- 4 One school district DDA is granted an exception to policy in order to receive ACH credits (related to PayPal purchases to fund student cafeteria accounts). Normally incoming ACH transfers go to the State's electronic collections bank.
- 5 The STO is a daily repetitive transfer that concentrates collected funds into another State bank.

Officer Signature	Date
Officer Name	
Officer Title	

**This bid sheet is also provided in MS Excel soft copy format as a convenience to the vendor. The soft copy version may not be altered in terms of services and volumes without the consent of Treasury. The bid sheet version as shown in the body of this RFP shall be considered the standard.**