

Addendum 3

State of Connecticut Department of Social Services
State Disbursement Unit
Request for Proposals #20808_SDU_RFP

The State of Connecticut Department of Social Services is issuing Addendum 3 to the State Disbursement Unit Request for Proposals (RFP). Addendum 3 contains the following sections:

1. Section 1 - Revised Procurement Schedule
2. Section 2 - Responses to questions submitted regarding the RFP

Section 1 - Revised Procurement Schedule:

Milestones	Original Period	Revised Period
Proposals due (no later than <u>3:00 p.m. eastern standard time</u>)	March 28, 2008	April 14, 2008
Review of proposals and recommendations made to the Commissioners	TBD	May 7, 2008
Announcement of awards for contract negotiation	TBD	May 19, 2008
Contract negotiations/contract execution	TBD	October 1, 2008

Section 2 - Responses:

Questions submitted by interested bidders and the Department of Social Services' official responses follow. (These questions and responses were inadvertently left out of Addendum 2.) These responses shall clarify the requirements of the RFP. In the event of an inconsistency between information provided in the RFP and information in these responses, the information in these responses shall control.

1. Question: Page 7, Item A, Purpose of the Request for Proposals - Is there an expectation that the depository services and other ancillary banking functions (i.e., wire transfers, ACH) are also performed within the fifteen mile radius of Hartford, Connecticut?

Response: It is expected that the State Disbursement Unit facility and the depository services will be housed within the fifteen-mile radius. However, other ancillary banking functions may be located outside the defined geographical area.

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2. Question: Page 34, Item, 4, Key Personnel and Staff Resources - Provide clarity on your expectations to comply with this section (must receive the written approval of the Department of Social Services prior to such changes) in situations where the bank does not know in advance of a personnel change, i.e., hospital, transfer, death, or departure from the bank, etc.

Response: In the event that extraordinary situations occur, the Department of Social Services expects notification from the resultant contractor as soon as it occurs. Replacement of existing or previously proposed project management staff or other key personnel identified by the State must be submitted to the Department of Social Services for approval.

3. Question: Page 35, Item 4.C, Project Manager (Implementing and Managing the State Disbursement Unit) - Provide clarification on the expectations of the Project Manager. Will the State consider an Implementation Project Manager who would remain in place throughout the full implementation of the State Disbursement Unit and a separate Project Manager who would be in place for the duration of the agreement?

Response: The State Disbursement Unit Project Manager is responsible for overseeing and managing all contract-related functions. Although the Department of Social Services does not preclude an Implementation Project Manager, the manager must ultimately allow sufficient time to train and transition the incoming Project Manager assigned for the duration of the contract.

4. Question: Page 37, Item 5.a.3 - Can the State provide clarification of the contents of the requested "signed release"? Would the State consider it acceptable to give notification of the site reviews that would be conducted by the Department of Social Services?

Response: A signed release authorizes consent to release information to the Department of Social Services. The State will consider it acceptable to give notification of the site reviews that would be conducted by the Department of Social Services.

5. Question: Page 37, Item 5.a.6 - Would the State consider a contractor to be non-responsive if due to contractual prohibitions (i.e., confidentiality provisions) the respondent is unable to provide the requested information?

Response: If a bidder fails to answer a question posed in the RFP, that bidder would be considered to have a non-responsive answer. In the event that

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details of any sanctions, fines, penalties, or letters of noncompliance issued against any bidder may not be disclosed because of a settlement agreement, the bidder's response should include as much detail as can be given within the confines of confidentiality. Therefore, a responsive answer would be that the bidder incurred a sanction, fine, etc. on or about X date, but due to a confidentiality agreement, the bidder is unable to further disclose any details.

6. Question: Page 41, Item 2, Collection of Child Support Payments: Automated Clearing House (ACH)/Electronic Funds Transfer (EFT) - Can the State clarify the Electronic Funds Transfer (EFT)? Does this reference include wire transfer? ACH? Additionally with regard to the data-storage functions, within what application is this reference (i.e., EDI) and what type of data-storage functions does the Department of Social Services currently receive?

Response: As standard practice, Electronic Funds Transfer does not include wire transfer. The resultant contractor is expected to receive electronic payments and related back-up documentation and store all appropriate information for access by the Department of Social Services or their cooperative agencies. The current contractor images and stores all data in their proprietary system.

7. Question: Page 41, Item 3, Bullet Point #4, Collection of Child Support Payments: Automated Clearing House (ACH)/Electronic Funds Transfer (EFT) - What are the current courier services provided (locations) and their applicable schedules (to and from)? The bank recommends in banking depository relationships that the State directly contract with the courier. Would the State consider directly contracting with the courier?

Response: Currently the financial institution (which is under agreement with the current contractor) provides courier service.

8. Question: Page 42, Item 3.b - Define what the State infers by "manage" the Department of Social Services funds?

Response: Any income realized through the overnight use of such funds is the property of the Department of Social Services. The resultant contractor must propose a plan as to how those funds will be "managed" and provided to the Department of Social Services.

9. Question: Page 42, Item 5, Collection of Child Support Payments: Document Imaging, Bullet Point 2 - Can the State provide clarity around what kind of equipment the State anticipates would be necessary to view images? What

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image mediums are currently utilized under the current State Disbursement Unit program (i.e., CD-ROM)?

Response: The Department of Social Services needs access to all imaged data. If special equipment is necessary to read data, contractor must provide at no cost to the Department of Social Services at the end of the contract period.

10. Question: Page 42, Item 5, Collection of Child Support Payments: Document Imaging - In the retention requirements it states that the agency must approve in writing any records destroyed or transferred. Does this mean the contractor is prohibited from purging images from its archive without the State's written approval?

Response: Yes.

11. Question: Page 46, Item 8, Payment Processing: Online Scheduled Bank Account Payments - Describe the capabilities of the existing program.

Response: The non-custodial parent registers online via the child support Web site and establishes a payment schedule. The State Disbursement Unit is responsible for completing the Customer Service Application and provide non-custodial parent with any troubleshooting issues (i.e., password change or failure, account changes received from financial institution, unauthorized debit). The Connecticut Child Support Web site (www.ctchildsupport.com) has an online tutorial. To access the tutorial, just click on "non-custodial parent - pay child support" and then click on "demo."

12. Question: Page 49, Item 14, Disbursement: Checks - Provide clarification on Item C.

Response: Item C should read as follows: "Provide a detailed explanation of check copy information that will be supplied to the Department of Social Services, and incorporate with Section IV-C, Item #23".

13. Question: Page 50, Item 16, Disbursement: Debit Card Payment - If the respondent is a financial institution capable of implementing and maintaining its own debit card program, will that respondent still be required to maintain a program provided by another financial institution (i.e., J. P. Morgan Chase Bank)? If so, would the respondent be responsible for marketing the cards issued by J. P. Morgan Chase Bank? While funding of the cards is achievable, there are broader (possibly regulatory) issues associated with one financial

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institution marketing products of another. What has the State's experience been with acceptance of the debit card program? Is there a wish list of improvements? How or what is the volume, fee structure, and network requirements?

Response: If the respondent is a financial institution capable of implementing and maintaining its own debit card program, the respondent may implement their program if it minimally includes all elements/benefits of the existing program. If the respondent implements their own program, they will be responsible for developing and implementing the plan of transition from the existing to the new debit card program. If the respondent chooses to remain with the J.P. Morgan Chase Bank Debit Card program, they will not be responsible for marketing the card. However, a relationship is required between the State Disbursement Unit and J.P. Morgan Chase Bank that includes limited access by the State Disbursement Unit to the J.P. Morgan Chase Bank database to provide customer service to child support recipients. The State issues debit cards under two circumstances: 1) custodial party request, or 2) by default when the custodial party fails to select an electronic disbursement method. The State experienced minimal negative response to the program. As of January 31, 2008, approximately 39% (24,900) of child support recipients are enrolled to receive payments by debit card. The fee schedule may be found under question number 18, Addendum 2. The programming requirements can be found in the CCSES User and Operations Manual located in the Procurement Library.

14. Question: Page 51, Item 18, Disbursements Problem Resolution: Insufficient Funds, Bullet Point 4 - Is this requirement limited to checks returned for stop payment, insufficient funds, or does it extend out to checks returned for other reasons (i.e., uncollected funds, refer to maker)? Can the State clarify the applicable reasons for return that would ultimately implement the guaranteed instrument provision?

Response: Yes. It is extended for other insufficient funds reasons. The State Disbursement Unit will implement the guaranteed instrument provision unless the employer or out of state agency informs the State that the insufficient funds was unintentional. Any subsequent insufficient funds payment will require immediate implementation of the guaranteed payment instrument provision.

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15. Question: Page 52, Item 18, Disbursements Problem Resolution: Insufficient Funds, Bullet Point 5 - What is the current dollar threshold?

Response: While the Department of Social Services has full authority to determine the threshold, currently it is \$1,000 for non-custodial parent payments and \$10,000 for employer payments.

16. Question: Page 52, Item 18, Disbursements Problem Resolution: Insufficient Funds (b) - Can the State provide clarification on what the statement “ensure restitution” consists of? What restitution procedures are utilized in the current program?

Response: Restitution means recovery or reimbursement of the amount of the insufficient funds as the money has already been disbursed to the child support recipient. Providing current procedures would affect the respondent’s ability to clearly propose their plan for restitution.

17. Question: Page 54, Item 23, Account Reconciliation and Audit: Account Reconciliation, Bullet Point 7 - What is the current or required “electronic file format” being requested?

Response: Refer to CCSES User and Operational Manual - Checkbook and Ledgers section, V09130 Check Reconciliation TEMP from Flat File. This information is contained in the Procurement Library.

18. Question: Page 56, Item 28, System Requirements, Data Protection, and Security: Equipment and Technical Support, Bullet Point 1 - Provide clarification on what is meant by “Supply all computer hardware (and software, as appropriate) necessary to provide CCSES access to resultant contractor staff, such that all payment-processing functions outlined above are satisfied (resultant contractor-supplied computer hardware and software must meet Department of Social Services approval).

Response: Contractor must supply all appropriate hardware and software, which provides connectivity with CCSES and CCSES access for the State Disbursement Unit staff.

19. Question: Page 58, Item 30, Security and Confidentiality, Bullet Points 3 and 4 - Can the State define what its expectations of “reasonable steps” are?

Response: The State expectation is that security and confidentiality of child support data will be maintained. Steps that the contractor takes to ensure such

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security must comply with applicable Federal and state laws. Refer to bullets points 1 and 2 of Item 30.

20. Question: Page 58, Item 30, Security and Confidentiality, Bullet Point 11 - Can the State provide a copy of the current required statement? Is the statement limited to the employees what will be physically located at the State Disbursement Unit Processing Site?

Response: Attached is a copy of the *Connecticut Child Support State Disbursement Unit Confidentiality Statement*. This statement is a requirement for all employees associated with the State Disbursement Unit that have access to child support data.

21. Question: Page 62, Item 36, Customer Services: Customer Service Unit - What languages are required for the customer service unit?

Response: Presently the existing contractor provides customer service staff with proficiency in both English and Spanish. The ability to communicate with all languages is required. Most contact at the Connecticut State Disbursement Unit is English and/or Spanish.

22. Question: Page 64, Item 38, Customer Service: Connecticut Child Support Web site, Bullet Point 1 - Does the State anticipate the resultant contractor to take over maintenance of the existing Web site or develop and maintain a completely new Web site? Can a listing of all your current resources and capabilities on your Web site be provided?

Response: The current contractor will be required to develop and implement a new IVR system but will not be required to develop a new child support Web site. A new contractor will be required to develop and implement both a new IVR system and child support Web site. All current resources and capabilities can be viewed at the Connecticut Child Support Website (www.ctchildsupport.com).

23. Question: Page 65, Item 40, Implementation Plan: Transition Plan - What are the current staffing titles and responsibilities of the current State Disbursement Unit?

Response: To ensure a fair, open, and competitive process, the Department of Social Services will not disclose this information.

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24. Question: Page 71, Item 1.2, Insurance - If contractor's insurance policies do not provide automatic indemnification to third parties, would the contractor be deemed non-responsive? (Note that contractor may agree to "save harmless" the State of Connecticut from any claims, suits, or demands that may be asserted against it by reason of any act or omission of the contractor, subcontractor, or employees in providing services hereunder, including, but not limited to, any claims or demands or malpractice. However, the contractor's agreement to this provision may not be covered by insurance.)

Response: While the contractor may not be non-responsive because of its failure to automatically indemnify third parties, it would have to prove that the State is a covered entity under the contractor's insurance policy. To the extent that they are not, agreeing to "save harmless" the State is an empty promise, if there is not sufficient financial resources to do so.

25. Question: Page 79, Item 13, Indemnification (d and e) - For the purposes of providing evidence of insurance coverage, would the State consider accepting a Certificate of Insurance in lieu of receiving copies of contractor's insurance policies?

Response: As long as the Certificate of Insurance shows the State as a covered entity under the policy, we may consider accepting the certificate in lieu of a copy of the policy. If however, the Certificate only shows that a policy exists, that would be insufficient to satisfy the State's concerns.

26. Question: Page 82, Item 21, Litigation (a and b) - Will the State consider information required by our regulators, including all requires disclosures in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are updated in Reports on Form 8-K, all of which are filed with the Securities and Exchange Commission to be acceptable? Given the magnitude of our organization, it is generally not feasible to definitively provide the information requested. Additionally, in some instances the bank is precluded from releasing the information requested.

Response: See Section II. K, Acceptance of Proposal Contents, on Page 20 of the RFP.

27. Question: Page 85, Item 5, Cancellation and Recoupment (A) - Can the State provide clarification on Part A of this Section?

Response: The Department of Social Services believes this term to be sufficiently clear in and of itself.

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28. Question: Page 87, Item 9, Mergers and Acquisitions (B) - Would the State consider revision of this provision to exclude instances whereby a resultant contractor is precluded by regulatory or Federal law to provide the State with the required advanced notice of any fundamental changes in corporate status or merger/acquisition?

Response: See Section II. K, Acceptance of Proposal Contents, on Page 20 of the RFP.

29. Question: Page 88, Statutory and Regulatory Compliances (D.1, Health Insurance Portability Act of 1996 - d) - Where does the State believe that HIPAA compliance is applicable to a resultant contractor with respect to child support enforcement, collection, and disbursement?

Response: Federal HIPAA compliance language is standard language in all our contracts. State agencies that process healthcare data may be considered "covered entities" and their contracted providers may be considered "business associates. If so, both must comply with HIPAA. HIPAA compliance may or may not be applicable to this contract.

Date Issued: March 18, 2008

Approved: _____
Chandra Yvette Williams
State of Connecticut Department of Social Services
(Original signature on document in procurement file)

This Addendum must be signed and returned with your submission.

Authorized Signer

Name of Company



STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES
BUREAU OF CHILD SUPPORT ENFORCEMENT

CONNECTICUT CHILD SUPPORT STATE DISBURSEMENT UNIT CONFIDENTIALITY AGREEMENT

As an employee of the State Disbursement Unit (SDU) under contract to the Connecticut Department of Social Services – Bureau of Child Support Enforcement (DSS-BCSE), I will maintain strict confidentiality standards during the course of my employment.

I have reviewed and understand all applicable Federal and State of Connecticut laws and regulations regarding confidentiality.

I will comply with Connecticut General Statutes §53a-250 through 53a-261 as they apply to computer-related offenses, and understand the penalties associated with non-compliance.

I will not disclose any information about a custodial party, non-custodial parent or child(ren) in a child support case, which is obtained by or made available to me through any informational interface with the Connecticut child support program, except in connection with the contractual services provided to DSS-BCSE by the SDU.

I will use the utmost discretion in confining discussions of child support cases to those aspects of the case which are the immediate concern of the individual or entity requesting assistance, and only enter into discussion if it is directly related to the contractual services being provided to DSS-BCSE by the SDU.

I have read and understand the information provided to me, and agree to abide by all confidentiality laws, statutes and regulations in the course of my employment with the Connecticut Child Support SDU.

Signature of Employee

Date

Signature of Witness

Date

Attachments

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The State of Connecticut Department of Social Services is issuing Addendum 2 to the State Disbursement Unit Request for Proposals (RFP). Addendum 2 contains the following sections:

1. Section 1 - Revised Procurement Schedule
2. Section 2 - Responses to questions submitted regarding the RFP

Section 1 - Revised Procurement Schedule:

Milestones	Original Period	Revised Period
Proposals due (no later than <u>3:00 p.m. eastern standard time</u>)	March 28, 2008	April 4, 2008
Review of proposals and recommendations made to the Commissioners	TBD	May 1, 2008
Announcement of awards for contract negotiation	TBD	May 8, 2008
Contract negotiations/contract execution	TBD	October 31, 2008

Section 2 - Responses:

Questions submitted by interested bidders and the Department of Social Services' official responses follow. These responses shall clarify the requirements of the RFP. In the event of an inconsistency between information provided in the RFP and information in these responses, the information in these responses shall control.

1. Question: Can you advise whether an interested bidder can bid on a portion of the scope of work if that would result in enhanced benefits to the State or must all bidders propose to perform all work without exception?

Response: An interested bidder must bid on the entire scope of work. As detailed in Section E on Page 14, bidders can propose the use of subcontractors, but a qualified bidder must have a minimum of five years of demonstrated experience managing a State Disbursement Unit and processing child support payments at a level equal to or greater than existing Connecticut volumes.

2. Question: Who is the incumbent for this contract?

Response: The Department of Social Services currently contracts with Systems and Methods, Inc.

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3. Question: What is the value of the previous contract?

Response: To ensure a fair, open, and competitive process, the Department of Social Services will not disclose this information.

4. Question: Section B, Page 16 - The RFP document shows a due date of March 28, 2008 while the Connecticut DAS Web site where the RFP is posted shows a due date of March 31, 2008. Clarify the intended due date for proposals.

Response: Proposals must be received at the Department of Social Services no later than 3:00 p.m. eastern standard time on April 4, 2008.

5. Question: Section C.1, Page 41 - Is it the State's intention that a date and time stamp be physically applied to every incoming envelope prior to opening?

Response: Yes

6. Question: General - Can any of the scope of work detailed in the RFP be conducted at a location outside Connecticut? What are the limitations, if any, on performing the required services outside Connecticut?

Response: As detailed under Section I.A of the RFP, the Department of Social Services is requesting that comprehensive collection, payment processing, and disbursement of child support payments including depository-banking services be conducted within a fifteen-mile radius of Hartford, Connecticut. It is expected that the disbursement unit facility will be housed within the fifteen-mile radius. However, subcontractor services may be located outside the defined geographical area.

7. Question: General - To ensure a level playing field for competition, will the current vendor be required to relocate from the existing facilities or replace assets as would be the case for a new vendor?

Response: The current contractor will not be required to relocate from existing facilities or replace assets.

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8. Question: Item 28 (Incoming Items Processed), Page 3 - May prospective vendors receive a soft copy or PDF of the coupon payment?

Response: A PDF copy of the monthly notice with payment coupons is available in the Procurement Reference Library.

9. Question: Item 28 (Incoming Items Processed), Page 3 - Would the State consider variations to the coupons? In this question, what we were trying to determine relates to our question concerning our request for a copy of the coupon itself. Our experience in other states has allowed us to propose improvements in the format of coupons to achieve more effective and efficient processing. Therefore, we wanted to know if we could propose modifications in the coupon to gain efficiencies in processing.

Response: Yes

10. Question: Section II.B, Page 16 - We believe the timeline for submittal provides an advantage to the incumbent. Will the State consider a one-month extension for proposal submission?

Response: The Department of Social Services will not consider an extension of the proposal due date/time. Proposals must be received at the Department of Social Services no later than 3:00 p.m. eastern standard time on April 4, 2008.

11. Question: Section IV.C.1, Page 41 - The RFP reads: The resultant contractor shall "date and time stamp all incoming envelopes immediately on receipt prior to opening." To ensure the effective use of technology that performs date and time stamps on envelopes at the same time of opening and scanning, would the State accept performance of these functions at the time of opening, rather than prior to opening?

Response: Stamping envelopes with date and time immediately on arrival at the State Disbursement Unit provides a clear timeline for every child support payment document from point of origin to disbursement. The date/time stamp on the envelope specifically defines 1) mail transit time from postmark to arrival at the State Disbursement Unit and 2) State Disbursement Unit processing time from envelope arrival to envelope opening and the processing of contents.

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12. Question: Section IV.C.3, Page 42 - Is the current vendor using Check 21?

Response: The current contractor is not using Check 21 at this time.

13. Question: Section IV.C.6, Page 43 - Can you define "CCSES internal key numbers" and provide examples and format descriptions?

Response: The internal key is a unique six-digit number assigned to each custodial party case by the system when the case is created. The six-digit number may be followed by an asterisk and a number representing the noncustodial parent, and a second asterisk and a number(s) representing the dependent(s) in the case.

Example:

Custodial Party (CP) has four dependents (DP) and two noncustodial parents (NCP). Each NCP is associated with two DP's.

Key numbers would be as follows:

Case #1: 123456*1*1 and 123456*1*2

Case #2: 123456*2*1 and 123456*2*2

14. Question: Section IV.C.6, Page 45 - Are checks and EFTs that are out of balance returned to the originator or deposited until cleared?

Response: In out of balance situations, it is the responsibility of the State Disbursement Unit to contact the originator to attempt resolution. If resolution cannot be negotiated with the originator, funds are returned.

15. Question: Section IV.C.7, Page 45 - Are there plans to mandate incoming EFT transactions?

Response: No, such a mandate would require changes to Connecticut General Statutes.

16. Question: Section IV.C.16, Page 50 - Regarding providing an alternative debit card program, does that suggest that J.P. Morgan could be replaced by a vendor responding to this RFP?

Response: Yes

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17. Question: Section IV.C.16, Page 50 - How will an alternate debit card solution be evaluated against a current J.P. Morgan solution?

Response: Any alternate debit card solution must 1) comply with existing Connecticut law, 2) meet the needs of Connecticut child support recipients, and 3) be acceptable to Connecticut child support partners (Support Enforcement Services, Office of the Attorney General, and Connecticut Legal Services) as a workable and cost-effective solution.

18. Question: Section IV.C.16, Page 50 - Provide the current cardholder fee schedule for debit card payment recipients.

Response: The fee schedule is as follows:

Fee Schedule	
One Free ATM Withdrawal Per Deposit	No fee
All Other ATM Cash Withdrawals (surcharge-free fee at Chase/Bank One ATMs)	\$1.50 each
ATM Cash Withdrawals Outside the U.S.	\$3.00 each
ATM Balance Inquiries	\$0.50 each
ATM Balance Inquiries Outside the U.S.	\$1.00 each
Transactions Denied for Insufficient Funds	\$0.50 each
POS Transactions	No fee
POS Transactions with Cash Back	No fee
Balance Inquiries via the Internet	No fee
Cash Advance at Banks	\$5.00 each
First Replacement Card Requested Each Year	
• Delivered via regular mail	No fee
• Delivered via expedited overnight service	\$12.50
Additional Replacement Cards	\$5.00
Optional Overnight Delivery for Replacement Card	\$10.00
Customer Service (including balance inquiries)	
• Via Telephone or Web	No fee
Account Closure with Check Issuance	\$10.00 each
Inactivity Fee *	\$1.50 per month
* A monthly fee will be assessed on each Account that has been inactive for twelve months. Account inactivity is defined as no deposit, withdrawal, or purchase activity during this period.	

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19. Question: Section IV.C.16, Page 50 - Provide the number of electronic disbursements broken out between debit card and direct deposit recipients.

Response: For the month of January 2008, 151,266 electronic disbursements were processed as follows:

- Direct deposits to child support recipients or other State child support agencies: 91,694
- Debit card disbursements to Connecticut child support recipients: 59,572

** Due to a mandatory electronic disbursement program, which steadily increased electronic disbursements throughout calendar year 2007, data for January 2008 has been supplied to reflect the most recent disbursement information.

20. Question: Section IV.C.16, Page 50 - Provide the total dollar amount deposited each month to debit cards.

Response: For the month of January 2008, a total of \$20,151,957 in electronic disbursements was processed as follows:

- Direct deposits: \$13,857,569
- Debit card: \$6,294,388

** Due to a mandatory electronic disbursement program, which steadily increased electronic disbursements throughout calendar year 2007, data for January 2008 has been supplied to reflect the most recent disbursement information.

21. Question: Section IV.C.18, Page 51 - The RFP reads that “the resultant contractor shall require payers to submit guaranteed payment instruments.” Can electronic payments such as credit cards and direct debits be considered guaranteed payments?

Response: No, neither alternative is acceptable. Connecticut does not accept credit cards as a method of payment and funds associated with direct debits are not necessarily guaranteed.

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22. Question: Section IV.C.23, Page 54 - Will new bank accounts be set up by the vendor or will existing accounts be maintained?

Response: The bidder shall provide their best recommendation for either using bank accounts with the existing financial institution or establishing a new relationship with another financial institution. Final determination of depository-banking services will be made during negotiations with the successful bidder.

23. Question: Section IV.C.23, Page 54 - If existing accounts are used, will reconciliations of accounts take place prior to the new vendor takeover?

Response: Yes

24. Question: Section IV.C.25, Page 55 - Does an initial SAS70 Type I audit followed by SAS70 Type II audit at a later time fulfill the State's audit requirements?

Response: No, the SAS70 Type II audit must be used to fulfill all audit requirements.

25. Question: Section IV.C.45, Page 66 - Regarding the out-of-compliance withholding payments, is there information regarding definitions and processes? Or does a bidder provide a suggested program?

Response: For further detail regarding out-of-compliance employer withholding payments, please reference Section IV.C.11 (Page 47-48) for compliance requirements of the Beasley v. Ginsberg Federal Court Consent Decree. The Beasley v. Ginsberg Federal Court Consent Decree is available in the Procurement Reference Library.

26. Question: Appendix 1, Subsection 1.4, Page 74 - The RFP reads "the Department of Social Services is solely responsible for rendering decisions in matters of interpretation on all terms and conditions." Is the State referring to the State's discretion to determine whether changes to the mandatory terms and conditions will be allowed prior to contract signing and can the State confirm that it does not intend for this statement to apply to the executed final contract?

Response: The Department of Social Services is solely responsible for rendering decisions in matters of interpretation on all terms and conditions before and after contract execution.

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27. Question: Appendix 1, Subsection 4, Page 76 - Does the State anticipate audits other than the Federal and State single audit?

Response: The State Disbursement Unit must always expect the possibility of additional audits by the Department of Social Services, other Connecticut State agencies, and/or Federal audits such as IRS Safeguard or child support data reliability audits.

28. Question: Appendix 1, Subsection 13, Page 79 - Would the State be willing to consider a reasonable limitation of contractual liability to include an aggregate cap on liability and/or a mutual exclusion of indirect and consequential damages?

Response: The bidder must agree to all terms and conditions as specified in the RFP.

29. Question: Appendix 1, Subsection 13, Page 80 - Can the State describe the circumstances under which the successful vendor would be responsible for the recovery of attorney's and other professional fees as described in subsection (e)?

Response: The Department of Social Services cannot predict a specific circumstance; however, should the State be forced to pursue a claim against a third party due to an action or inaction by the contractor, the contractor would be responsible for the recovery of attorney fees.

30. Question: Section IV.D.3.d-e, Page 10 - Does BCSE desire the resultant contractor to develop and implement a totally new IVR system and child support Web site or maintain and enhance the existing system?

Response: The current contractor will be required to develop and implement a new IVR system but will not be required to develop a new child support Web site. A new contractor will be required to develop and implement both a new IVR system and child support Web site.

31. Question: Section I.E, Page 14 - Does this mean that subcontractors must also have five years of experience in managing a State Disbursement Unit or that the same type of information (form and content) must be provided for the proposed subcontractor as the bidder?

Response: Qualified organizations must have a minimum of five years of demonstrated experience managing a State Disbursement Unit and

Addendum 2

State of Connecticut Department of Social Services
State Disbursement Unit
Request for Proposals #20808_SDU_RFP

processing child support payments at a level equal to or greater than the existing Connecticut volumes detailed in this Request for Proposals. Bidders that propose the use of subcontractors must present the same information about the proposed subcontractors as for bidders. Use of subcontractors is subject to the approval of the Department of Social Services.

32. Question: Section IV.B.5.a, Page 36 - Must all three references be from State Disbursement Unit payment processing contracts or does this requirement also include commercial vendors/firms?

Response: If the bidder has been under at least three contracts to provide child support payment processing services, it is expected that three references specific to those contracts will be provided. If the bidder has had fewer than three such contracts, then the bidder should provide references for each State Disbursement Unit contract, and remaining references must be from persons able to comment on the bidder's capability to perform the services specified in the RFP.

33. Question: Section IV.C.4, Page 42 - What is the Department of Social Services' current paper document retention policy, assuming that the contractor's imaging capabilities meet or exceed standards outlined by the Connecticut Office of Public Records Administrator and State Archives in General Letter 2001-1.

Response: Paper document retention timeframes for the Connecticut State Disbursement Unit are specifically determined by the Connecticut Public Records Administrator based on the Administrator's analysis and determination of the contractor's imaging capabilities. Guidelines for document imaging are available in the Procurement Reference Library or by accessing the "Standards for the Use of Imaging Technology for Storage, Retrieval, and Disposition of Public Records" at <http://www.cslib.org/publicrecords/optical.htm>.

34. Question: Section IV.C.6, Page 43 - Does or can BCSE provide a nightly or weekly extract of the key identifying data elements such as name, SSN, case number, etc. to cross-validate data contained with the payment to ensure payment posting accuracy.

Response: Yes, an extract is provided nightly.

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35. Question: Section IV.C.6, Page 45 - Can BCSE provide current performance metrics?

Response: Under the current State Disbursement Unit contract, the contractor is responsible for the following:

- Collection, processing, and disbursement of 95 percent of all payments within two business days after receipt
- Resolution of at least 95 percent of daily application problems
- Failure to meet payment processing and/or application problem resolution standards may result in monetary performance sanctions

36. Question: Section IV.C.33, Page 61 - Can BCSE provide the approximate number of additional notices that are produced annually?

Response: Approximately 10,000 notices are produced annually.

37. Question: Section IV.C.43, Page 66 - For planning purposes, what would be the maximum number of Department of Social Services staff that would occupy the space at any time?

Response: It is expected that two DSS staff persons will be onsite for approximately the first six months of operation, after which, one staff person will be onsite approximately one to two days per week.

38. Question: Section IV.D.4.a, Page 69 - Can BCSE provide a history of the charges of the current vendor for a baseline on which to respond to this section?

Response: To ensure a fair, open, and competitive process, the Department of Social Services will not disclose this information.

Addendum 2

State of Connecticut Department of Social Services
State Disbursement Unit
Request for Proposals #20808_SDU_RFP

Date Issued: March 7, 2008

Approved: _____
Chandra Yvette Williams
State of Connecticut Department of Social Services
(Original signature on document in procurement file)

This Addendum must be signed and returned with your submission.

Authorized Signer

Name of Company

Addendum 1

State of Connecticut Department of Social Services
State Disbursement Unit
Request for Proposals #20808_SDU_RFP

The State of Connecticut Department of Social Services (Department) is issuing Addendum 1 to the State Disbursement Unit Request for Proposals (RFP). Addendum 1 contains the budget schedules that were inadvertently left out of the original posting/release of the RFP.

Date Issued: February 21, 2008

Approved: _____
Chandra Yvette Williams
State of Connecticut Department of Social Services
(Original signature on document in procurement file)

This Addendum must be signed and returned with your submission.

Authorized Signer

Name of Company

State of Connecticut Department of Social Services
Bureau of Child Support Enforcement

STATE DISBURSEMENT UNIT

REQUEST FOR PROPOSALS

The State of Connecticut Department of Social Services Bureau of Child Support Enforcement (BCSE) is requesting proposals from qualified organizations to provide comprehensive collection, payment processing, and disbursement of child support payments including depository-banking services within a fifteen-mile radius of Hartford, Connecticut. Qualified organizations must have a minimum of five years of demonstrated experience in processing child support payments at a level equal to or greater than the existing Connecticut volumes detailed in this Request for Proposals. Bidders that propose the use of subcontractors must present the same information about the proposed subcontractors as for bidders. Use of subcontractors is subject to the approval of the Department of Social Services.

The Department of Social Services is requesting proposals for State Disbursement Unit functions for the resultant contract period of November 1, 2008 to October 31, 2013. The resultant contract will be for a five-year period with the option for two one-year extensions at the discretion of the Department. The Department of Social Services expects to award one resultant contract. The total available funding through this procurement shall not exceed \$25,000,000 for the initial five-year period.

Interested bidders must submit a mandatory Letter of Intent to the Department of Social Services no later than 3:00 p.m. eastern standard time on February 22, 2008. Failure to submit the mandatory Letter of Intent in a timely manner will preclude the Bidder from further consideration. Proposals must be received at the Department of Social Services no later than 3:00 p.m. eastern standard time on March 28, 2008. Proposals received after the stated due date and time may be accepted by the Department of Social Services as a clerical function but will not be evaluated. Those proposals that are not evaluated shall be retained for thirty days after the resultant contract is executed, after which the proposals will be destroyed. All proposals must be in sealed envelopes or sealed boxes clearly identified as "State Disbursement Unit RFP."

To download this Request for Proposals (RFP), access the State's Procurement/Contracting Portal at the State of Connecticut Department of Administrative Services' Procurement Services Home Page at http://www.das.state.ct.us/Purchase/Portal/Portal_Home.asp or call or write:

Chandra Yvette Williams
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Contract Administration
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The Department of Social Services is an Equal Opportunity/Affirmative Action Employer. Deaf and hearing-impaired persons may use a TDD by calling 1-800-842-

4524. Questions or requests for information in alternative formats must be directed to the Contract Administration Office at 860-424-5693. The Department of Social Services reserves the right to reject any and all proposals or cancel this procurement at any time if it is deemed in the best interest of the State.

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Acronyms, Abbreviations, and Definitions

The following acronyms, abbreviations, and definitions apply to this procurement:

1. Acceptable payees - Appropriate and most commonly used payees received on incoming payments
2. Automated Clearing House (ACH) - An electronic network for financial transactions in the U.S. that processes large volumes of both credit and debit transactions that are originated in batches
3. Bar chart/bar graph - A chart/graph with bars of lengths usually proportional to the magnitudes or frequencies of what they represent (bar charts are used for comparing two or more values; the bars can be horizontally or vertically oriented)
4. Bidder - An individual or organization who submits a proposal in response to this Request for Proposals
5. Bureau of Child Support Enforcement (BCSE) - The bureau established within the State of Connecticut Department of Social Services by General Statutes of Connecticut (C.G.S.) §17b-179(j) as the Title IV-D agency for the State of Connecticut
6. Business day - A day during which State of Connecticut offices are open for business (Monday through Friday excluding State holidays)
7. Check Clearing for the 21st Century Act (Check 21 Act) - A U.S. Federal law (Public Law 108-100) enacted into law October 28, 2003 by the 108th Congress that allows the recipient of a paper check to create a digital version, thereby eliminating the need for further handling of the physical document
8. Child support - The ongoing obligation for a periodic payment made directly or indirectly by a noncustodial parent to a custodial party, caregiver or guardian, or the government, for the care and support of a child of a relationship or marriage that has been terminated (in family law, child support is often arranged as part of a divorce, marital separation, dissolution, annulment, determination of parentage, or dissolution of a civil union and may supplement alimony [spousal support] arrangements)
9. Child Support Enforcement (CSE) Program - A Federal/state/local partnership to help families by promoting family self-sufficiency and child well-being

10. Commissioner - The Commissioner of the State of Connecticut Department of Social Services, as defined in C.G.S. §17b-3
11. Connecticut Child Support Enforcement System (CCSES) - The automated system used by the Bureau of Child Support Enforcement (BCSE) and its cooperating agencies to collect and distribute child support and maintain related records (the CCSES User and Operational Manuals are available in the Procurement Reference Library)
12. Court order - See definition of "Order" below
13. Custodial party - The recipient of the child support payments
14. Depository bank - A bank or company that holds funds or securities deposited by others and where exchanges of those securities take place
15. Disaster recovery - The process of regaining access to the data, hardware, and software necessary to resume critical business operations after a natural or human-induced disaster
16. Disaster recovery plan (DRP) - A plan for regaining access to the data, hardware, and software necessary to resume critical business operations after a natural or human-induced disaster (a DRP should include plans for coping with the unexpected or sudden loss of key personnel, the focus of which is data protection)
17. Disbursed items processed - Child support paid out in paper and/or electronic format
18. Document imaging - Capturing, storing, and reprinting images using software-based computer systems
19. Electronic Data Interchange (EDI) - A set of standards for structuring information that is to be electronically exchanged between and within businesses, organizations, government entities, and other groups
20. Electronic Funds Transfer (EFT) - Computer-based systems used to perform financial transactions electronically
21. Employer compliance - Compliance issue that specifically addresses that the employer must forward the amount that is withheld from the employee within seven business days of the date of withholding and provide the date of withholding under C.G.S. §52-362

22. Extensible Markup Language (XML) - A general-purpose markup language that allows its users to define their own elements (its primary purpose is to facilitate the sharing of structured data across different information systems, particularly via the Internet)
23. Federal Tax information (FTI) - Any taxpayer information received from the Internal Revenue Service that is maintained in the child support record
24. File number - The eight-digit number assigned to a child support case by the Connecticut Child Support Enforcement System (CCSES) once the court order/pay order is established
25. Gantt chart - A popular type of bar chart that illustrates a project schedule (Gantt charts illustrate the start and finish dates of the terminal elements and summary elements of a project)
26. Immediately processible payment - The prompt processing of child support payments within two business days after receipt by the State Disbursement Unit in compliance with 42 U.S. Code 657
27. Insufficient funds payment - A payment instrument issued from the payer's bank account where the funds equal to that payment are not available due to lack of funds or placement of a stop payment without prior notification
28. Incoming items processed - Child support payments in paper and/or electronic format received at the State Disbursement Unit that are credited to the correct noncustodial parent's account in the Connecticut Child Support Enforcement System (such forms of payments may include, but are not limited to, money orders, personal checks, employer checks, out-of-state agency checks, foreign currency checks, and electronic funds transfer)

An incoming item is processed and counted based on each noncustodial parent's payment (for example: one employer check remitting payments for ten noncustodial parents is counted as ten items; one noncustodial parent's check that includes four coupons is counted as one item).
29. Interactive Voice Response (IVR) Technology - Telephone technology in which someone uses a touch-tone telephone to interact with a database to acquire information from or enter data into the database (information on IVR technology is available in the Procurement Reference Library)
30. Java Database Connectivity (JDBC) - An application programming interface for the Java programming language that defines how a client may access a database (it provides methods for querying and updating data in a database)

31. Misapplied payment - A payment that is applied to an incorrect child support account (reasons for misapplied payments include, but are not limited to, incorrect information supplied with a payment and resultant contractor error)
32. Noncustodial parent - The parent who makes the child support payment
33. Obligor - Person who is obligated to pay child support (also referred to as the noncustodial parent)
34. Office of Child Support Enforcement (OCSE) - The Federal office that collaborates with State Child Support Enforcement offices
35. Open Database Connectivity (ODBC) - Connectivity in computing that provides a standard software application performance interface method for using database management systems
36. Object Linking and Embedding Database (OLE DB) - An application programming interface designed by Microsoft for accessing different types of data stores uniformly (it is a set of interfaces implemented using the Component Object Model)
37. Optical Character Recognition (OCR) - The mechanical or electronic translation of images of handwritten, typewritten, or printed text (usually captured by a scanner) into machine-editable text
38. Order - The direction of a magistrate, judge, or properly empowered administrative officer
39. Pay order - See definition of "Order" above
40. Program (or Project) Evaluation and Review Technique (PERT) chart - A model for project management designed to analyze and represent the tasks involved in completing a given project
41. Post dating - Assigning a date that is later than the current date
42. Related party - Person or organization related through marriage, capability to control, ownership, family, or business association
43. Related-party transactions - Transactions between the resultant contractor and a related party that can include, but are not limited to, real estate sales or leases, leasing for vehicles, office equipment, or household furnishings, mortgages, loans, or working capital loans, and contracts for management services, consultant services, professional services, e.g., attorneys and

- accountants, or for material, supplies, or other services purchased by the resultant contractor
44. Simple Object Access Protocol (SOAP) - A way to communicate between applications running on different operating systems with different technologies and programming languages
 45. State dating - Expiring; to be unused or unredeemed before a certain date
 46. State Disbursement Unit - The resultant contractor responsible for comprehensive collection, payment processing, and disbursement of child support payments including depository-banking services under C.G.S. §17b-179(j)
 47. Subcontract - Any written agreement between the resultant contractor and another party to fulfill any contract requirements
 48. Support order - See definition of "Order" above
 49. Temporary Family Assistance (TFA) Program - The temporary family assistance program established under C.G.S. §17b-112
 50. Title IV-D - Title IV Part D of the Social Security Act, the Federal authorizing statute for the child support program
 51. Title IV-D agency - The state agency designated to be responsible for the administration of the Title IV-D Child Support Enforcement (CSE) Program
 52. Title IV-D State Plan - A state plan for coordinating, planning, and publishing the state child support enforcement plan for the implementation of Title IV-D of the Social Security Act, as amended and required by Federal law and regulations
 53. Title IV-E - A subpart of Title IV of the Federal Social Security Act that provides Federal reimbursement to states for the costs of children placed in foster homes or other types of out-of-home care under a court order or voluntary placement agreement (Title IV-E benefits are an individual entitlement for qualified children who have been removed from their homes)
 54. U.S. Code - A compilation and codification of the general and permanent Federal law of the U.S.
 55. United States Postal Service (USPS) - An independent establishment of the Executive Branch of the U.S. government (see 39 U.S. Code §201)

responsible for providing postal service in the U.S. (within the U.S., it is colloquially referred to simply as "the post office" or "the postal service")

56. Universal Description, Discovery, and Integration (UDDI) - A platform-independent Extensible Markup Language (XML)-based registry for businesses worldwide to list themselves on the Internet
57. Web Services - A standardized way of integrating Web-based applications using the Extensible Markup Language (XML), Simple Object Access Protocol (SOAP), Web Services Description Language (WSDL), and Universal Description, Discovery, and Integration (UDDI) open standards over an Internet protocol backbone
58. Web Services Description Language (WSDL) - An Extensible Markup Language (XML)-based language that provides a model for describing Web services

SECTION I - OVERVIEW OF THE DEPARTMENT OF SOCIAL SERVICES AND THE PROJECT

A. PURPOSE OF THIS REQUEST FOR PROPOSALS

The State of Connecticut Department of Social Services Bureau of Child Support Enforcement (BCSE) is requesting proposals from qualified organizations to provide comprehensive collection, payment processing, and disbursement of child support payments including depository-banking services within a fifteen-mile radius of Hartford, Connecticut.

This procurement is for existing functions. The Department of Social Services currently contracts with Systems and Methods, Inc. The current contract period will expire on October 31, 2008. Under this RFP, the Department of Social Services expects to award one resultant contract to process child support payments in the most efficient and expeditious manner and within the two-day timeframe required by law.

B. OVERVIEW OF THE DEPARTMENT OF SOCIAL SERVICES

The Department of Social Services provides a broad range of services to older adults, persons with disabilities, families, and persons who need assistance in maintaining or achieving their full potential for self-direction, self-reliance, and independent living. It administers more than ninety legislatively authorized programs and about one-third of the State budget. By statute, it is the State agency responsible for administering human service programs sponsored by Federal legislation including the Rehabilitation Act, the Food Stamp Act, the Older Americans Act, and the Social Security Act. The Department of Social Services is also designated as a public housing agency for administering the Section 8 Program under the Federal Housing Act.

The Department of Social Services is headed by the Commissioner of Social Services and there are Deputy Commissioners for Administration and Programs. There is a Regional Administrator responsible for each of the Department of Social Services' three geographic service regions. By statute, there is a Statewide Advisory Council to the Commissioner of Social Services and each geographic service region must have a Regional Advisory Council.

The Department of Social Services administers most of its programs at offices located throughout the State. Within the Department, the Bureau of Rehabilitation Services provides vocational rehabilitation services for eligible persons with physical and mental disabilities throughout the State. For the other programs, services are available at offices located in the three

geographic service regions, with central office support located in Hartford. In addition, many services funded by the Department of Social Services are available through community-based agencies. The Department of Social Services has out-stationed employees at participating hospitals and nursing facilities to expedite Medicaid applications and funds Healthy Start sites, which can accept applications for Medicaid for pregnant women and young children. Many of the services provided by the Department of Social Services are available via mail or telephone.

There are three entities attached to the Department of Social Services for administrative purposes only. They are the Commission on Deaf and Hearing-impaired, the Board of Education and Services for the Blind, and the Child Day Care Council.

C. OVERVIEW OF THE BUREAU OF CHILD SUPPORT ENFORCEMENT

The Bureau of Child Support Enforcement (BCSE) is a single and separate organizational unit within the Department, as defined under C.G.S. §17b-179S. BCSE, recognized as the lead child support enforcement agency in the State of Connecticut, is designated as the State's Title IV-D agency to collect and disburse support order payments in which the income of the noncustodial parent is subject to withholding under Section 466(a)(8)(B).

C.G.S. §17b-179 authorizes BCSE to implement the child support program under Title IV-D of the Social Security Act and to enter into cooperative agreements with other state agencies to assist in administering the Title IV-D State Plan. BCSE has cooperative agreements with the State of Connecticut Attorney General's Office and the State of Connecticut Judicial Branch. The Office of the Attorney General, with locations in Hartford and Bridgeport, is the legal representative of BCSE in the State. The Office of the Attorney General provides legal representation for the Child Support Enforcement (CSE) program in court. The State of Connecticut Judicial Branch's Support Enforcement Services (SES) Unit, with eleven locations throughout the State of Connecticut, is the primary agency responsible for court-based enforcement. The SES Unit enforces the child support orders and reviews and modifies orders.

The IV-D program (pronounced Four-D) is the technical name for the government-administered CSE Program. The term IV-D comes from Title IV-D of the Social Security Act, which is the program's Federal enabling statute. In Connecticut, a case is considered IV-D if the family has received public assistance benefits or if an application for services was filed with either the Department of Social Services or the SES Unit.

The goal of the Federal Title IV-D CSE Program is to improve the self-sufficiency of families through increased financial and medical support and to establish paternity for children born out of wedlock. This program locates absent parents, establishes paternity, establishes and modifies support orders, and collects and distributes child support payments. Child support services are available to both custodial parties and noncustodial parents, regardless of their income.

Each state, as well as the District of Columbia, Puerto Rico, and other territories have IV-D programs. All IV-D programs conduct the following activities:

- Locating noncustodial parents
- Establishing paternity (legally identifying a child's father)
- Establishing support orders, both financial and medical
- Enforcing support orders
- Reviewing and adjusting support orders to ensure that the orders are appropriate
- Providing payment-processing functions

D. OVERVIEW OF THE STATE DISBURSEMENT UNIT

1. Legal Requirement - Federal mandate requires that all states have a centralized collection site to receive, process, and distribute court-ordered child support payments from child support obligors and employers and out-of-state child support agencies acting on behalf of obligors.
2. State Disbursement Unit Authority -
 - a) General Statutes of Connecticut (C.G.S.) - C.G.S. §17b-179(j) authorizes the distribution of collected child support and the operation of an automated centralized collection and disbursement unit.
 - b) United States Code (U.S. Code) - The U.S. Code (42 U.S. Code 654) further requires the State IV-D agency to establish and operate a State Disbursement Unit for the collection and disbursement of payments under support orders in all IV-D

cases and in all non-IV-D cases in which the support order was initially issued in the State on or after January 1, 1994 and in which the income of the noncustodial parent is subject to withholding under §466(a)(8)(B).

3. Overview of Present System - On November 1, 2001, the Department of Social Services entered into a contract for comprehensive payment-processing functions for the Connecticut Child Support Program. The existing State Disbursement Unit functions include:
 - a) Check processing and document imaging
 - b) All functions associated with the process (resolution of application problems and unidentified and misapplied payments)
 - c) A customer service unit with a toll-free telephone line where custodial parties, noncustodial parents, and employers can call to ask questions concerning child support payment processing
 - d) Maintenance of a vendor-installed Interactive Voice Response (IVR) system
 - e) Maintenance of a vendor-installed child support Web site, www.ctchildsupport.com
 - f) Electronic payment coordination via Automated Clearing House (ACH)/Electronic Funds Transfer (EFT)
 - g) Employer compliance monitoring
 - h) Production and distribution of child support checks and electronic payment disbursements
 - i) Production and distribution of monthly statements to noncustodial parents
 - j) Production and distribution of other child support-related notices to both custodial parties and noncustodial parents

4. Existing Volume - Estimated average monthly volumes during the stated date ranges are shown below:

Function	Paper	Electronic	Date Range
Incoming Items Processed	120,000*	70,000*	July 2007 to December 2007
Disbursed Items Processed	15,000*	158,000*	July 2007 to December 2007
Telephone Calls	6,000	--	January 2007 to December 2007
Address Changes	100	--	January 2007 to December 2007
Employer Compliance	4,500	--	January 2007 to December 2007

* Date range used to determine monthly average for incoming and disbursed paper and electronic payments is limited to the July 2007 through December 2007 period. Implementation of a mandatory electronic child support disbursement program and ongoing efforts to transition incoming items processed from paper to electronic format has had a substantial month-to-month effect on payment processing functions throughout calendar year 2007. While electronic transition continues, it appears that the disbursement of electronic payments has recently stabilized at approximately 94 percent of total disbursements.

The Department of Social Services estimates approximately 2,250,000 incoming items annually. It is expected that incoming payment volumes will increase annually at a rate of approximately 2.5 percent.

5. State Disbursement Unit RFP Required Functions - Connecticut's child support payment processing and State Disbursement Unit experience has proven the effectiveness of incorporating a host of payment processing-related activities under the umbrella of State Disbursement Unit functions. As such, the bidder must show capability to implement and operate the following functions:

- a) Collection of child support payments
 - (1) Mail receipt
 - (2) Automated Clearing House (ACH)/Electronic Funds Transfer (EFT)
 - (3) Deposits to State accounts
 - (4) Source document retention
 - (5) Document imaging

- b) Payment processing
 - (1) Incoming paper payments (immediately processible payments and special handling payments)
 - (2) Incoming electronic payments
 - (3) Online scheduled bank account payments
 - (4) Electronic payment alternatives (other)
 - (5) Application problem resolution
 - (6) Employer compliance
 - (7) Foreign currency processing
 - (8) Forged/fraudulent checks
- c) Disbursement
 - (1) Checks
 - (2) Direct deposit
 - (3) Debit card payment
- d) Disbursement problem resolution
 - (1) Misapplied payments
 - (2) Insufficient funds
 - (3) Rejected electronically disbursed payments
 - (4) Returned disbursement checks
 - (5) Lost and stolen disbursement checks
 - (6) Un-cashed checks
- e) Account reconciliation and audit
 - (1) Account reconciliation

- (2) Management reports
- (3) Audits and inspections
- (4) Resultant contractor internal controls
- f) System requirements, data protection, and security
 - (1) System specifications
 - (2) Equipment and technical support
- g) Record retention
- h) Security and confidentiality
- i) Notice production
 - (1) Notice production requirements
 - (2) Billing notice with coupons
 - (3) Requirements for additional notices
- j) Address change functions
- k) Marketing and public relations
 - (1) Customer/employer education and outreach
- l) Customer service
 - (1) Customer service unit
 - (2) Interactive Voice Response (IVR) technology
 - (3) Connecticut child support Web site
- m) Disaster recovery plan (DRP)
- n) Implementation plan
 - (1) Transition plan
 - (2) Piloting, testing, and incremental development

- o) Training
- p) Additional provisions: office space
- q) Additional provisions: regular meetings
- r) Research, analysis, and adjustment of income withholding payments

E. BIDDER QUALIFICATIONS

Qualified organizations must have a minimum of five years of demonstrated experience managing a State Disbursement Unit and processing child support payments at a level equal to or greater than the existing Connecticut volumes detailed in this Request for Proposals. Bidders that propose the use of subcontractors must present the same information about the proposed subcontractors as for bidders. Use of subcontractors is subject to the approval of the Department.

SECTION II - OVERVIEW OF THE PROCUREMENT PROCESS

A. ISSUING OFFICE AND CONTRACT ADMINISTRATION

The Department of Social Services is issuing this RFP through its Office of Contract Administration - Procurement Unit. The Contract Administration - Procurement Unit is the Issuing Office for this procurement and is the only contact in the State of Connecticut for this procurement. The integrity of the procurement process is based in part on ensuring that all potential and intended bidders be afforded the same information and opportunities regarding the terms of the procurement. Therefore, it is incumbent on the Issuing Office to monitor, control, and release information pertaining to this procurement. Potential and intended bidders are advised that they must refrain from contacting any other office within the State of Connecticut or any other State employee with questions or comments related to this procurement. Potential and intended bidders who contact others within the State of Connecticut with questions or issues pertaining to this procurement may risk disqualification from consideration. Decisions regarding such disqualification will be made by the Department of Social Services' Contract Administrator within the Issuing Office, after consultation with the Office of the Commissioner. The contact information for the Issuing Office is:

Chandra Yvette Williams
State of Connecticut Department of Social Services
Contract Administration
25 Sigourney Street
Hartford, CT 06106
Telephone: 860-424-5361
Fax: 860-424-4953
E-mail: Chandra.Williams@ct.gov

All questions, comments, proposals, and other communications with the Issuing Office regarding this RFP must be submitted in writing directed to the Issuing Office and must be clearly identified as pertaining to the State Disbursement Unit RFP.

Any material received that does not so state its RFP-related contents will be opened as general mail.

B. PROCUREMENT SCHEDULE

The schedule for this procurement is as follows. The Department of Social Services reserves the right to adjust this schedule, as needed.

Milestones	Expected End Date
RFP posting/release	February 8, 2008
Deadline for <u>mandatory</u> Letter of Intent (no later than 3:00 p.m. eastern standard time)	February 22, 2008
Deadline for the submission of written questions (no later than 3:00 p.m. eastern standard time)	February 22, 2008
Posting/release of the Department of Social Services' official responses to questions (Questions/Answers Addendum)	February 29, 2008
Proposals due (no later than 3:00 p.m. eastern standard time)	March 28, 2008
Recommendations to Commissioners	To be determined
Announcement of awards for contract negotiation	To be determined
Contract negotiations end/contract execution	To be determined
State Disbursement Unit commences	November 1, 2008

The dates for review of proposals and recommendations to Commissioners, the announcement of awards for contract negotiation, and Contract negotiations end/contract execution will be determined. Dates will be posted in an Addendum to this RFP on the State Procurement/Contracting Portal at http://www.das.state.ct.us/Purchase/Portal/Portal_Home.asp.

C. MANDATORY LETTER OF INTENT (LOI)

Interested **BIDDERS SHALL** submit a mandatory nonbinding Letter of Intent (LOI) to the Issuing Office to advise the Department of Social Services of their intent to submit a proposal in response to this RFP. The LOI must be received by the Issuing Office no later than 3:00 p.m. eastern standard time on February 22, 2008.

Please choose one way to submit the LOI to the Issuing Office via e-mail, fax, or postal mail. Do not submit duplicate copies. The LOI must clearly identify the contact person including name, telephone number, fax number, and e-mail address. It is the bidder's responsibility to confirm the Issuing Office's receipt of an LOI.

Failure to submit an LOI in accordance with the requirements set forth herein shall disqualify a bidder from further consideration.

D. **BIDDER'S QUESTIONS**

Interested bidders may submit questions regarding this RFP to the Issuing Office by fax or e-mail directed to the Issuing Office. To be considered, questions regarding this RFP must be received by the Issuing Office no later than 3:00 p.m. eastern standard time on February 22, 2008. The early submission of questions is encouraged. It is solely the bidder's responsibility to ensure and verify the Department of Social Services' receipt of questions.

The Issuing Office will respond only to those questions that meet the stated due date and time and criteria listed above. Official responses to all questions will be in a Questions/Answers Addendum to this RFP posted on the State Procurement/Contracting Portal at http://www.das.state.ct.us/Purchase/Portal/Portal_Home.asp.

The expected posting/release date for the Questions/Answers Addendum is February 29, 2008. It is solely the bidder's responsibility to access the State Procurement/Contracting Portal to obtain any and all Addendums or official announcements pertaining to this RFP. To submit a responsive proposal, THE BIDDER SHALL provide a signed acknowledgment of the receipt of any and all Addendums posted to the State Procurement/Contracting Portal. The last page only of any and all Addendums must be signed (and company name provided) and submitted with the proposal.

In addition to the questions and answers, the Addendum will specify dates in the Procurement Schedule currently identified as To Be Determined.

E. **EVALUATION AND SELECTION**

It is the Department of Social Services' intent to conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. Only proposals found to be responsive to this RFP will be evaluated and scored. A responsive proposal must comply with all instructions listed in this RFP including the general proposal requirements.

F. **CONTRACT EXECUTION**

The resultant contract is subject to State contracting procedures. These procedures include approval of the State of Connecticut Attorney General's Office. Note that the resultant contract becomes executed upon the signature of the Attorney General. No financial commitments can be made until and unless the resultant contract has been approved by the Attorney General. The Attorney General reviews the resultant contract only after the parties have agreed to the provisions.

G. BIDDER DEBRIEFING

The State will notify all bidders of any award issued by it as a result of this RFP. Unsuccessful bidders may, within thirty days of the signing of the resultant contract, request a meeting for debriefing and discussion of their proposal by writing the Issuing Office at the address provided above. Debriefing will not include any comparisons of proposals with other proposals.

H. RIGHTS RESERVED

Upon determination that its best interests would be served, the Department of Social Services shall have the right to do the following:

1. Cancellation - Cancel this procurement at any time before the contract award
2. Amendment of procurement - Amend this procurement at any time before contract award
3. Refusal to accept - Refuse to accept or return accepted proposals that do not comply with procurement requirements
4. Rejection of incomplete proposal - Reject any proposal in which any part of the proposal is incomplete or in which there are significant inconsistencies or inaccuracies (the State reserves the right to reject all proposals)
5. Prior contract default - Reject the proposal of any bidder in default of any prior contract or for the misrepresentation of material presented
6. Receipt of proposals after stated due date and time - Reject or refuse to evaluate any proposal that is received after the stated due date and time
7. Written clarification - Require bidders, at their own expense, to submit written clarification of proposals in a manner or format that the Department of Social Services may require
8. Oral clarification - Require bidders, at their own expense, to make oral presentations at a time selected and in a place provided by the Department

The Department of Social Services may invite bidders, but not necessarily all, to make an oral presentation to assist the Department of Social Services in its determination of award. The Department of Social Services further reserves the right to limit the number of bidders invited to make such a presentation and the number of attendees per bidder.

9. Onsite visits - Make onsite visits to the operational facilities of bidders to further evaluate the bidder's capability to perform the duties required in this RFP
10. Allowance of proposal changes - Except as may be authorized by the Department, allow no additions or changes to the original proposal after the stated due date and time
11. Property of the State - Own all proposals submitted in response to this procurement upon receipt by the Department
12. Separate service negotiation - Negotiate separately any services in any manner needed to serve the best interest of the State
13. All or any portion - Contract for all or any portion of the Scope of Services or tasks contained in this RFP
14. One or more bidders - Contract with one or more bidders
15. Proposal most advantageous - Consider cost and all factors in determining the most advantageous proposal for the Department of Social Services when awarding a bidder the right to negotiate a contract with the Department of Social Services (while cost is a factor in determining the bidder to be awarded the right to negotiate a contract with the Department, price alone shall not determine the successful bidders)
16. Technical defects - Waive technical defects, irregularities, and omissions, if in its judgment the best interest of the Department of Social Services will be served
17. Privileged and confidential information - Share the contents of any proposal with any of its designees for purpose of evaluating proposals to make an award (the contents of all meetings including the first, second, and any subsequent meetings and all communications in the course of negotiating and arriving at the contract periods shall be privileged and confidential)

18. Best and Final Offers - Seek Best and Final Offers (BFO) on price from bidders upon review of the scored criteria (in addition, the Department of Social Services reserves the right to set parameters on any BFOs it receives)
19. Unacceptable proposals - Reopen the bidding process if advantageous to the Department

I. PROPOSAL PRESENTATION EXPENSES

The State of Connecticut and the Department of Social Services assume no liability for payment of expenses incurred by bidders in preparing and submitting proposals in response to this procurement.

J. PROPOSAL DUE DATE AND TIME

The Issuing Office must receive proposals no later than the due date and time specified in the Procurement Schedule. The Department of Social Services will not consider a postmark date as the basis for meeting the submission due date and time. Bidders must not interpret or otherwise construe receipt of a proposal after the stated due date and time as acceptance of the proposal, since the actual receipt of the document is a clerical function. The Department of Social Services suggests the bidder use certified or registered mail to deliver the proposal when the bidder is not able to deliver the proposal by courier or in person. Bidders that are hand-delivering proposals will not be granted access to the building without photo identification and shall allow extra time for security procedures. Bidders must address all RFP communications to the Issuing Office.

K. ACCEPTANCE OF PROPOSAL CONTENTS

If acquisition action ensues, the contents of this RFP and the proposal of the successful bidder will form the basis of contractual obligations in the final contract. The resulting contract will be a Personal Services Agreement (PSA) contract (Appendix I) between the successful bidder and the Department. The bidder's proposal must include a "Signatory Acceptance" (Appendix II), without qualification, of all terms and conditions as stated within this RFP and the Terms and Conditions for a PSA contract. A successful bidder may suggest alternate language after having accepted without qualification the Terms and Conditions as specified in the PSA contract. The Department of Social Services may, after consultation with the State of Connecticut Attorney General's Office and the Office of Policy and Management (OPM), agree to incorporate the alternate language in any resultant contract; however, the Department of Social Services' decision is final. Any proposal that fails to

comply in any way with this requirement may be disqualified as non-responsive. The Department of Social Services is solely responsible for rendering decisions in matters of interpretation on all terms and conditions.

L. BIDDER ASSURANCES

1. Independent price determination - By submission of a proposal and through assurances given in its Transmittal Letter, the bidder certifies that in connection with this procurement the following requirements have been met:
 - a) Costs - The costs proposed have been arrived at independently, without consultation, communication, or agreement, for restricting competition, as to any matter relating to such process with any other organization or with any competitor.
 - b) Disclosure - Unless otherwise required by law, the costs quoted have not been knowingly disclosed by the bidder on a prior basis directly or indirectly to any other organization or to any competitor.
 - c) Competition - No attempt has been made or will be made by the bidder to induce any person or firm to submit or not submit a proposal for restricting competition.
 - d) Prior knowledge - The bidder has no prior knowledge of RFP contents before actual receipt of this RFP and had no part in RFP development.
 - e) Offer of gratuities - The bidder certifies that no elected or appointed official or employee of the State of Connecticut has or will benefit financially or materially from this procurement. Any resultant contract may be terminated by the State if it is determined that gratuities of any kind were either offered to or received by any of the aforementioned officials or employees from the resultant contractor, the resultant contractor's agent, or the resultant contractor's employees.
 - f) Campaign contribution restrictions - The bidder certifies receipt of the Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Ban - SEEC Form 11 (Appendix 10).

2. Valid and binding offer - The proposal represents a valid and binding offer to provide services in accordance with the terms and provisions described in this RFP and any amendments or attachments hereto.
3. Press releases - The bidder agrees to obtain prior written consent and approval of the Department of Social Services for press releases that relate in any manner to this RFP or any resultant contract.
4. Restrictions on communications with Department of Social Services staff - The bidder agrees that from the posting/release date of this RFP until the Department of Social Services makes an award that it shall not communicate with the Department of Social Services' staff on matters relating to this RFP except as provided herein through the Issuing Office. Any other communication concerning this RFP with any of the Department of Social Services' staff may, at the decision of the Department, result in disqualification of that bidder's proposal.

M. DECLARATION AND PROTECTION OF PROPRIETARY INFORMATION

Due regard will be given to the protection of proprietary information contained in all proposals received; however, bidders must be aware that all materials associated with this procurement are subject to the terms of the Freedom of Information Act (FOIA), the Privacy Act, and all rules, regulations, and interpretations resulting therefrom. The bidder must provide convincing explanation and rationale to justify each exception from release consistent with C.G.S. §1-210 to claim proprietary exemption.

It will not be adequate for bidders to merely state generally that the proposal is proprietary in nature and therefore not subject to release to third parties to claim an exemption. Price and cost alone do not meet exemption requirements. The particular pages or sections of the proposal that a bidder believes are proprietary must be specifically identified as such. The rationale and explanation must be stated in terms of the prospective harm to the bidder's competitive position that would result if the identified material were to be released and the reasons why the materials are legally exempt from release pursuant to the above-cited statute. The Proprietary Declaration must be located immediately following the Table of Contents.

While bidders may claim proprietary exemptions, the final administrative authority to release or exempt any or all material so identified rests with the State.

N. AFFIRMATIVE ACTION

Regulations of Connecticut State Agencies §46a68j-3(10) requires agencies to consider the following factors when awarding a contract that is subject to contract compliance requirements:

1. The bidder's success in implementing an affirmative action plan
2. The bidder's success in developing an apprenticeship program complying with C.G.S. §46a-68-1 to 46a-68-17, inclusive
3. The bidder's promise to develop and implement a successful affirmative action plan
4. The bidder's submission of EEO-1 data indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area
5. The bidder's promise to set aside a portion of the resultant contract for legitimate small contractors and minority business enterprises (See C.G.S. §4a-60)

O. RESULTANT CONTRACT PERIOD, FUNDING, AND NUMBER OF AWARDS

The Department of Social Services is requesting proposals for State Disbursement Unit functions for the resultant contract period of November 1, 2008 to October 31, 2013. The resultant contract will be for a five-year period with the option for two one-year extensions at the discretion of the Department.

The total available funding through this procurement shall not exceed \$25,000,000 for the initial five-year contract period.

The Department of Social Services expects to award one resultant contract.

P. PROCUREMENT REFERENCE LIBRARY

The Department of Social Services has established a Procurement Reference Library for bidders responding to this RFP at:

State of Connecticut Department of Social Services
Bureau of Child Support Enforcement
25 Sigourney Street, 10th Floor
Hartford, CT 06106

The Procurement Reference Library will be open by appointment only and will be available Monday through Friday, except State holidays, from 8:30 a.m. to 4:00 p.m. The following items will be available for review in the Procurement Reference Library.

1. CCSES User and Operational Manuals (to be reviewed on site in electronic format)
2. Application Problems: Definitions and Resolutions
3. Beasley v. Ginsberg Federal Court Consent Decree
4. Electronic Disbursements statute
(<http://www.cga.ct.gov/2007/pub/Chap319s.htm#Sec17b-179.htm>)
5. Standards for the Use of Imaging Technology for Storage, Retrieval, and Disposition of Public Records
(<http://www.cslib.org/publicrecords/optical.htm>)
6. Billing Notice with Coupon
7. Child Support Disbursement Check and Specifications
8. Information on IVR technology
9. Records Retention Schedules for State Agencies
(<http://www.cslib.org/publicrecords/retstate.htm>)
10. State Disaster Recovery Plan (<http://www.ct.gov/doiit>) - refer to "Business Continuity Planning Resources"
11. Connecticut ACH/EFT Protocols
(<http://www.ctchildsupport.com/employer.asp>)

Bidders must observe the following rules for access and use of the Procurement Reference Library:

- Appointments may be scheduled for half-day intervals from the date of the posting/release of the RFP through the day prior to the proposal due date.
- Bidders must schedule appointments for use of the Procurement Reference Library by calling Asha Stead at 860-424-5255.
- Any bidder who is unable to keep the appointment must notify Asha Stead.
- Bidders are limited to two representatives per appointment session.
- Reference material may not be removed from the Procurement Reference Library. An inspection of the Procurement Reference Library material will be conducted prior to the bidder's representative leaving the Procurement Reference Library.
- Bidders will be required to pay \$0.25 per single-sided page. Checks should be made payable to the Commissioner, Department of Social Services.
- Procurement Reference Library staff will not entertain questions from bidders.

SECTION III - GENERAL PROPOSAL REQUIREMENTS AND STRUCTURE

A. GENERAL PROPOSAL REQUIREMENTS

Bidders must adhere to the Department of Social Services' rules as established in this RFP for proposal consideration, format, and content. The Department of Social Services requires each bidder, at a minimum, to clearly describe how the specifications in this RFP will be met. Proposals must provide evidence of successful experience or competence. The proposal structure requirements and the proposal content requirements are listed below. Bidders must respond to each content requirement that begins with **THE BIDDER SHALL**. Proposals must provide evidence of successful experience or competence.

B. INSTRUCTIONS FOR PROPOSAL STRUCTURE

1. Delivery Condition - An original (clearly marked) and seven exact, legible copies of the proposal must be submitted in clearly identified ("State Disbursement Unit RFP") sealed envelopes or sealed boxes by the stated due date and time. In addition, one exact electronic copy (compact disk) of the entire proposal in a non-PDF format must be submitted, except for those required documents that cannot be converted into electronic format.

2. Proposal Structure - The Department of Social Services has structured the proposal submission requirements into four distinct parts that must be bound in two separate binders delivered in separately sealed envelopes or sealed boxes as described below. An original (clearly marked) and seven exact, legible copies of the materials submitted in Binder 1 and Binder 2 must be submitted.

Binder 1, which shall be delivered in a separately sealed envelope or sealed box, must be identified as Binder 1 and include:

- a) Transmittal Communication, Forms, and Acceptances
- b) Organizational Capability and Structure
- c) Scope of Services

Binder 2, which shall be delivered in a separately sealed envelope or sealed box, must be identified as Binder 2 and include:

- d) Business Cost Section

The sealed envelopes or sealed boxes that contain the separate binders may be delivered in one or more shipping containers. The shipping containers must be labeled with following information:

- Name of bidder
- Name of procurement (State Disbursement Unit RFP)
- Binder identification (Binder 1 or Binder 2)

Bidders must comply with the proposal structure requirements identified herein. A proposal received that fails to comply with the

proposal structure requirements will be considered non-responsive and result in disqualification from the bidding process.

3. Proposal Construction -

- a) Binding of Proposals - **THE BIDDER SHALL** submit a proposal in a format that will allow updated pages to be easily incorporated into the original proposal. An original (clearly marked) and seven exact, legible copies of the proposal must be submitted in loose leaf or spiral-bound notebooks with the official name of the bidder appearing on the outside front cover of each binder and on each page of the proposal (location is at the bidder's discretion).
- b) Tab Sheet Dividers - A tab sheet keyed to the Table of Contents (TOC) must separate each major part of the proposal. The title of each part must appear on the tab sheet.
- c) Table of Contents (TOC) - Each proposal must incorporate a TOC. It is through this TOC that the Department of Social Services will evaluate conformance to uniform proposal content and format.
- d) Cross-referencing RFP and Proposal - Each section of the proposal must cross-reference the appropriate section of this RFP that is being addressed. This will allow the Department of Social Services to determine uniform compliance with specific RFP requirements.
- e) Page Numbers - Each page of the proposal must be numbered consecutively in Arabic numerals from the beginning of the proposal through all appended materials.
- f) Page Format - The standard format to be used throughout the proposal is:
 - (1) Text shall be on 8½" x 11" paper, portrait orientation, single-spaced.
 - (2) Pitch shall be a maximum of ten characters per inch.
 - (3) Font shall be either Arial or Times New Roman and a minimum of twelve point.

- (4) The binding edge margin of all pages shall be a minimum of 1½ inches; all other margins shall be one inch.
- (5) Graphics may have a landscape orientation, bound along the top (11") side (if oversized, graphics may have a maximum of one fold).
- (6) Graphics may have a smaller text spacing, pitch, and font size.

SECTION IV - PROPOSAL CONTENTS

A. TRANSMITTAL COMMUNICATION, FORMS, AND ACCEPTANCES

Each proposal must include an original (clearly marked) and seven exact copies clearly identified as "State Disbursement Unit RFP." One exact electronic copy (compact disk) must be submitted as well.

1. Transmittal Letter - To submit a responsive proposal, **THE BIDDER SHALL** submit the original proposal (clearly marked) and all copies with a Transmittal Letter limited to two pages, which addresses each of the bidder assurances in Section II.L of this RFP. The Transmittal Letter must include the bidder's Federal Employer Identification Number (FEIN), if the bidder is an organization or the bidder's Social Security Number (SSN), if the bidder is an individual.
2. Table of Contents (TOC) - To submit a responsive proposal, **THE BIDDER SHALL** provide a TOC for the entire proposal beginning with the Executive Summary including all appendices.
3. Proprietary Declaration - To submit a responsive proposal, **THE BIDDER SHALL** identify any proprietary information, if applicable.
4. Executive Summary - To submit a responsive proposal, **THE BIDDER SHALL** provide a high-level summary limited to two pages that summarizes the content of the proposal. The Department of Social Services will not review proposals received from organizations that have no State Disbursement Unit function experience. The Executive Summary must include a summary of the bidder's experience of at least five years providing State Disbursement Unit functions.
5. Addendum Acknowledgement - To submit a responsive proposal, **THE BIDDER SHALL** provide the signed acknowledgement of its receipt of any and all Addendums issued for this RFP. The last page only of any

and all Addendums must be signed (and company name provided) and submitted with the proposal.

6. Procurement and Contractual Agreements Signatory Acceptance (Appendix 2) - To submit a responsive proposal, THE BIDDER SHALL provide a signed Acceptance Statement, without qualification, of all Mandatory Terms and Conditions (Appendix 1).
7. Workforce Analysis Form (Appendix 3) - To submit a responsive proposal, THE BIDDER SHALL complete the Workforce Analysis Form. This form shall be completed by bidders with Connecticut worksites.
8. Notification to Bidders Form (Appendix 4 [signed]) - To submit a responsive proposal, THE BIDDER SHALL summarize the bidder's affirmative action plan and the bidder's affirmative action policy statement. Additionally, to submit a responsive proposal, THE BIDDER SHALL address in writing the following five factors, as appropriate, to the bidder's particular situation. These factors are:
 - a) Affirmative Action Plan - The bidder's success in implementing an Affirmative Action Plan
 - b) Development of Affirmative Action Plan - The bidder's promise to develop and implement a successful Affirmative Action Plan if no successful Affirmative Action Plan is in place
 - c) Apprenticeship Program - The bidder's success in developing an apprenticeship program complying with C.G.S. §§46a-68-1 to 46a-68-17, inclusive
 - d) EEO-1 Data - The bidder's submission of EEO-1 data indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area
 - e) Set-aside for Minority Businesses - The bidder's promise to set-aside a portion of the resultant contract for legitimate minority business enterprises and to provide the Department of Social Services Set-aside Reports in a format required by the Department
9. Smoking Policy (Appendix 5 - signed Statement, if applicable) - If the bidder is an employer subject to the provisions of C.G.S. §31-40q, to submit a responsive proposal, THE BIDDER SHALL agree to provide

the Department of Social Services with a copy of its written rules concerning smoking. The Department of Social Services must receive the rules or a statement that the bidder is not subject to the provisions of C.G.S. §31-40q before contract approval.

10. Certification Regarding Lobbying (Appendix 6) - To submit a responsive proposal, **THE BIDDER SHALL** provide a signed statement to the effect that no funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
11. Contract Affidavits/Certifications - General Statutes of Connecticut (C.G.S.) §§4-250 through 4-252 require that State contracts with a value of \$50,000 or more be accompanied by a Gift and Campaign Contribution Certification and a Consulting Agreement Affidavit. To submit a responsive proposal, **THE BIDDER SHALL** provide a completed Gift and Campaign Contribution Certification (Appendix 7) and a Consulting Agreement Affidavit (Appendix 8).

If a bidder is exempt from the Contract Affidavit/Certification Requirements, the bidder must state this fact on the affidavits/certifications and return the forms with the proposal.

12. Affirmation of Receipt of State Ethics Laws Summary (Appendix 9) - Pursuant to C.G.S. §§1-101mm and 1-101qq, persons, resultant contractors, subcontractors, consultants, or the duly authorized representative thereof must affirm receipt of the summary of State ethics laws developed by the State Office of Ethics pursuant to C.G.S. §1-81b and that key employees of such person, resultant contractor, subcontractor, or consultant have read and understand the summary and agree to comply with its provisions. To submit a responsive proposal, **THE BIDDER SHALL** provide a completed and signed Affirmation of Receipt of State Ethics Laws Summary.
13. Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Ban (Appendix 10) - With regard to a State contract, as defined in Public Act 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this submission in response to the State's solicitation expressly acknowledges receipt of the State

Elections Enforcement Commission's notice advising prospective State contractors of State campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice.

B. ORGANIZATIONAL CAPABILITY AND STRUCTURE (MAXIMUM FIFTY PAGES)

General - Responses to the requirements in this section must describe the background and experience of the bidder and any proposed subcontractors. The responses must also address details regarding the size and resources of the bidder and any proposed subcontractors, and their experience relevant to collection, payment processing, and disbursement of child support payments.

1. Organizational Qualifications - To submit a responsive proposal, THE BIDDER SHALL summarize its overall qualifications to administer the State Disbursement Unit. This summary shall include experience and success in collection, payment processing, and disbursement of child support payments. If subcontractors are to be used, the summary must also include each subcontractor's qualifications. Bidders must include, at a minimum, details regarding:

- a) Number of employees
- b) Technological abilities including, but not limited to, communications, reporting, and data management
- c) Experience relevant to the functions to be performed under the resultant contract or recent contracts (within past five years) for collection, payment processing, and disbursement of child support payments

2. Organization -

- a) Governance - To submit a responsive proposal, THE BIDDER SHALL provide the following information for the bidder as the proposed prime contractor and each proposed subcontractor:
 - (1) The name, work address, and percentage of time spent on the contract for each responsible director
 - (2) The role of the Board of Directors in governance and policy-making

- (3) A current organizational chart defining levels of ownership, governance, and management
 - (4) A complete description of any and all related-party relationships and transactions (Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. The bidder must fully disclose any expected payments to a related party. Such payments are unallowable unless the resultant contractor provides sufficient data to satisfy the Department of Social Services that the costs are needed and reasonable.)
- b) Ownership Disclosure - To submit a responsive proposal, THE BIDDER SHALL provide the following information for the bidder as the proposed prime contractor and each proposed subcontractor:
- (1) A complete description of percent of ownership by the principals of the company or any other individual or organization that retains 5 percent or more including name and work address
 - (2) The relationship of the persons so identified to any other owner or governor as the individual's spouse, child, brother, sister, or parent
 - (3) The name of any person with an ownership or controlling interest of 5 percent or more in the bidder, who also has an ownership or controlling interest of 5 percent or more in any other related entity including subcontracting entity or parent entity or wholly owned entity (the bidder shall provide the name or names of the other entity)
 - (4) The name and address of any person with an ownership or controlling interest in the disclosing entity or an agent or employee of the disclosing entity who has been convicted of a criminal offense related to that person's involvement in any program under Titles XVIII, XIX, XX, or XXI of the Social Security Act, since the inception of such programs
 - (5) Whether any person identified in the above subsections has been terminated, suspended, barred, or otherwise excluded from participation, or has voluntarily withdrawn

as the result of a settlement agreement, from any program under Titles XVIII, XIX, or XX of the Social Security Act, or has within the last three years been reinstated to participation in any program under Titles XVIII, XIX, XX, or XXI of the Social Security Act, and prior to said reinstatement had been terminated, suspended, barred, or otherwise excluded from participation, or has voluntarily withdrawn as the result of a settlement agreement, in such programs

- (6) A description of the relationship with other entities including:
 - (a) Whether the bidder is an independent entity or a subsidiary or division of another company (if the bidder is not an independent entity, the bidder shall describe the organizational linkages and the degree of integration/collaboration between the organizations including any roles of the organization's principals)
 - (b) A description of the relationship of any parent company when the bidder is an affiliate of another organization

3. Experience and Understanding of the State Disbursement Unit Process - To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Detail its experience including methods and processes for operating a State Disbursement Unit
- b) Explain whether it proposes the same or similar methods and approach it uses in any other state and how these methods and processes will be adjusted to operate in Connecticut

4. Key Personnel and Staff Resources - The resultant contractor must receive the written approval of the Department of Social Services for changes in key personnel prior to such changes. The resultant contractor must submit to the Department of Social Services for its approval the name and credentials of any persons who are proposed to replace existing or previously proposed project management staff, or other key personnel identified by the State. Changes in key personnel must not negatively affect the Department or adversely affect the capability of the resultant contractor to meet any requirement or deliverable set forth in this RFP or the resultant contract.
- a) Corporate Project Unit - To submit a responsive proposal, **THE BIDDER SHALL:**
- (1) Provide an organizational chart detailing how the staffing for the proposed State Disbursement Unit fits within the entire structure of the bidder
 - (2) Describe how the proposed organizational structure will support the implementation of the State Disbursement Unit
 - (3) Provide the names and titles of proposed key personnel for the State Disbursement Unit and the hours and percentages of time dedicated to the State Disbursement Unit
 - (4) Justify its staffing resources to successfully meet its RFP response requirements in light of any other similar obligations for any other entity
- b) Management Plan - To submit a responsive proposal, **THE BIDDER SHALL** provide the following information:
- (1) A description of the duties, authority, and responsibilities of each of the key personnel including the number and type of personnel under their direct supervision
 - (2) The names of key personnel who are not full-time staff of the bidder including a complete description of their employment status with the bidder
 - (3) The company's organizational structure indicating lines of authority

- (4) A description of any other current or planned contractual obligations that might have an influence on the bidder's ability to perform the work under a resultant contract
- c) Project Manager - To submit a responsive proposal, **THE BIDDER SHALL** identify a Project Manager who will be responsible for:
- (1) Implementing and managing the State Disbursement Unit
 - (2) The day-to-day oversight of the State Disbursement Unit
 - (3) Attending all State Disbursement Unit meetings at the request of the Department
 - (4) Responding to the Department of Social Services' requests for status updates and ad hoc and interim reports
- d) Job Descriptions and Resumes - To submit a responsive proposal, **THE BIDDER SHALL:**
- (1) Provide job descriptions for proposed key positions and resumes for key personnel proposed to fill the key positions
 - (2) Describe the contract-related experience, credentials, education and training, and work experience required in job descriptions for proposed key positions and in the resumes for key personnel proposed to fill the key positions and include:
 - (i) Experience with bidder (or bidder's proposed subcontractor)
 - (ii) Education, experience, and training relevant to the functions contemplated by this RFP
 - (iii) Names, positions, titles, and telephone numbers of persons able to provide information concerning the persons' experience and competence

Resumes for key personnel proposed to fill the key positions are limited to two pages per resume. Resumes for key personnel proposed to fill the key positions and job descriptions for

proposed key positions are not included in section page limitation.

e) Job Personnel and Tasks - To submit a responsive proposal, THE BIDDER SHALL:

- (1) Describe the relationship between specific personnel for whom resumes have been submitted (or job descriptions for proposed key positions) and the specific tasks and assignments proposed to accomplish the Scope of Services and a justification of the individual's function based on the individual's competence including the bidder's:
 - (i) Procedures to secure and retain professional staff to meet the resultant contract requirements
 - (ii) Method to evaluate personnel performance

f) Subcontractor Relationship - To submit a responsive proposal, THE BIDDER SHALL:

- (1) Describe the State Disbursement Unit functions that will be subcontracted and provide a rationale for subcontracting the functions rather than providing them directly
- (2) Identify the subcontractor (if known) or indicate the type of subcontractor that will be sought
- (3) Identify the percentage of the overall State Disbursement Unit project work hours allocated to each subcontractor

5. Corporate Experience -

a) Contracts - To submit a responsive proposal, THE BIDDER SHALL describe its experience and success related to the Scope of Services for the State Disbursement Unit including the following information concerning the bidder's experience with other contracts or projects similar to the type of functions contemplated by this RFP, whether ongoing or completed:

- (1) Identification of all state agencies and commercial vendors for which the bidder has engaged in similar or related contract work

- (2) Description of its contracts or the work performed in the past five years for those state agencies or commercial vendors
 - (3) Provision of a signed release allowing the Department of Social Services to access any evaluative information including, but not limited to, site reviews conducted by any state agency or commercial vendor for which the bidder has performed work in the past five years
 - (4) Contact information for those projects including name of customer's project officer, title, address, telephone number, fax number, and e-mail address
 - (5) Information on the contract term including the contract signing date, the project initiation date, the initial scheduled completion date, and the actual completion date
 - (6) Listing of all sanctions, fines, penalties, or letters of noncompliance issued against the bidder by any of the contracting entities listed above (the list shall describe the circumstance eliciting the sanction or letter of noncompliance and the corrective action or resolution to the sanction, fine, penalty, or letters of noncompliance; if no sanctions, fines, penalties, or letters of noncompliance were issued, a statement that attests that no sanction, penalty, or compliance action has been imposed on the bidder within the three years immediately preceding the date of this RFP must be submitted)
 - (7) Description of how the bidder contributed creativity, innovation, and problem-solving expertise to a collaborative relationship with the governmental entity or commercial vendor for selected contracts listed above
- b) Bidder References - To submit a responsive proposal, THE BIDDER SHALL provide three specific programmatic references for the bidder. References must be persons able to comment on the bidder's capability to perform the services specified in this RFP. The contact person must be an individual familiar with the organization and its day-to-day performance. If the bidder has been a State contractor within the last five years, the bidder must include a State of Connecticut reference.

Bidders are strongly encouraged to call or write their planned references to ensure the accuracy of their contact information and their willingness and capability to be a reference. References must include the organization's name, address, current telephone number, and name of a specific contact person. The Department of Social Services expects to use these references in its evaluation process. If the bidder's proposal proposes the use of subcontractors for direct service provision, the bidder's proposal must also include three programmatic references for each proposed subcontractor.

- c) Small, Minority, or Women's Business Enterprise - Section 32-9e of the Connecticut General Statutes (C.G.S.) sets forth the requirements of each Executive Branch agency relative to the Connecticut Small Business Set-Aside program. Pursuant to that statute, 25 percent of the average total of all contracts let for each of the three previous fiscal years must be set aside. The Department of Social Services requires that the resultant contractor make a good-faith effort to set aside a portion of the resultant contract for a small, minority, or women's business enterprise as a subcontractor. Such subcontractors may supply goods or services. Prospective bidders may obtain a list of firms certified to participate in the Set-Aside program by contacting the State of Connecticut Department of Administrative Services at the DAS Web site at http://www.das.state.ct.us/Purchase/SetAside/SAP_Search_Vendors.asp or by calling 860-713-5236. During the evaluation process, special consideration will be given to those bidders who document their use of a certified small business and/or demonstrate the bidder's commitment to, whenever possible, use a certified small business. To submit a responsive proposal, THE BIDDER SHALL describe its effort to set aside a portion of the resultant contract for a small, minority, or women's business enterprise as a subcontractor.
- d) Department of Social Services Responsibilities - Support includes, but is not limited to, Department of Social Services staff time, Department of Social Services reports or information required, or any other resources the resultant contractor expects the Department of Social Services to provide. Notwithstanding any bidder's proposed tasks for the Department of Social Services to the contrary, the Department of Social Services shall:

- Monitor the resultant contractor's performance and request updates, as appropriate
- Respond to written requests for policy interpretations
- Provide technical assistance to the resultant contractor, as needed
- Allow access to Department of Social Services automated databases, as available and permitted
- Allow access to management reports, system-generated reports, and case files, as appropriate
- Provide a program leader
- Hold regularly scheduled program meetings with the resultant contractor
- Provide a process for and facilitate open discussions with staff and personnel to gather information regarding recommendations for improvement
- Provide data as required by the resultant contractor to perform the functions of the State Disbursement Unit

To submit a responsive proposal, **THE BIDDER SHALL** propose specific support the bidder requires from the Department of Social Services to perform the tasks in any resultant contract.

e) Reporting and System Requirements - To submit a responsive proposal, **THE BIDDER SHALL:**

- (1) Describe its information system hardware and software that will be used to meet its RFP requirements
- (2) Explain how its information system capabilities will adequately meet its RFP requirements
- (3) Propose and describe a reporting system

6. Project Timetable - To submit a responsive proposal, **THE BIDDER SHALL** submit a PERT, Gantt, or Bar Chart, that clearly outlines the task timetable from beginning to end. The chart must display key dates and events relative to the project.

C. **SCOPE OF SERVICES (MAXIMUM ONE HUNDRED PAGES)**

Introduction - Pursuant to 42 U.S. Code 657, the resultant contractor's principal responsibility is the collection, processing, and disbursement of all child support payments within two business days after receipt, if sufficient information identifying the payment is provided.

Understanding Project - The bidder must describe how each task identified will be performed including the identification of problems and methods of solution. The bidder must detail how it will define and perform each required task, the resultant product or deliverable, and how the bidder will develop and manage services performed under any and all proposed subcontracts.

No Rewrites - The Department of Social Services does not want a rewrite of the RFP requirements, since such a proposal would show a lack of understanding of the project and an inability to provide appropriate levels of support and guidance for the implementation of this type of project.

Formulation of Responses - The Department of Social Services expects that the formulation of responses for the Scope of Services incorporates all resultant contractor tasks identified for each item.

1. Collection of Child Support Payments: Mail Receipt - The resultant contractor shall:
- Receive child support payments from sources including, but not limited to, noncustodial parents, employers, State and Federal agencies, BCSE and its cooperative agencies, other states, attorneys, and financial institutions
 - Perform the following mail-receipt activities:
 - Establish post office boxes with the U.S. Postal Service in Hartford, Connecticut
 - Capture daily the item count of all mail received on behalf of the Department

- Date and time stamp all incoming envelopes immediately upon receipt prior to opening
- Date stamp envelope contents upon opening
- Verify the negotiability of each instrument as to endorsement, signature of maker, stale dating, and post dating

To submit a responsive proposal, **THE BIDDER SHALL**:

- a) Detail a mail-processing plan including information describing its proposed mail pickup and processing schedule
 - b) Detail a mail-sorting plan that will provide the most expeditious mail processing possible with minimal errors
2. Collection of Child Support Payments: Automated Clearing House (ACH)/Electronic Funds Transfer (EFT) - The resultant contractor shall receive electronic child support payments from sources including, but not limited to, noncustodial parents, employers, State and Federal agencies, BCSE and its cooperating agencies, other states, attorneys, and financial institutions. To submit a responsive proposal, **THE BIDDER SHALL** propose an electronic payment-processing plan that describes receipt, processing, and data-storage functions.
3. Collection of Child Support Payments: Deposits to State Accounts - The resultant contractor shall:
- Deposit checks, money orders, cash, ACH, and other payment types into designated State of Connecticut bank accounts within twenty-four hours of receipt pursuant to C.G.S. §4-32
 - Comply with all new and existing relevant Federal and State laws, rules, and guidelines during the resultant contract period
 - Encode and endorse each check/money order
 - Use a bonded courier service to transport deposits to the depository bank
 - Reconcile the total deposit to CCSES daily to ensure that all items processed are accounted for

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Propose a plan for depositing funds to State accounts with specific emphasis placed on meeting twenty-four-hour time requirements
- b) Propose procedures to manage Department of Social Services funds including the management of any income the resultant contractor may realize through the overnight use of such funds
- c) Detail a plan for the existing process and an alternative method, such as Check 21, which is incorporated with Account Reconciliation

4. Collection of Child Support Payments: Source Document Retention - The resultant contractor shall retain paper and electronic source documents for a period to be specified by the Department. To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Detail all methods and media at its disposal to store and retrieve all paper and electronic source documents associated with the payment-processing operation including, but not limited to, incoming payments, returned disbursed checks, remittances, correspondence, envelopes, payment coupons, and direct deposit applications (all information must be stored in Connecticut)
- b) Outline procedures to recover and deliver to the Department of Social Services or its cooperative agencies any source document requested by that agency within forty-eight hours of request

5. Collection of Child Support Payments: Document Imaging - The resultant contractor shall:

- Ensure that information is accessible via a secure electronic connection for viewing by all Statewide child support staff
- Provide the Department of Social Services with all imaged information and equipment necessary to view images at the end of the resultant contract period

Standards for the Use of Imaging Technology for Storage, Retrieval, and Disposition of Public Records are available in the Procurement Reference Library.

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Detail its document imaging capability and its application for the State Disbursement Unit (imaged documents include all items referenced in the Source Document Retention section)
 - b) Show that imaging capabilities meet or exceed standards outlined by the Connecticut Office of the Public Records Administrator and State Archives in General Letter 2001-1
 - c) Show that its document image quality is sufficient to replace paper documents as the permanent/archival record of the child support payment process (see Part I (E) of General Letter 2001-1)
6. Payment Processing: Incoming Paper Payments (based upon two unique categories: Immediately Processible Payments and Special Handling Payments) - The resultant contractor shall:
- Fully automate payment processing (payment must minimally include noncustodial parent's name, Social Security Number, file number or CCSES internal key number, amount, and the date of withholding for employer payments)
 - Maintain a list of acceptable payees which includes appropriate and most commonly used payees received on incoming payments (items on the list shall not be added, modified or deleted without the consent of the Department)
 - Comply with 42 U.S. Code 657 which requires prompt payment processing including the collection, payment processing, and disbursement of all child support payments within two business days after receipt of the payment (Immediately Processible Payments)
 - Research and resolve application problems before processing those items (see Application Problem Resolution for details)
 - Research and resolve payment problems (Special Handling Payments) prior to entry into CCSES

- Manually apply a payment in limited circumstances (in cases involving manual application, the Department of Social Services will provide the resultant contractor with specific instruction prior to application)

Immediately Processible Payments - Payments categorized as immediately processible include, but are not limited to:

- Payments from noncustodial parents with payment coupon
- Payments with court transmittal
- Income withholding transmittal and payment totaling amount due
- Payments from employer for single payer with Social Security Number or file number
- Payments from employer for multiple payers with Social Security Number or file number
- Electronic payments with Social Security Number or file number
- Payments from out-of-state court with Social Security Number, file number, and payment type

Special Handling Payments - Payments categorized as special handling include, but are not limited to the following:

- Payments without Social Security Number, file number, or payment stub/coupon, but with any of the following identifiers: custodial party name, noncustodial parent name, CCSES internal key number, or public assistance number
- Foreign currency
- Payments that are not legible or contain no identifying information
- Special court payments received at an office of the State of Connecticut Judicial Branch's SES

- Payments received from the Department of Social Services and SES offices identified as special handling
- Cash
- Checks received from employers as income withholding where the amount of the check is not equal to the amount of the transmittal, the check is received without a transmittal, or a transmittal is received without a check
- Payment from employer or court without identifying information
- Payments received where the written and numeric amounts do not agree
- Post-dated payments
- Checks that do not meet the minimum Department of Social Services requirements of a valid payment instrument, e.g., legal line missing or no name and address on check
- Payments written to the incorrect payee
- Stale-dated checks

To submit a responsive proposal, **THE BIDDER SHALL** detail a plan to manage, at existing levels or better, all payment-processing functions identified in this section.

7. Payment Processing: Incoming Electronic Payments - The resultant contractor shall process all incoming ACH/EFT payments within the framework of the Connecticut State Disbursement Unit based on Connecticut ACH/EFT protocols. Connecticut ACH/EFT Protocols are available in the Procurement Reference Library. To submit a responsive proposal, **THE BIDDER SHALL**:
 - a) Detail a plan for all ACH/EFT collection capabilities and the specific application of such capabilities within the framework of the State Disbursement Unit
 - b) Detail a plan for transitioning to and maintaining Connecticut's ACH/EFT protocols (at a minimum, the plan shall provide all existing resources and capabilities)

- c) Detail a plan for promoting and implementing ACH/EFT protocols with employers, out-of-state child support agencies, and individual child support payers
8. Payment Processing: Online Scheduled Bank Account Payments - The resultant contractor shall maintain and actively promote Connecticut's ACH Debit program. To submit a responsive proposal, THE BIDDER SHALL detail a plan for transitioning to, maintaining, and promoting Connecticut's ACH debit payment program. At a minimum, the plan shall provide all existing program capabilities.
9. Payment Processing: Electronic Payment Alternatives (Other) - The resultant contractor shall implement and maintain all methods of electronic payments, which simplify the collection process and provide savings to the Department. To submit a responsive proposal, THE BIDDER SHALL:
- a) Detail any technology it has available that will enhance, expedite, and simplify collection of child support payments and provide potential savings to the Department
- b) Propose a methodology to protect the Department of Social Services' interests against fraud and/or any kind of bad debt
- c) Detail its electronic banking technology and capability
- d) Describe how its electronic banking technology will be used with the State Disbursement Unit
10. Payment Processing: Application Problem Resolution - The resultant contractor shall resolve application problems within forty-eight hours from the date the receipt posted to CCSES. A payment application problem occurs when CCSES cannot apply a payment to an account in CCSES. The Department of Social Services generates daily reports to identify application problems and the resultant contractor shall work from these reports, independently and with the Department of Social Services and its cooperative agencies to identify and resolve the application problems. On rare occasion, resolution may require a manual application to CCSES. The Department of Social Services reserves the right to add or delete application problem categories as required; however, the following is a partial listing of typical application problems:
- Invalid payment type

- First three characters of payer's last name do not match last name in CCSES noncustodial record (this error also occurs for receipts entered through CCSES cash receipt entry with file number entered as unidentified)
- Pay order does not exist
- File number entered with detail receipt not found in cross-reference
- Payment type not identified
- Future payment date identified

Application Problems: Definitions and Resolutions are available in the Procurement Reference Library.

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Propose a plan for resolving the existing Application Problem categories identified above or any other categories added later
 - b) Describe a plan to ensure that report volumes do not become excessive and the forty-eight-hour distribution time frame is maintained
 - c) Propose a maximum cap for unresolved Application Problem receipts
 - d) Propose sanction provisions for the resultant contractor's non-performance regarding Application Problem resolution
11. Payment Processing: Employer Compliance - To ensure compliance with wage withholding provisions of C.G.S. §52-362, wage withholding guidelines set forth by the Department of Social Services and its cooperative agencies, and provisions of the Beasley v. Ginsberg Federal court consent decree regarding wage withholding employer compliance, employers subject to wage withholding for child support must:
- Pay withheld child support to the State Disbursement Unit within seven business days of the date of withholding

- Specify the dates on which each withholding occurred and the amount for each obligor on each such date
- Monitor employers for compliance, working with noncompliant employers to promote future compliance, and referring cases of habitually noncompliant employers to the Office of the Connecticut Attorney General requires a strict program of data monitoring, data capture, and reporting

The Beasley v. Ginsberg Federal Court Consent Decree is available in the Procurement Reference Library.

The resultant contractor shall:

- Obtain the appropriate case payment documentation and capture and appropriately document all necessary employer data and any other information deemed necessary by the Department of Social Services to review and promote or enforce compliance
- Contact employers to promote compliance
- Refer employers that fail to correct an out-of-compliance condition within sixty days to the State of Connecticut Attorney General's Office

To submit a responsive proposal, **THE BIDDER SHALL** detail an employer compliance plan to meet the requirements outlined above including the methods and media that will be used to contact employers and promote compliance.

12. Payment Processing: Foreign Currency Processing - The resultant contractor shall process all foreign currency payments using appropriate currency exchange rates and procedures. To submit a responsive proposal, **THE BIDDER SHALL** propose a plan to address foreign currency exchange rate issues including procedures to protect the State of Connecticut's interests.
13. Payment Processing: Forged/Fraudulent Checks - The resultant contractor shall assist the Department of Social Services in identifying and recovering forged and other fraudulently negotiated checks. To submit a responsive proposal, **THE BIDDER SHALL** detail a plan for identifying and recovering forged and fraudulently negotiated checks.

14. Disbursement: Checks - The resultant contractor shall:

- Print and mail approximately five hundred seventy five checks daily (approximately one hundred eighty thousand checks annually)
- Meet existing CCSES check file requirements
- Design and produce checks with detachable stub that meet all Department of Social Services requirements
- Print checks on generic check stock with State-defined information added during the printing process
- Duplicate an electronically generated signature of the Department of Social Services' Commissioner on each check
- Supply postage that will be reimbursed by the Department of Social Services on a pass-through basis
- Cancel and reissue payments through CCSES on return of the original item including, but not limited to, checks returned by the payee because of stale date, incorrect amount, or wrong payee (processing time from return of original item to reissue shall not exceed twenty-four hours for 95 percent of all such activities)

Child Support Disbursement Check and Specifications are available in the Procurement Reference Library.

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Provide documentation that the bidder possesses the necessary technical capability to produce high quality checks in a timely manner
- b) Detail all security measures that will be used to assure security of checks
- c) Detail check copy information that will be supplied to the Department of Social Services by the resultant contractor incorporates with Account Reconciliation

15. Disbursement: Direct Deposit - The resultant contractor shall maintain all aspects of the Connecticut child support direct deposit program

including application processing, research, problem solving, and maintenance. To submit a responsive proposal, THE BIDDER SHALL detail a plan to maintain existing direct deposit program for the State Disbursement Unit.

16. Disbursement: Debit Card Payment - The resultant contractor shall maintain a debit card program that provides the custodial party with access to child support payments via the card. To submit a responsive proposal, THE BIDDER SHALL:

- a) Detail a plan to seamlessly transition and maintain existing program providing the custodial party access to child support payments via a debit card issued by J. P. Morgan Chase Bank
- b) Provide an alternative debit card program which minimally includes all elements of the existing program - specifically detail a plan for marketing, customer transition, implementation, and maintenance

17. Disbursement Problem Resolution: Misapplied Payments - A misapplied payment is a payment that is applied to an incorrect child support account. Reasons for misapplied payments include, but are not limited to, incorrect information supplied with a payment and resultant contractor error. The resultant contractor shall:

- Ensure that a misapplied child support payment is issued to the correct custodial party by initiating referrals to the Department of Social Services when a payment has been misapplied to a nonpublic assistance account
- Initiate referrals to the Department of Social Services when a payment has been misapplied to a foster care (IV-E/non-IV-E) account
- Perform the appropriate void and reissue functions on CCSES when a payment has been misapplied to a public assistance account
- Accept responsibility for all research and recovery of misapplied payments in the case of misapplied payments resulting from resultant contractor error
- Reimburse the Department of Social Services for any erroneous disbursement resulting from resultant contractor error

- Ensure that reimbursement shall occur no later than one month from the date that the erroneous disbursement is identified (reimbursement method shall be determined by the Department)

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Detail procedures to identify misapplied payments due to resultant contractor error
- b) Describe methods to be used to avoid misapplied payments
- c) Detail procedures to recover misapplied payments
- d) Provide statistical information that details ratio of correctly applied versus misapplied payments for the twenty-four-month period preceding this RFP

18. Disbursement Problem Resolution: Insufficient Funds - An insufficient funds payment is a payment instrument issued from the payer's bank account where the funds equal to that payment are not available due to lack of funds or placement of a stop payment without prior notification. The resultant contractor shall:

- Provide written notification to payers immediately following verification of insufficient funds from Connecticut's depository financial institution (the existing financial institution, Wachovia Bank, is retained as subcontractor with current State Disbursement Unit contractor)
- Track all information related to insufficient funds payments
- Require payers to submit guaranteed payment instruments (e.g., money order, cashier's check, or certified check for all subsequent payments until such time as the Department of Social Services authorizes return to standard payment method)
- Require employers and out-of-state agencies to provide an additional opportunity to make standard payments before the guaranteed instrument provision is instituted if the unintentional placement of a stop payment resulted in the insufficient funds condition (any subsequent insufficient funds payment will require the immediate implementation of the guaranteed instrument provision)

- Ensure that large payments which exceed a threshold determined by the Department of Social Services are verified with the issuing bank prior to processing

To submit a responsive proposal, **THE BIDDER SHALL**:

- a) Detail a plan to track and recover insufficient funds payments from noncustodial parents, employers, and out-of-state agencies
 - b) Detail a plan to ensure restitution of insufficient funds from noncustodial parents, employers, and out-of-state agencies
 - c) Detail a plan to avoid reoccurrence of insufficient funds payments from noncustodial parents, employers, and out-of-state agencies
 - d) Provide an alternative plan for the resolution of insufficient funds payments from noncustodial parents, employers, and out-of-state agencies
19. Disbursement Problem Resolution: Rejected Electronically Disbursed Payments - An electronically disbursed payment may be rejected by a custodial party's financial institution due to an incorrect account number associated with the custodial party's financial account or a closed custodial party's account, or some other factor. The resultant contractor shall research, resolve, and provide customer service for all rejected electronically disbursed payments. To submit a responsive proposal, **THE BIDDER SHALL** detail a plan to resolve rejected electronically disbursed payments.
20. Disbursement Problem Resolution: Returned Disbursement Checks - The resultant contractor shall research and resolve returned disbursement checks within twenty-four hours of receipt. To submit a responsive proposal, **THE BIDDER SHALL** detail a plan for handling returned disbursement checks by the recipient, postal service, or child support office. Specifically include a plan for researching and resolving returned disbursement checks within twenty-four hours of receipt.

21. Disbursement Resolution: Lost and Stolen Disbursement Checks - The resultant contractor shall resolve issues involving lost and stolen disbursement checks including customer service and reissue of replacement checks. To submit a responsive proposal, THE BIDDER SHALL:

- a) Detail a plan for handling lost and stolen disbursement checks
- b) Provide a plan for payee customer service and resolution for replacement checks
- c) Provide a plan to promote electronic disbursement to payee

The Electronic Disbursement statute is available in the Procurement Reference Library.

22. Disbursement Resolution: Un-cashed Checks - The resultant contractor shall resolve issues associated with un-cashed disbursed checks. To submit a responsive proposal, THE BIDDER SHALL detail a plan to resolve disbursed checks that have not been cashed.

23. Account Reconciliation and Audit: Account Reconciliation - The resultant contractor shall:

- Maintain separate and distinct depository and disbursement accounts
- Balance all receipts and deposits to CCSES daily (the plan should include the development of validation logic to serve as an audit trail for payments)
- Maintain monthly full account reconciliation services for depository accounts including, but not limited to, accounting for each day's work, system transactions and totals, deposits, and adjustments
- Maintain statements of depository accounts that shall contain the number of payments deposited for the statement period
- Perform quality checks on all output as work is performed and as items are delivered and necessary backend controls, such as monthly account reconciliation and separate sampling performed by the resultant contractor's Quality Control Analyst

- Provide monthly full account reconciliation services for the disbursement account including, but not limited to:
 - Listing sequentially paid checks by serial number including amount paid
 - Providing the Department of Social Services all paid check information for each month in an electronic file format designated by the Department
 - Listing outstanding checks
 - Listing voided and cancelled checks
 - Listing miscellaneous credits and debits
 - Comparing checks presented for payment with issue records and reviewing exception items prior to payment

To submit a responsive proposal, **THE BIDDER SHALL** detail plans for the above-referenced requirements consistent with Generally Accepted Accounting Principles (GAAP), Federal guidelines, C.G.S. §4-32, and CCSES accounting protocols. The bidder shall provide one example of a statement of depository accounts that contains the number of payments deposited for the statement period.

24. Account Reconciliation and Audit: Management Reports - The resultant contractor shall supply daily reports to the Department of Social Services including, but not limited to, the following:

- The dollar amount deposited
- The number of items deposited
- The bank account number to which credit was applied
- All additional management information, as defined by the Department of Social Services and the resultant contractor shall be contained in a Performance Tracking Report

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Detail its capability to meet the requirements outlined above

- b) Provide examples (no more than five) of reports that will show the bidder's report production capability

25. Account Reconciliation and Audit: Audits and Inspections - The Department of Social Services may periodically audit the depository system unannounced. These unannounced audits will be in addition to any audit conducted by the State Auditors of Public Accounts and audits from the Federal Office of Child Support Enforcement. The Department of Social Services reserves the right to determine the auditing periods for which the data will be made available, the timing of the requests for the data, and if the data presented is sufficient to meet the intent of the auditing provisions of this section. The resultant contractor shall:

- Conduct, at its own expense, an independent audit of its system of internal accounting control relative to its processing of all child support billings, receipts, and disbursements and its service billing system to the Department of Social Services under the terms of the resultant contract (the audit shall be performed in accordance with the schedule listed below and the Department of Social Services' auditing standards and shall detail all control weaknesses; the audit report and work papers will be made available to the Department)
- Issue an initial report within one hundred fifty days from the resultant contract date and issue annually subsequent audit reports from the date of the original report
- Maintain and store all State Disbursement Unit payment records until audited or for a period of seven years from the date of transaction, whichever comes first
- Provide document shredding to be conducted onsite (destruction of records cannot commence until the Department of Social Services has received the resultant contractor's written request and has responded favorably to such request)

To submit a responsive proposal, THE BIDDER SHALL detail a plan for conducting annual State Disbursement Unit audits.

26. Account Reconciliation and Audit: Resultant Contractor Internal Controls - The resultant contractor shall maintain methods of administration designed to assure that persons responsible for handling cash receipts of support do not participate in accounting or

operating functions that would permit them to conceal in the accounting records the misuse of support receipts. Such methods of administration shall follow generally recognized accounting standards. To submit a responsive proposal, THE BIDDER SHALL detail a plan for internal controls incorporating the requirements outlined above.

27. System Requirements, Data Protection, and Security: System Specifications - The Department of Social Services shall provide access to and maintenance of the CCSES and provide all preliminary training necessary for the resultant contractor to use CCSES. The resultant contractor shall:

- Perform limited file maintenance functions
- Develop and implement a comprehensive CCSES training program to be provided to State Disbursement Unit employees regularly throughout the resultant contract period

To submit a responsive proposal, THE BIDDER SHALL detail its data-processing capabilities including hardware, software, security, and staff expertise.

28. System Requirements, Data Protection, and Security: Equipment and Technical Support - The resultant contractor shall:

- Supply all computer hardware (and software, as appropriate) necessary to provide CCSES access to resultant contractor staff such that all payment-processing functions outlined above are satisfied (resultant contractor-supplied computer hardware and software must meet Department of Social Services approval)
- Modify its operations to adapt to any new programmatic changes in CCSES
- Maintain acceptable levels of data processing expertise, data processing equipment, programmers, and operators
- Work with the Department of Social Services and its software enhancement and maintenance contractor to develop and test all software necessary in this process
- Create a back-up file for all electronic transmissions and in the event of an electronic transmission failure deliver the back-up file to the Department of Social Services to ensure nightly

processing completion (the method/media of back-up file will be mutually agreed upon between the Department of Social Services and the resultant contractor)

- Ensure quality control of electronic transmissions and back-up file

To submit a responsive proposal, **THE BIDDER SHALL** detail its data processing capabilities including hardware, software, security, and staff expertise.

29. Record Retention - The resultant contractor shall:

- Follow the most current version of the State of Connecticut record retention schedule (the Records Retention Schedules for State Agencies are available in the Procurement Reference Library)
- Provide necessary secure storage and access capability to all paper and electronic payment-related documentation

To submit a responsive proposal, **THE BIDDER SHALL** detail a plan for the retention, storage, and access to all payment-related documentation in accordance with State rules and regulations.

30. Security and Confidentiality - The resultant contractor shall:

- Comply with C.G.S. §53a-250 through 53a-261 regarding computer-related offenses and all applicable sections of Internal Revenue Code regarding the safeguarding and disclosure of Federal Tax information (FTI)
- Comply with all applicable Federal and State of Connecticut laws and regulations regarding confidentiality and BCSE General Policy regarding Safeguarding of Information (no disclosure of any information about an applicant or recipient of IV-D services or a noncustodial parent which is obtained from any source or in any manner in the course of a child support investigation will be made, except in connection with the administration of the IV-D program - reference 45 CFR 303.21 and C.G.S. §17-589)
- Take reasonable steps to ensure the physical safety of data under its control by using devices and methods including, but

not limited to, alarm systems, locked files, guards, cameras, or other devices reasonably expected to prevent loss or unauthorized removal of manually held data (FTI must be stored in a double locked environment)

- Take reasonable steps to prevent unauthorized use of passwords, access logs, badges, or other methods designed to prevent loss of or unauthorized access to electronically or mechanically held data (methods used shall include, but not be limited to, restricted terminal access, restricted access to input and output documents, and other such restrictions designed to protect CCSES data)
- Ensure that no Connecticut child support data shall reside independently on any mobile devices (e.g., laptops, Blackberries, flash drives, or any other electronic storage devices)
- Inform each of its employees having any involvement with personal data, child support information, or other confidential information of the laws and regulations governing confidentiality
- Provide mandatory annual training for all staff regarding safeguarding of FTI
- Cooperate with the Department of Social Services in taking all steps deemed advisable by the Department of Social Services to enjoin misuse, regain possession, and/or otherwise protect the State's rights and the data subject's privacy
- Allow access to any personal data held in its possession, solely to those employees of the Department of Social Services who require such information in the performance of their occupational responsibilities
- Agree to implement any improvements or modifications resulting from periodic State Disbursement Unit physical security reviews
- Require each employee to sign a Department of Social Services-provided statement that he or she is aware of and will abide by said laws and regulations

- Notify the Department of Social Services the same day and in writing by the next business day of the following:
 - Any misuse or unauthorized use of operator password which has resulted in unauthorized access of CCSES
 - Any suspected or actual theft of State Disbursement Unit receipts
 - Any damage or actual theft of State Disbursement Unit receipts
 - Any failure to mail checks which are ready for distribution that day
 - Any subpoena, improper use, copy or removal of personal data in the resultant contractor's possession except as obtained by an authorized representative of the Department of Social Services (such notification shall be immediate orally and during the same day in writing)

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Describe its procedures to ensure the physical safety of data under its control and to prevent loss or unauthorized removal of manually held data
 - b) Describe its procedures to prevent unauthorized use of passwords, access logs, badges, or other methods designed to prevent loss of or unauthorized access to electronically or mechanically held data
 - c) Describe its method to inform each of its employees having any involvement with personal data, child support information, or other confidential information of the laws and regulations governing confidentiality
31. Notice Production: Notice Production Requirements - The resultant contractor shall produce notices using the following standards or capabilities:
- Read, edit, and reproduce ZIP+6 (eleven digits) code as included on electronic data transfer

- Prepare mail according to USPS specifications for ZIP+6 presort
- Correct ZIP codes on the file before printing
- Use optical character recognition (OCR) national presort capabilities
- Use automatic sorting equipment capable of reading and applying five- and eleven-digit postnet bar codes
- Print output files on electronic data transfer in ZIP+6 order
- Produce notices in English and Spanish
- Process and mail multi-page notices
- Supply postage and any required shipping charges including any special mailings required and authorized by the Department of Social Services (postage and any required shipping charges shall be paid by the Department of Social Services on a pass-through basis)

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Describe its capability to meet the requirements outlined above
- b) Provide examples (no more than five) of forms that will show the bidder's printing capability and flexibility of design

32. Notice Production: Billing Notice with Coupons - The resultant contractor shall:

- Produce and mail approximately forty-eight thousand multi-page billing notices to child support obligors per month (based on 2007 averages) using existing billing notice format with detachable coupons that include bar coding for optical scanning
- Print bills with laser printing to provide the highest quality print and design versatility

To submit a responsive proposal, **THE BIDDER SHALL:**

- a) Describe its capability to produce the documents outlined above

- b) Provide examples (no more than five) showing the bidder's capability to produce such documents (the current billing notice with coupon is available in the Procurement Reference Library)
33. Notice Production: Requirements for Additional Notices - The resultant contractor shall maintain the capability to produce, fold, insert, and mail additional notices including, but not limited to:
- Informational inserts to be included with the resultant contractor-generated notices as required by the Department
 - Any additional notices deemed necessary to the project and in accordance with specifications provided by the Department

To submit a responsive proposal, THE BIDDER SHALL:

- a) Describe its methodology to produce the notices outlined above
- b) Provide examples (no more than five) of similar documents that will show the bidder's printing capability and flexibility of design
34. Address Change Functions - The resultant contractor shall:

- Supply change of address coupons to child support payers with their monthly billing statements
- Update CCSES with new child support noncustodial parent address information obtained via change of address coupons, postal address verification inquiries, or any other mail items returned from the Post Office
- Update CCSES with new custodial party address information based on postal address verification inquiries, change of address requests from custodial parties when such requests are received in writing and signed by the custodial party, or any other mail items returned from the Post Office
- Access CCSES and complete data entry necessary to suppress future mailings when mail items returned from the Post Office denote an invalid address for a custodial party or a noncustodial parent

To submit a responsive proposal, THE BIDDER SHALL describe its capability to meet the requirements outlined above.

35. Marketing and Public Relations: Customer/Employer Education and Outreach - The Child Support State Disbursement Unit affects a diverse population of individuals, businesses, and organizations across the State of Connecticut and the nation. The resultant contractor shall:

- Develop and implement a public relations campaign to notify child support customers and the general public of new State Disbursement Unit management
- Develop and implement a detailed plan for promoting and implementing ACH/EFT protocols with employers, out-of-state child support agencies, and individual child support payers

To submit a responsive proposal, THE BIDDER SHALL:

- a) Detail a plan outlining how child support customers, employers associated with Connecticut child support payers, and other key groups will be notified of changes in the management of the Connecticut State Disbursement Unit
 - b) Detail a marketing plan to promote and implement ACH/EFT protocols with employers, out-of-state child support agencies, and individual child support payers
36. Customer Service: Customer Service Unit - The resultant contractor shall operate a customer service unit with multilingual capability, which is nationally accessible via a toll-free number twenty-four hours per day, seven days per week. To submit a responsive proposal, THE BIDDER SHALL:
- a) Detail a plan for operating a child support customer service unit including, but not limited to, customer service staff training, customer service representative requirements, multilingual capability, and provisions for customer call transfer capability
 - b) Provide and maintain a nationally accessible toll-free telephone number for customer service and information to custodial parties, child support payers, and employers twenty-four hours per day, seven days per week

37. Customer Service: Interactive Voice Response Technology (IVR) - The resultant contractor shall develop and implement child support IVR with the following characteristics:

- Multilingual capability, such as online interpreter service or personnel, to respond to inquiries from non-English speaking callers
- Ability to receive transferred calls from child support offices or other IVR systems
- Ability to transfer calls to local child support offices, as specified by the Department
- Ability to link the State Disbursement Unit customer service lines with centralized Department of Social Services and SES-maintained telecommunications system
- Ability to communicate with CCSES and any other application/database specified by the State using technologies specified by the State such as, but not limited to, SOAP/Web Services, Open Database Connectivity (ODBC), Object Linking and Embedding Database (OLE DB), and Java Database Connectivity (JDBC)
- Email/Web Server
- Text to speech and speech to text
- Conferencing
- Internet telephony
- TDD line for the hearing-impaired
- Ability to leave a message in a voice box, access prerecorded information, or opt out to a customer service representative
- Permit access to specific payment information using a unique identifier such as a Social Security Number or Federal Employer Identification Number
- Overflow capability

- Call-back capability
- Data playback capability

The system should also include the capability to maintain and query statistical data including, but not limited to:

- Answer, hold, and abandon times
- Call counts
- Talk times
- Agent performance
- Details regarding specific caller options

All information shall be available in real time.

To submit a responsive proposal, **THE BIDDER SHALL** detail its available telecommunications technology, the capability to interface with the Department of Social Services' telecommunication system, and the capability to adapt to future enhanced technologies.

38. Customer Service: Connecticut Child Support Web Site - The Connecticut Child Support State Disbursement Unit maintains a Web site, www.ctchildsupport.com, specifically dedicated to child support payment-processing information and child support resources for custodial parties, noncustodial parents, employers, and out-of-state child support agencies. The Web site provides access to required payment-processing forms for electronic payment disbursement, ACH/debit application capability for child support payers, and employer-related information including contact information and frequently asked questions. The resultant contractor shall:
- Develop and maintain a Connecticut Child Support payment-processing Web site that at a minimum provides all resources and capabilities of the current Web site
 - Provide information and services to custodial parties, noncustodial parents, employers, and out-of-state child support agencies

- Develop and replace existing ACH/debit protocol that offers a noncustodial parent the option of debiting their bank account for child support

To submit a responsive proposal, THE BIDDER SHALL submit a plan which illustrates their capability to develop, implement, and maintain a child support payment-processing Web site which includes, but is not limited to, the functionality defined above.

39. Disaster Recovery Plan (DRP) - The resultant contractor shall work with the Department of Social Services and other Connecticut State agencies to ensure that the resultant contractor's comprehensive DRP complies with all existing State disaster recovery protocols. The State Disaster Recovery Plan is available in the Procurement Reference Library. To submit a responsive proposal, THE BIDDER SHALL outline a comprehensive DRP that shall be implemented in the event of a catastrophic circumstance that may affect the resultant contractor's capability to perform the functions and tasks of the State Disbursement Unit.
40. Implementation Plan: Transition Plan - The resultant contractor shall seamlessly transition from the existing State Disbursement Unit operation with minimal interruption of payment processing functions based on a plan determined by the Department. To submit a responsive proposal, THE BIDDER SHALL detail a plan for ensuring a seamless and efficient transition including all staff involved in the process by title and responsibilities.
41. Implementation Plan: Piloting, Testing, and Incremental Development - The resultant contractor shall pilot, test, and develop all existing State Disbursement Unit functions and requirements previously mentioned herein. To submit a responsive proposal, THE BIDDER SHALL detail a plan that clearly identifies and outlines the tasks and timeframes of the piloting and testing program.
42. Training - The resultant contractor shall:
 - Provide training for new staff
 - Provide a regular training program for existing staff
 - Provide mandatory annual training for all staff regarding safeguarding of FTI

- Maintain all materials for all resultant contractor-based training
- Provide copies of all training materials to the Department of Social Services for review
- Maintain detailed standard operating procedures accessible to the Department of Social Services in both paper and electronic format

To submit a responsive proposal, THE BIDDER SHALL propose a program and schedule for staff training.

43. Additional Provisions - Office Space - The resultant contractor shall make office space available for Department of Social Services use at the resultant contractor's processing site. The office shall be used by the individual designated by the Department. To submit a responsive proposal, THE BIDDER SHALL describe the office space to be made available for Department of Social Services use including the proposed location within the resultant contractor's processing site.
44. Additional Provisions - Regular Meetings - The resultant contractor shall hold regular meetings with the Department of Social Services to review State Disbursement Unit issues and procedures. The Department of Social Services and the resultant contractor will mutually arrange a meeting schedule. To submit a responsive proposal, THE BIDDER SHALL provide a statement of concurrence with this meeting requirement.
45. Research, Analysis, and Adjustment of Income Withholding Payments - The resultant contractor shall:
- Obtain and review out-of-compliance income withholding payments associated with Temporary Family Assistance (TFA) cases to determine the extent of the compliance problem for payments where new or contradictory information has been received
 - Determine if an adjustment to the child support account is required and refer the request for adjustment to the Department of Social Services on the appropriate Department of Social Services-approved form
 - Contact employers to resolve any outstanding compliance problems and to promote compliance

To submit a responsive proposal, **THE BIDDER SHALL** detail a plan for reviewing and correcting out-of-compliance income withholding payments to meet the requirements outlined above including the methods and media that will be used to contact employers and promote compliance.

46. **Bidder's Comprehensive Risk Understanding - The resultant contractor shall** be sensitive to the needs and circumstances of child support customers, cooperating child support agencies, and the policy requirements of the Department of Social Services and the Federal government. The Department of Social Services looks forward to a relationship with a resultant contractor who will expect risks and propose solutions to problems that obstruct access to child support payment processing. **To submit a responsive proposal, THE BIDDER SHALL:**
- a) Show its understanding of the child support State Disbursement Unit functions by describing potential risks to the Department of Social Services and risks that the bidder could encounter by acting as the State Disbursement Unit resultant contractor
 - b) Propose solutions or approaches for managing those risks that show the bidder's familiarity and sensitivity with managing the State Disbursement Unit

D. BUSINESS COST SECTION

Bidders must carefully calculate and propose prices for the functions requested in this RFP. No cost information or other financial information may be included in any other portion of the proposal. Any proposal that fails to adhere to this requirement may be disqualified as non-responsive. Each proposal must include cost information and other financial information in the following order:

1. **Audited Financial Statements - To submit a responsive proposal, THE BIDDER SHALL** provide audited financial statements for each of the last two fiscal years. If audited financial statements for each of the last two fiscal years are not available, the bidder shall provide comparable statements that will document the financial stability of the bidder and include an explanation of the submission of documents other than audited financial statements. **Audited Financial Statements do not count toward the total page limit of the proposal.**

2. Business Cost Section -

- a) To submit a responsive proposal, **THE BIDDER SHALL** use the Budget Form in Appendix 11 to:
- (1) Postage Rate - Use Schedule A to propose postage rates for the following:
 - (a) Basic postage
 - (b) Three-digit postage
 - (c) Five-digit postage
 - (d) Foreign postage
 - (e) Other - specify all other postage rates
 - (2) Start-up Costs - Use Schedule B to propose start-up costs by function and product for each year of the five-year period.
 - (3) All-inclusive Five-year Budget - Use Schedule C to propose volumes and rates by function and product for each year of the five-year period.
 - (4) Five-year Summary - Use Schedule D to summarize costs for each year of the five-year period.

Bidders must complete the Budget Form (Excel spreadsheet with separate worksheets for Schedules A-D) designed by the Department. The spreadsheet is available by emailing Chandra Yvette Williams at Chandra.Williams@ct.gov. Formulas for subtotals and totals have been provided in the Excel worksheets. Do not delete formulas. Formulas will input figures for Schedule D based on figures input into Schedules A-C. You do not have to manually complete Schedule D.

3. Budget Narrative (maximum ten pages) - To submit a responsive proposal, **THE BIDDER SHALL** explain in writing the expected program costs including a rationale for each line item included in the budget.

4. Business Statement (maximum five pages) - To submit a responsive proposal, **THE BIDDER SHALL** provide a narrative that includes the following:
- a) An explanation of any expected costs to the Department of Social Services that would result from selecting the bidder's proposal and changing from the existing contractor
 - b) An explanation of any external benefits to the Department of Social Services and its clients by implementing the bidder's proposal
 - c) An explanation of any opportunities for service enhancement and/or cost benefits that the resultant contractor or the Department of Social Services may realize through the resultant contract

Payment Structure - Resultant contractors shall be paid in accordance with expenditures incurred in accordance with the approved budget. While specific payment terms will be made final during contract negotiations, it is expected that payments will be made monthly, contingent on the resultant contractor's timely compliance with the resultant contract periods including, but not limited to, the resultant contractor's submission and Department of Social Services' acceptance of all required reports and payment requests.

SECTION V - PROPOSAL EVALUATION

A. OVERVIEW OF THE EVALUATION OF PROPOSALS

The Department of Social Services will conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. An Evaluation Team has been established to assist the Department of Social Services in selection of the resultant contractor. The Department of Social Services reserves the right to alter the composition of the Evaluation Team. The Evaluation Team will be responsible for submitting a recommendation to the Commissioner of Social Services. The Commissioner of Social Services will notify the selected bidders that the selected bidders have been awarded the right to negotiate a contract with the Department of Social Services for the State Disbursement Unit.

The evaluation will be conducted in five phases:

- Phase One - Evaluation of General Proposal Requirements and Structure

- Phase Two - Evaluation of the Organizational Capability and Structure
- Phase Three - Evaluation of the Scope of Services
- Phase Four - Evaluation of the Business Cost Section
- Phase Five - Ranking of the Proposals

B. PHASE ONE - EVALUATION OF GENERAL PROPOSAL REQUIREMENTS AND STRUCTURE

The purpose of this phase is to determine whether each proposal is adequately responsive to the General Proposal Requirements to permit a complete evaluation of the proposal. Proposals must comply with the instructions to bidders contained throughout. Failure to comply with the instructions may deem the proposal non-responsive and subject to rejection without further consideration. The Department of Social Services reserves the right to waive minor irregularities. The General Proposal Requirements are identified above.

C. PHASE TWO - EVALUATION OF THE ORGANIZATIONAL CAPABILITY AND STRUCTURE

Only those proposals passing the General Proposal Requirements review will be considered in Phase Two. The Department of Social Services reserves the right to reject any and all proposals.

The quality of the work plan and the program management will be evaluated including the organization, completeness, and logic of the proposed plan. The evaluation will consider how comprehensive and knowledgeable the bidder is in responding to the functional and technical requirements outlined in this RFP.

The Department of Social Services will evaluate the experience of proposed key personnel, agency and individual resources, and qualifications and affirmative action achievement (as shown on the Workforce Analysis Form) of the bidder and any proposed subcontractors. The Department of Social Services will determine to what extent the organization and its key personnel have the capability to work effectively with the Department of Social Services to successfully develop and implement a State Disbursement Unit. The Department of Social Services will also assess the capability of the bidder to take on the additional workload that would be generated by the resultant contract and the bidder's financial capability to undertake the contract.

References will be checked. The Organizational Capability and Structure section of the proposal will be worth 20 percent of the available points for the entire proposal.

D. PHASE THREE - EVALUATION OF THE SCOPE OF SERVICES

The proposed Scope of Services will be evaluated for its responsiveness to the requirements of this RFP including its organization, appropriateness, completeness, and logic. The evaluation will consider how creative and innovative the bidder is in responding to the functional and technical requirements outlined in this RFP. The Scope of Services section of the proposal will be worth 40 percent of the available points for the entire proposal.

E. PHASE FOUR - EVALUATION OF THE BUSINESS COST SECTION

The Business Cost Section will be evaluated only for bidders who achieve a minimum of 75 percent of the total available points in Phase Two and Phase Three. The Business Cost Section will be worth 40 percent of the available points for the entire proposal submission. It will be scored for:

1. Cost comparison (determined by comparing bid price information)
2. Cost reasonableness (determined by examining the Business Narrative and the relationship between the costs, personnel, and the Work Plan outlined in the proposal)

F. PHASE FIVE - RANKING OF THE PROPOSALS

Upon completion of Phase One and Phase Two, it is possible that Evaluation Team members will interview the finalists. After the Evaluation Team has scored the proposals, the points awarded will be totaled to determine the ranking. Recommendations, along with pertinent supporting materials, will then be conveyed to the Commissioner of Social Services. The Commissioner of Social Services, at his discretion, reserves the right to approve or reject the recommendations of the Evaluation Team.

SECTION VI - APPENDICES

APPENDIX 1 - MANDATORY TERMS AND CONDITIONS

Section 1 - General RFP Provisions:

1.1 Preparation Expense

The State of Connecticut assumes no liability for payment of expenses incurred by respondents in preparing and providing submissions in response to this procurement.

1.2 Insurance

By provision of a submission the bidder agrees that it will carry insurance, (liability, fidelity bonding, workers' compensation or surety bonding and/or other), as specified in a resultant contract, during the term of the contract according to the nature of the work to be performed to "save harmless" the State of Connecticut from any claims, suits, or demands that may be asserted against it by reason of any act or omission of the contractor, subcontractor or employees in providing services hereunder, including, but not limited to, any claims or demands of malpractice. Certificates of such insurance shall be filed with the Contract Administrator prior to the performance of services.

1.3 Suspension or Debarment

By provision of a submission, the bidder certifies the bidder or any person (including subcontractors) involved in the administration of Federal or State funds:

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental department or agency (local, state or Federal)
- b. Has not within a three-year period preceding the application submission been convicted or had a civil judgment rendered against him/her for commission of fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a public (local, state or Federal) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property
- c. Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity with the commission of any of the above offenses

- d. Has not within a three-year period preceding the application submission had one or more public transactions terminated for cause or fault.

Any change in the above status shall be immediately reported to the Department.

1.4. Procurement and Contractual Agreements

The terms and conditions contained in this section constitute a basis for any resultant contract to this RFP and are mandatory for any resultant contracts. The Department is solely responsible for rendering decisions in matters of interpretation on all terms and conditions. As used in these mandatory terms and conditions, the term, "contract," refers to any resultant contract to this RFP, although the term, "contract," as used in these terms and conditions does not suggest, warrant, nor guarantee that the Department will enter into a contract as a result of this RFP. Also, as used in these mandatory terms and conditions, the term, "contractor," refers to any resultant contractor to this RFP, although the term, "contractor," does not suggest, warrant nor guarantee that the Department will enter into a contract as a result of this RFP.

Section 2 - General Contract Provisions:

The Contractor agrees to comply with the following mandatory terms and conditions.

A. Contract Term

1. The contract term shall be subject to contract negotiations between the Department and the resultant contractor.
2. Notices

Wherever under this contract one party is required to give notice to the other, such notice shall be deemed given upon delivery, if delivered by hand (in which case a signed receipt will be obtained), or three days after posting if sent by registered or certified mail, return receipt requested. Notices shall be addressed as follows:

In case of notice to the contractor:

To be determined

In case of notice to the Department:

To be Determined
Department of Social Services
25 Sigourney Street
Hartford, CT 06106

Said notices shall become effective on the date of receipt or the date specified in the notice, whichever comes later. Either party may change its address for notification purposes by mailing a notice stating the change and setting forth the new address, which shall be effective on the tenth day following receipt.

B. Contractor Obligations

1. Credits and Rights in Data

- (a) Unless expressly waived in writing by the Department, all documents, reports, and other publications for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the state and the Department and, where applicable, the Federal government. All such publications shall be released in conformance with applicable Federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify the Department, unless the Department or its agents co-authored said publication and said release is done with the prior written approval of the Commissioner of the Department. Any publication shall contain the following statement: "This publication does not express the views of the Department or the State of Connecticut. The views and opinions expressed are those of the authors." The Contractor or any of its agents shall not copyright data and information obtained under the terms and conditions of this contract, unless expressly authorized in writing by the Department. The Department shall have the right to publish, duplicate, use, and disclose all such data in any manner, and may authorize others to do so. The Department may copyright any data without prior notice to the Contractor. The Contractor does not assume any responsibility for the use, publication, or disclosure solely by the Department of such data.
- (b) "Data" shall mean all results, technical information and materials developed and/or obtained in the performance of the services

hereunder, including, but not limited to, all reports, surveys, plans, charts, recordings (video and/or sound), pictures, curricula, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the services performed hereunder.

2. Organizational Information, Conflict of Interest, IRS Form 990

Annually during the term of the contract, the Contractor shall submit to the Department the following:

- (a) A copy of its most recent IRS Form 990 submitted to the Federal Internal Revenue Service
- (b) Its most recent Annual Report as filed with the Office of the Secretary of the State or such other information that the Department deems appropriate with respect to the organization and affiliation of the Contractor and related entities.

3. Federal Funds

The Contractor shall comply with requirements relating to the receipt or use of Federal funds. The Department shall specify all such requirements in Part I of this contract.

4. Audit Requirements

The Contractor shall provide for an annual financial audit acceptable to the Department for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The State Auditors of Public Accounts shall have access to all records and accounts for the fiscal years in which the award was made. The Contractor will comply with Federal and state single audit standards as applicable.

5. Prohibited Interest

The Contractor warrants that no state appropriated funds have been paid or will be paid by or on behalf of the Contractor to contract with or retain any company or person, other than bona fide employees working solely for the Contractor, to influence or attempt to influence an officer or employee of any state agency in connection with the

awarding, extension, continuation, renewal, amendment, or modification of this agreement, or to pay or agree to pay any company or person, other than bona fide employees working solely for the Contractor, any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon or resulting from the award or making of this Agreement.

6. Offer of Gratuities

By its agreement to the terms of this contract, the Contractor certifies that no elected or appointed official or employee of the State of Connecticut has or will benefit financially or materially from this contract. The Department may terminate this contract if it is determined that gratuities of any kind were either offered or received by any of the aforementioned officials or employees from the Contractor or its agents or employees.

7. Related Party Transactions

The Contractor shall report all related party transactions, as defined in this clause, to the Department on an annual basis in the appropriate fiscal report as specified in Part I of this contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor, its employees, Board members or members of the Contractor's governing body, and a related party include, but are not limited to:

- (a) Real estate sales or leases
- (b) Leases for equipment, vehicles or household furnishings
- (c) Mortgages, loans and working capital loans
- (d) Contracts for management, consultant, and professional services as well as for materials, supplies and other services purchased by the Contractor

8. Lobbying

The Contractor agrees to abide by state and Federal lobbying laws, and further specifically agrees not to include in any claim for reimbursement any expenditures associated with activities to influence,

directly or indirectly, legislation pending before Congress, or the Connecticut General Assembly or any administrative or regulatory body unless otherwise required by this contract.

9. Suspension or Debarment

(a) Signature on Contract certifies the Contractor or any person (including subcontractors) involved in the administration of Federal or State funds:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental department or agency (Federal, State or local)
- (2) Within a three-year period preceding this Contract, has not been convicted or had a civil judgment rendered against him/her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or Contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property
- (3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the above offenses
- (4) Has not within a three-year period preceding this agreement had one or more public transactions terminated for cause or fault.

(b) Any change in the above status shall be immediately reported to the Department.

10. Liaison

Each party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Department in the performance and administration of this contract.

11. Subcontracts

None of the services to be provided by the contractor shall be subcontracted or delegated to any other organization, subdivision, association, individual, corporation, partnership or group of individuals or other such entity without the prior written consent of the Department. Any subcontract to which the State has consented in writing shall be in writing attached to the contract and made a part thereof and shall in no way alter the contract terms and conditions. Said subcontract shall contain the access to the books, document, and records, provided for in paragraph 2.11 infra. No subcontract or delegation shall relieve or discharge the contractor from any obligation, provision, or liability thereunder.

The contractor agrees to make a good faith effort to award a reasonable proportion of subcontracts to small, minority, and women's businesses in accordance with Conn. Gen. Stat. Section 4a-60.

12. Independent Capacity of Contractor

The Contractor, its officers, employees, subcontractors, or any other agent of the Contractor in the performance of this contract will act in an independent capacity and not as officers or employees of the State of Connecticut or of the Department.

13. Indemnification

(a) The Contractor shall indemnify, defend and hold harmless the State of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all:

(1) Claims arising directly or indirectly, in connection with the contract, including the acts of commission or omission (collectively the "Acts") of the Contractor or Contractor Parties

(2) Liabilities, damages, losses, costs and expenses, including, but not limited to, attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the contract (The Contractor shall use counsel reasonably acceptable to the State in carrying out its obligations under this contract. The contractor's obligations under this section to indemnify, defend and hold harmless against claims

includes claims concerning confidentiality of any part of or all the bid or any records, and intellectual property rights, other propriety rights of any person or entity, copyrighted or un-copyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the contract.)

- (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such claims.
 - (c) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the Claims.
 - (d) The Contractor shall carry and maintain at all times during the term of the contract, and during the time that any provisions survive the term of the contract, sufficient general liability insurance to satisfy its obligations under this contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
 - (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a Claim against a third party.
 - (f) This section shall survive the termination, cancellation, or expiration of the Contract, and shall not be limited by reason of any insurance coverage.
14. Choice of Law and Choice of Forum, Settlement of Disputes, Office of the Claims Commission
- (a) The Contractor agrees to be bound by the laws of the State of Connecticut and the Federal government where applicable, and agrees that this contract shall be construed and interpreted in

accordance with Connecticut law and Federal law where applicable.

- (b) Any dispute concerning the interpretation or application of this contract shall be decided by the Commissioner of the Department or his/her designee whose decision shall be final subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the commissioner pursuant to this provision, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Department shall proceed diligently with the performance of the contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings except as authorized by that Chapter in any State or Federal Court in addition to or in lieu of said Chapter 53 proceedings.

15. Compliance with Law and Policy

Contractor shall comply with all pertinent provisions of local, state, and Federal laws and regulations as well as Departmental policies and procedures applicable to Contractor's programs as specified in this contract. The Department shall notify the Contractor of any applicable new or revised laws, regulations, policies, or procedures, which the Department has responsibility to promulgate or enforce.

16. Facility Standards and Licensing Compliance

The Contractor will comply with all applicable local, state and Federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and Federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance, or criteria.

17. Reports

The Contractor shall provide the Department with such statistical, financial, and programmatic information necessary to monitor and evaluate compliance with the contract. All requests for such information shall comply with all applicable state and Federal

confidentiality laws. The Contractor agrees to provide the Department with such reports as the Department requests.

18. Delinquent Reports

The Contractor will submit required reports by the designated due dates as identified in this agreement. After notice to the Contractor and an opportunity for a meeting with a Department representative, the Department reserves the right to withhold payments for services performed under this Contract if the Department has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this agreement or previous agreements for similar or equivalent services the Contractor has entered into with the Department.

19. Record Keeping and Access

The Contractor shall maintain books, records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this contract. These records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the state or, where applicable, Federal agencies. The Contractor shall retain all such records concerning this contract for a period of three years after the completion and submission to the state of the Contractor's annual financial audit.

20. Workforce Analysis

The Contractor shall provide a workforce analysis affirmative action report related to employment practices and procedures.

21. Litigation

(a) The Contractor shall provide written notice to the Department of any litigation that relates to the services directly or indirectly financed under this contract or that has the potential to impair the ability of the Contractor to fulfill the terms and conditions of this contract, including, but not limited to, financial, legal or any other situation which may prevent the Contractor from meeting its obligations under the contract.

(b) The Contractor shall provide written notice to the Department of any final decision by any tribunal or state or Federal agency or

court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other provisions of Federal or state law concerning equal employment opportunities or nondiscriminatory practices.

C. Alterations, Cancellation, and Termination

1. Contract Revisions and Amendments

- (a) The Contractor shall submit to the Department in writing any proposed revision to the contract and the Department shall notify the Contractor of receipt of the proposed revision.
- (b) Contract amendments must be in writing and shall not be effective until executed by both parties to the contract, and, where applicable, approved by the Attorney General.
- (c) No amendments may be made to a lapsed contract.

2. Contract Reduction

- (a) The Department reserves the right to reduce the Contracted amount of compensation at any time in the event that:
 - (1) The Governor or the Connecticut General Assembly rescinds, reallocates, or in any way reduces the total amount budgeted for the operation of the Department during the fiscal year for which such funds are withheld
 - (2) Federal funding reductions result in reallocation of funds within the Department.
- (b) The Contractor and the Department agree to negotiate on the implementation of the reduction within thirty days of receipt of formal notification of intent to reduce the contracted amount of compensation from the Department. If agreement on the implementation of the reduction is not reached within 30 calendar days of such formal notification and a contract amendment has not been executed, the Department may terminate the contract sixty days from receipt of such formal

notification. The Department will formally notify the Contractor of the termination date.

3. Default by the Contractor

- (a) If the Contractor defaults as to, or otherwise fails to comply with, any of the conditions of this contract the Department may:
 - (1) Withhold payments until the default is resolved to the satisfaction of the Department
 - (2) Temporarily or permanently discontinue services under the contract
 - (3) Require that unexpended funds be returned to the Department
 - (4) Assign appropriate state personnel to execute the contract until such time as the contractual defaults have been corrected to the satisfaction of the Department
 - (5) Require that contract funding be used to enter into a subcontract arrangement with a person or persons designated by the Department in order to bring the program into contractual compliance
 - (6) Terminate this contract
 - (7) Take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the state or the programs provided under this contract or both
 - (8) Any combination of the above actions
- (b) In addition to the rights and remedies granted to the Department by this contract, the Department shall have all other rights and remedies granted to it by law in the event of breach of or default by the Contractor under the terms of this contract.
- (c) Prior to invoking any of the remedies for default specified in this paragraph except when the Department deems the health or welfare of service recipients is endangered as specified in of this contract or has not met requirements as specified in this contract, the Department shall notify the Contractor in writing of

the specific facts and circumstances constituting default or failure to comply with the conditions of this contract and proposed remedies. Within five business days of receipt of this notice, the Contractor shall correct any contractual defaults specified in the notice and submit written documentation of correction to the satisfaction of the Department or request in writing a meeting with the commissioner of the Department or his/her designee. Any such meeting shall be held within five business days of the written request. At the meeting, the Contractor shall be given an opportunity to respond to the Department's notice of default and to present a plan of correction with applicable timeframes. Within five business days of such meeting, the commissioner of the Department shall notify the Contractor in writing of his/her response to the information provided including acceptance of the plan of correction and, if the commissioner finds continued contractual default for which a satisfactory plan of corrective action has not been presented, the specific remedy for default the Department intends to invoke. This action of the Commissioner shall be considered final.

- (d) If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the agreed upon plan of correction, the Department may proceed with default remedies.

4. Non-enforcement Not to Constitute Waiver

The failure of either party to insist upon strict performance of any terms or conditions of this agreement shall not be deemed a waiver of the term or condition or any remedy that each party has with respect to that term or condition nor shall it preclude a subsequent default by reason of the failure to perform.

5. Cancellation and Recoupment

- (a) This agreement shall remain in full force and effect for the entire term of the contract period, above, unless either party provides written notice ninety days or more from the date of termination, except that no cancellation by the Contractor may be effective for failure to provide services for the agreed price or rate and cancellation by the Department shall not be effective against services already rendered, so long as the services were rendered in compliance with the contract during the term of the contract.

- (b) In the event the health or welfare of the service recipients is endangered, the Department may cancel the contract and take any immediate action without notice it deems appropriate to protect the health and welfare of service recipients. The Department shall notify the Contractor of the specific reasons for taking such action in writing within five business days of cancellation. Within five business days of receipt of this notice, the Contractor may request in writing a meeting with the commissioner of the Department or his/her designee. Any such meeting shall be held within five business days of the written request. At the meeting, the Contractor shall be given an opportunity to present information on why the Department's actions should be reversed or modified. Within five business days of such meeting, the Commissioner of the Department shall notify the Contractor in writing of his/her decision upholding, reversing, or modifying the action of the Department. This action of the Commissioner shall be considered final.
- (c) The Department reserves the right to cancel the contract without prior notice when the funding for the contract is no longer available.
- (d) The Department reserves the right to recoup any deposits, prior payment, advance payment, or down payment made if the contract is terminated by either party. Allowable costs incurred to date of termination for operation or transition of programs under this contract shall not be subject to recoupment. The Contractor agrees to return to the Department any funds not expended in accordance with the terms and conditions of the contract and, if the Contractor fails to do so upon demand, the Department may recoup said funds from any future payments owing under this contract or any other contract between the State and the Contractor.

6. Equipment

In the event this Contract is terminated or not renewed, the Department reserves the right to recoup any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract. For purposes of this provision, equipment means tangible personal property with a normal useful life of at least one year and a value of at least \$5,000. Equipment shall be considered purchased from Contractor funds and not from Department funds if the equipment is

purchased for a program that has other sources of income equal to or greater than the equipment purchase price.

7. Transition after Termination or Expiration of Contract

In the event that this contract is terminated for any reason except where the health and welfare of service recipients is endangered or if the Department does not offer the Contractor a new contract for the same or similar service at the contract's expiration, the Contractor will assist in the orderly transfer of clients served under this contract as required by the Department and will assist in the orderly cessation of operations under this contract. Prior to incurring expenses related to the orderly transfer or continuation of services to service recipients beyond the terms of the contract, the Department and the Contractor agree to negotiate a termination amendment to the existing agreement to address current program components and expenses, anticipated expenses necessary for the orderly transfer of service recipients and changes to the current program to address service recipient needs. The Contractual agreement may be amended as necessary to assure transition requirements are met during the term of this contract. If the transition cannot be concluded during this term, the Department and the Contractor may negotiate an amendment to extend the term of the current contract until the transition may be concluded.

8. Program Cancellation

Where applicable, the cancellation or termination of any individual program or services under this Contract will not, in and of itself, in any way affect the status of any other program or service in effect under this Contract.

9. Mergers and Acquisitions

- a) Contracts in whole or in part are not transferable or assignable without the prior written agreement of the Department
- (b) At least ninety days prior to the effective date of any fundamental changes in corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility, the Contractor shall provide the Department with written notice of such changes.
- (c) The Contractor shall comply with requests for documentation deemed necessary by the Department to determine whether the Department will provide prior written agreement. The

Department shall notify the Contractor of such determination not later than forty-five business days from the date the Department receives such requested documentation.

D. Statutory and Regulatory Compliance

1. Health Insurance Portability Act of 1996 ("HIPAA")

- (a) If the Contractor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance "with all applicable Federal and state law regarding confidentiality, which includes but is not limited to ("HIPAA"), more specifically with the Privacy and Security Rules at 45 CFR Part 160 and Part 164, subparts A, C, and E; *and*
- (c) The State of Connecticut Department named on page 1 of this Contract (hereinafter "Department") is a "covered entity" as that term is defined in 45 CFR §160.103; *and*
- (d) The Contractor, on behalf of the Department, performs functions that involve the use or disclosure of "individually identifiable health information," as that term is defined in 45 CFR §160.103; *and*
- (e) The Contractor is a "business associate" of the Department, as that term is defined in 45 CFR §160.103; *and*
- (f) The Contractor and the Department agree to the following in order to secure compliance with the HIPAA, more specifically with the Privacy and Security Rules at 45 CFR Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
 - (1) "Business Associate" shall mean the Contractor.

- (2) "Covered Entity" shall mean the Department of the State of Connecticut named on page 1 of this Contract.
 - (3) "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR §164.501.
 - (4) "Individual" shall have the same meaning as the term "individual" in 45 CFR §160.103 and shall include a person who qualifies as a personal representative as defined in 45 CFR §164.502(g).
 - (5) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Parts 164, subparts A and E.
 - (6) "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 CFR §160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
 - (7) "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR §164.103.
 - (8) "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
 - (9) "More stringent" shall have the same meaning as the term "more stringent" in 45 CFR §160.202.
 - (10) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
 - (11) "Security Incident" shall have the same meaning as the term "security incident" in 45 CFR §164.304.
 - (12) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and parts 164, subpart A and C.
- (h) Obligations and Activities of Business Associates
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.

- (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
- (3) Business Associate agrees to use administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
- (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
- (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
- (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
- (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR §164.524.
- (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR §164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.

- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
 - (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528.
 - (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with paragraph I of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528.
 - (12) Business Associate agrees to comply with any state law that is more stringent than the Privacy Rule.
- (i) Permitted Uses and Disclosure by Business Associate
- (1) General Use and Disclosure Provisions - Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
 - (2) Specific Use and Disclosure Provisions
 - (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.

- (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR §164.504(e)(2)(i)(B).

(j) Obligations of Covered Entity

- (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 CFR §164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR §164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(k) Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.

(l) Term and Termination

(1) Term - The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when all the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

(2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

(A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity

(B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible.

(C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

3) Effect of Termination

(A) Except as provided in (l)(2) above, upon termination of his Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

(B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall

extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or Federal law that the Business Associate maintains or preserves the PHI or copies thereof.

(m) Miscellaneous Provisions

- (1) Regulatory References - A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
- (2) Amendment - The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- (3) Survival -The respective rights and obligations of Business Associate shall survive the termination of this Contract.
- (4) Effect on Contract - Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
- (5) Construction - This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
- (6) Disclaimer - Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, Contractors or agents, or any third party to whom Business Associate has disclosed PHI pursuant to this Contract. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the

safeguarding, use and disclosure of PHI within its possession, custody, or control.

- (7) Indemnification - The Business Associate shall indemnify and hold the Covered Entity harmless from and against all claims, liabilities, judgments, fines, assessments, penalties, awards, or other expenses, of any kind or nature whatsoever, including, without limitation, attorney's fees, expert witness fees, and costs of investigation, litigation or dispute resolution, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this Section of the Contract.
2. Americans with Disabilities Act of 1990 - This clause applies to those Contractors which are or will come to be responsible for compliance with the terms of the Americans with Disabilities Act of 1990 (42 USC §§12101-12189 and §§12201-12213) (Supp. 1993), 47 USCS §§225, 611 (Supp. 1993). During the term of the Contract, the Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it will hold the state harmless from any liability, which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor agrees to abide by provisions of §504 of the Federal Rehabilitation Act of 1973, as amended, 29 USC §794 (Supp. 1993), regarding access to programs and facilities by individuals with disabilities.
3. Utilization of Minority Business Enterprises - It is the policy of the state that minority business enterprises should have the maximum opportunity to participate in the performance of government Contracts. The Contractor agrees to use best efforts consistent with 45 CFR §§74.160 et seq. (1992) and paragraph 9 of Appendix G thereto for the administration of programs or activities using HHS funds, and §§13a-95a, 4a-60 to 4a-62, 4b-95(b), and 4a-60q of the Connecticut General Statutes to carry out this policy in the award of any subcontracts.
4. Priority Hiring - Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall use its best efforts to ensure that it gives priority to hiring welfare recipients who are subject to time-limited welfare and must find employment. The Contractor and the Department will work cooperatively to determine the number and types of positions to which this paragraph shall apply. The Department of Social Services regional office staff or staff of Department of Social Service Contractors will undertake to counsel

and screen an adequate number of appropriate candidates for positions targeted by the Contractor as suitable for individuals in the time limited welfare program. The success of the Contractor's efforts will be considered when awarding and evaluating Contracts.

5. Non-discrimination Regarding Sexual Orientation - Unless otherwise provided by Conn. Gen. Stat. §46a-81p, the Contractor agrees to the following provisions required pursuant to §4a-60a of the Connecticut General Statutes:

(a)

- (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation.
- (2) The Contractor agrees to provide each labor union or representatives of workers with which such Contractor has a collective bargaining agreement or other Contract or understanding and each vendor with which such Contractor has a Contract or understanding a notice to be provided by the commission on human rights and opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment.
- (3) The Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to §46a-56 of the Connecticut General Statutes.
- (4) The Contractor agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts concerning the employment practices and procedures of the Contractor which relate to provisions of this section and §46a-56 of the Connecticut General Statutes.

(b) The Contractor shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a Contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with §46a-56 of the Connecticut General Statutes provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

6. Nondiscrimination and Affirmative Action Provisions in Contracts of the State and Political Subdivisions Other Than Municipalities - The Contractor agrees to comply with provisions of §4a-60 of the Connecticut General Statutes:

(a) Every Contract to which the state or any political subdivision of the state other than a municipality is a party shall contain the following provisions:

(1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown

by such Contractor that such disability prevents performance of the work involved.

- (2) The Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that is an “affirmative action-equal opportunity employer” in accordance with regulations adopted by the commission.
 - (3) The Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other Contract or understanding and each vendor with which such Contractor has a Contract or understanding, a notice to be provided by the commission advising the labor union or workers’ representative of the Contractor’s commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment.
 - (4) The Contractor agrees to comply with each provision of this section and Conn. Gen. Stat. §§46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to Conn. Gen. Stat. §§46a-56, 46a-68e and 46a-68f.
 - (5) The Contractor agrees to provide the commission of human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and Conn. Gen. Stat. §46a-56. If the Contract is a public works Contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.
- (b) For the purposes of this section, “minority business enterprise” means any small Contractor or supplier of materials fifty-one per cent or more of capital stock, if any, or assets of which is owned by a person or persons:
- (1) Who are active in the daily affairs of the enterprise

- (2) Who have the power to direct the management and policies of the enterprise
 - (3) Who are members of a minority, as such term is defined in subsection (a) of Conn. Gen. Stat. §49-60g.
- (c) For the purposes of this section, “good faith” means that degree of diligence, which a reasonable person would exercise in the performance of legal duties and obligations. “Good faith efforts” shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements. Determinations of the Contractor’s good faith efforts shall include but shall not be limited to the following factors: The Contractor’s employment and subcontracting policies, patterns and practices, affirmative action advertising, recruitment and training, technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- (e) Contractor shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a Contract with the state and such provision shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. §46a-56, provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

7. Performance of Governmental Functions – Pursuant to Section 1-218 of the State of Connecticut General Statutes, each contract in excess

of two million five hundred thousand dollars between a public agency and a person for the performance of a governmental function requires the inclusion of language indicating that the records and files associated with the performance of the governmental function are subject to the Freedom of Information Act and may be disclosed by the public agency pursuant to the Freedom of Information Act.

Section 1-200(11) of the State of Connecticut General Statutes defines "Governmental Function" as the administration or management of a program of a public agency, which program has been authorized by law to be administered or managed by a person, where (A) the person receives funding from the public agency for administering or managing the program, (B) the public agency is involved in or regulates to a significant extent such person's administration or management of the program, whether or not such involvement or regulation is direct, pervasive, continuous or day-to-day, and (C) the person participates in the formulation of governmental policies or decisions in connection with the administration or management of the program and such policies or decisions bind the agency. The Department and the Contractor agree that the Contractor does not make governmental policy decisions that are binding on the Department. Therefore the Contractor's performance under the terms of this Contract do not equate to the performance of a governmental function.

8. Whistleblowing - This Agreement is subject to the provisions of §4-61dd of the Connecticut General Statutes. In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee's disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under the provisions of subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars for each offense, up to a maximum of twenty per cent of the value of this Agreement. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the provisions of the statute relating to large state Contractors in a conspicuous place, which is readily available for viewing by the employees of the Contractor.

9. Campaign Contribution Restrictions - On February 8, 2007, Governor Rell signed into law Public Act 07-1, An Act Concerning the State Contractor Contribution Ban and Gifts to State and Quasi-Public Agencies.

For all State contracts as defined in P.A. 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11.

10. Non-smoking - If the Contractor is an employer subject to the provisions of §31-40q of the Connecticut General Statutes, the Contractor agrees to provide upon request the Department with a copy of its written rules concerning smoking. Evidence of compliance with the provisions of §31-40q of the Connecticut General Statutes must be received prior to Contract approval by the Department.

11. Executive Orders

- (a) Executive Order No. 3: Nondiscrimination - This Contract is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971, and, as such, this Contract may be canceled, terminated, or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. 3 or any state or Federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to this Contract. The parties to this Contract, as part of the consideration hereof, agree that said Executive Order No. 3 is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to Contract performance in regard to nondiscrimination, until the Contract is completed or terminated prior to completion. The Contractor agrees, as part consideration hereof, that this Contract is subject to the Guidelines and Rules issued by the State Labor Commissioner to implement Executive Order No. 3 and that the Contractor will not discriminate in employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the State Labor Commissioner.

(b) Executive Order No. 16: Violence in the Workplace Prevention Policy. This Contract is subject to provisions of Executive Order No. 16 of Governor John J. Rowland promulgated August 4, 1999, and, as such, this Contract may be cancelled, terminated or suspended by the contracting agency or the State for violation of or noncompliance with said Executive Order No. 16. The parties to this Contract, as part of the consideration hereof, agree that:

- (1) Contractor shall prohibit employees from bringing into the state work site, except as may be required as a condition of employment, any weapon/dangerous instrument defined in Section 2 to follow
- (2) Weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocket knife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon. Dangerous instrument means any instrument, article or substance that, under the circumstances, is capable of causing death or serious physical injury
- (3) Contractor shall prohibit employees from attempting to use, or threaten to use, any such weapon or dangerous instrument in the state work site and employees shall be prohibited from causing, or threatening to cause, physical injury or death to any individual in the state work site
- (4) Contractor shall adopt the above prohibitions as work rules, violation of which shall subject the employee to disciplinary action up to and including discharge. The Contractor shall require that all employees are aware of such work rules
- (5) Contractor agrees that any subcontract it enters into in the furtherance of the work to be performed hereunder shall contain the provisions 1 through 4, above.

(c) Executive Order No. 17: Connecticut State Employment Service Listings. This Contract is subject to provisions of Executive Order No. 17 of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this Contract may be

canceled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order Number 17, notwithstanding that the Labor Commissioner may not be a party to this Contract. The parties to this Contract, as part of the consideration hereof, agree that Executive Order No. 17 is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to Contract performance in regard to listing all employment openings with the Connecticut State Employment Service.

- (d) Executive Order No. 7C: Contracting Standards Board - This Contract is subject to provisions of Executive Order No. 7C of Governor M. Jodi Rell, promulgated on July 13, 2006. The Parties to this Contract, as part of the consideration hereof, agree that:
- (1) The State Contracting Standards Board (“Board”) may review this Contract and recommend to the state contracting agency termination of this Contract for cause. The State contracting agency shall consider the recommendations and act as required or permitted in accordance with the Contract and applicable law. The Board shall provide the results of its review, together with its recommendations, to the state contracting agency and any other affected party in accordance with the notice provisions in the Contract not later than fifteen days after the Board finalizes its recommendation. For the purposes of this Section, “for cause” means: (A) a violation of the State Ethics Code (Chap. 10 of the general statutes) or section 4a-100 of the general statutes or (B) wanton or reckless disregard of any state Contracting and procurement process by any person substantially involved in such Contract or state contracting agency.
 - (2) For purposes of this Section, “Contract” shall not include real property transactions involving less than a fee simple interest or financial assistance comprised of state or Federal funds, the form of which may include but is not limited to grants, loans, loan guarantees, and participation interests in loans, equity investments, and tax credit programs. Notwithstanding the foregoing, the Board shall not have any authority to recommend the

termination of a Contract for the sale or purchase of a fee simple interest in real property following transfer of title.

- (3) Notwithstanding the Contract value listed in sections 4-250 and 4-252 of the Conn. Gen. Stat. and section 8 of Executive Order Number 1, all State Contracts between state agencies and private entities with a value of \$50,000 (fifty thousand dollars) or more in a calendar or fiscal year shall comply with the gift and campaign contribution certification requirements of section 4-252 of the Conn. Gen. Stat. and section 8 of Executive Order Number 1. For purposes of this section, the term "certification" shall include the campaign contribution and annual gift affidavits required by section 8 of Executive Order Number 1.

- (e) Executive Order No. 14: Procurement of cleaning products and services. This Agreement is subject to the provisions of Executive Order No. 14 of Governor M. Jodi Rell promulgated April 17, 2006. Pursuant to this Executive Order, the contractor shall use cleaning and/or sanitizing products having properties that minimize potential impacts on human health and the environment, consistent with maintaining clean and sanitary facilities.

12. Change order process

The Department may, at any time, with written notice to the contractor, make changes within the general scope of the contract. Such changes may include activities required by new or amended Federal or State laws or regulations or quality related projects that are identified following the execution of the contract. The Department may reimburse the contractor for any activities required by new or amended State or Federal laws or regulations not mentioned in the Scope of Work or for any other changes outside the Scope of Work defined in the contract, which the Department deems necessary.

The written Change Order issued by the Department shall specify whether the change is to be made on a certain date or placed into effect only after approval of the contractor's fee or cost submission as described in the following paragraph. No changes in scope are to be conducted except by the express written approval of the Department's Contract Administrator.

As soon as possible after receipt of a written Change Order request, but in no event more than five business days thereafter, the contractor shall provide the Department with a written statement that the change has a cost neutral effect on the Department, or that there is a cost impact, in which case the statement shall include a description of the cost involved in implementing the change.

Significant Change Order work may require authorization from the State of Connecticut Office of Policy and Management in order to amend the contract to allocate additional funds to this project.

APPENDIX 2 - PROCUREMENT AND CONTRACTUAL AGREEMENTS
SIGNATORY ACCEPTANCE

Statement of Acceptance

The terms and conditions contained in this Request for Proposals constitute a basis for this procurement. These terms and conditions, as well as others so labeled elsewhere in this document are mandatory for the resultant contract. The Department is solely responsible for rendering decisions in matters of interpretation on all terms and conditions.

Acceptance Statement

On behalf of _____ I,
_____ agree to accept the Mandatory Terms and
Conditions as set forth in the Department of Social Services' State Disbursement
Unit Request for Proposals.

Signature

Title

Date

APPENDIX 3 - WORKFORCE ANALYSIS FORM

Contractor Name: _____
 Address: _____

Total number of CT employees: _____
 Full-time _____ Part-time _____

Complete the following Workforce Analysis for employees on Connecticut worksites who are:

Job Categories	Totals for all Columns - Male and Female	White (Not of Hispanic Origin)		Black (Not of Hispanic Origin)		Hispanic		Asian Or Pacific Islander		American Indian Or Alaskan Native		Individuals Disabilities	
		male	female	male	female	male	female	male	female	male	female	male	female
Officials and Managers													
Professionals													
Technicians													
Sales Workers													
Office and Clerical													
Craft Workers (Skilled)													
Operators (Semi Skilled)													
Laborers (Unskilled)													
Totals Above													
Totals One Year Ago													
Formal On-The-Job-Trainees (Enter figures for the same categories as shown above)													
Apprentices													
Trainees													
Employment Figures were obtained from _____ Visual Check _____ Employment Records _____ Other: _____													

Workforce Analysis Form (continued)

1. Have you successfully implemented an Affirmative Action Plan?
Yes _____ No _____ Date of Implementation _____
If the answer is No, explain.
- 1.a. Do you promise to develop and implement a successful Affirmative Action Plan?
Yes _____ No _____ Not Applicable _____
Explanation:
2. Have you successfully developed an apprenticeship program complying with §46a-68-1 to 46a-68-17 of the State of Connecticut Department of Labor Regulations, inclusive:
Yes _____ No _____ Not Applicable _____
Explanation:
3. According to EEO-1 data, is the composition of your workforce at or near parity when compared with the racial and sexual composition of the workforce in the relevant labor market area?
Yes _____ No _____ Not Applicable _____
Explanation:
4. If you plan to subcontract, will you set aside a portion of the contract for legitimate minority business enterprises?
Yes _____ No _____ Not Applicable _____
Explanation:

Contractor's Authorized Signature

Date [WFA 5/93]

APPENDIX 4 - NOTIFICATION TO BIDDERS FORM

The contract to be awarded in response to this RFP is subject to contract compliance requirements mandated by §4a-60 of the General Statutes of Connecticut, and when the awarding agency is the State, §46a-71(d) of the General Statutes of Connecticut. Contract Compliance Regulations codified at §4a-60 et. seq. of the Regulations of the Connecticut State agencies establish a procedure for the awarding of all contracts covered by §4a-60 and 46a-71(d) of the General Statutes of Connecticut.

According to §4-114a-3(9) of the Contract Compliance Regulations, every agency awarding a contract subject to the contract compliance regulations has an obligation to “aggressively solicit participation of legitimate minority business enterprises as bidders, contractors, subcontractors and suppliers of materials.” “Minority business enterprise” is defined in §4a-60 of the General Statutes of Connecticut as a business wherein 51 percent or more of the capital stock or assets belong to a person or persons: “(1) Who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of §32-9n.” “Minority” groups are defined in §32-9n of the General Statutes of Connecticut as “(1) Black Americans, (2) Hispanic Americans, (3) Women, (4) Asian Pacific Americans and Pacific Islanders, or (5) American Indians” The above definitions apply to the contract compliance requirements by virtue of §4-114a (10) of the Contract Compliance Regulations.

The awarding agency will consider the following factors when reviewing the bidder’s qualifications under the contract compliance requirements:

1. The bidder’s success in implementing an affirmative action plan
2. The bidder’s success in developing an apprenticeship program complying with §46a-68-1 to 46a-68-17 of the Regulations of Connecticut State agencies, inclusive
3. The bidder’s promise to develop and implement an affirmative action plan
4. The bidder’s submission of EEO-1 data indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market
5. The bidder’s promise to set aside a portion of the contract for legitimate minority businesses. See §4-114a3 (10) of the Contract Compliance Regulations

INSTRUCTION TO THE BIDDER: The Bidder must sign the acknowledgement below and return it to the Awarding Agency along with the bid proposal. Retain a signed copy in your files.

The undersigned acknowledges receiving and reading a copy of the “Notification to Bidders” form:

Signature

Date

On Behalf of: _____

Organization Name

Address

APPENDIX 5 - SMOKING POLICY

General Statutes of Connecticut

Section 31-40q. Smoking in the workplace: Definitions, employers to establish nonsmoking areas, exemptions.

- a) As used in this section:
- i. "Person" means one or more individuals, partnerships, associations, corporations, limited liability companies, business trusts, legal representatives, or any organized group of persons.
 - ii. "Employer" means a person engaged in business that has employees including the state and any political subdivision thereof.
 - iii. "Employee" means any person engaged in service to an employer in the business of his employer.
 - iv. "Business facility" means a structurally enclosed location or portion thereof at which twenty or more employees perform services for their employer.
 - v. "Smoking" means the burning of a lighted cigar, cigarette, pipe or any other matter or substance that contains tobacco.
- b) Each employer shall establish one or more work areas, sufficient to accommodate nonsmokers who request to utilize such an area, within each business facility under its control, where smoking is prohibited. The employer shall clearly designate the existence and boundaries of each nonsmoking area by posting signs that can be readily seen by employees and visitors. In the areas within the business facility where smoking is permitted, existing physical barriers and ventilation systems shall be used to the extent practicable to minimize the effect of smoking in adjacent nonsmoking areas. Nothing in this section may be construed to prohibit an employer from designating an entire business facility as a nonsmoking area.
- c) The State Labor Commissioner may exempt any employer from the provisions of this section if the Commissioner finds that (1) the employer made a good-faith effort to comply with the provisions of this section and (2) any further requirement to so comply would constitute an unreasonable financial burden on the employer.

(P.A. 83-268; P.A. 87-149, S.1, 3; P.A. 91-94; P.A. 95-79, S. 109, 189.)

History: P.A. 87-149 amended Subsection (b) To require employers to establish sufficient nonsmoking areas in business facilities and added Subsection (c) To enable the State Labor Commissioner to exempt certain employers from compliance with those requirements, effective April 1, 1988, P.A. 91-94 amended Subsection (a) By reducing the minimum number of employees from fifty to twenty in Subdiv. (4), P.A. 95-79 amended Subsection (a) To redefine "person" to include limited liability companies, effective May 31, 1995.

Cited. 24C. 666,672-674.

Subsection (b):

Cited. 224C. 666, 674.

APPENDIX 6 - CERTIFICATION REGARDING LOBBYING

Contractor: _____

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federally appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants and contracts under grants, loans and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature

Typed Name and Title

Firm/Organization

Date

APPENDIX 7 - GIFT AND CAMPAIGN CONTRIBUTION CERTIFICATION


**STATE OF CONNECTICUT
GIFT AND CAMPAIGN CONTRIBUTION CERTIFICATION**

Certification to accompany a State contract with a value of \$50,000 or more in a calendar or fiscal year, pursuant to C.G.S. §§4-250 and 4-252(c); Governor M. Jodi Rell's Executive Orders No. 1, Para. 8, and No. 7C, Para. 10; and C.G.S. §9-612(g)(2), as amended by Public Act 07-1

INSTRUCTIONS:

Complete all sections of the form. Attach additional pages, if necessary, to provide full disclosure about any lawful campaign contributions made to campaigns of candidates for statewide public office or the General Assembly, as described herein. Sign and date the form, under oath, in the presence of a Commissioner of the Superior Court or Notary Public. Submit the completed form to the awarding State agency at the time of initial contract execution (and on each anniversary date of a multi-year contract, if applicable).

CHECK ONE: Initial Certification Annual Update (Multi-year contracts only.)

GIFT CERTIFICATION:

As used in this certification, the following terms have the meaning set forth below:

- 1) "Contract" means that contract between the State of Connecticut (and/or one or more of its agencies or instrumentalities) and the Contractor, attached hereto, or as otherwise described by the awarding State agency below;
- 2) If this is an Initial Certification, "Execution Date" means the date the Contract is fully executed by, and becomes effective between, the parties; if this is an Annual Update, "Execution Date" means the date this certification is signed by the Contractor;
- 3) "Contractor" means the person, firm or corporation named as the contractor below;
- 4) "Applicable Public Official or State Employee" means any public official or state employee described in C.G.S. §4-252(c)(1)(i) or (ii);
- 5) "**Gift**" has the same meaning given that term in C.G.S. §4-250(1);
- 6) "Planning Start Date" is the date the State agency began planning the project, services, procurement, lease or licensing arrangement covered by this Contract, as indicated by the awarding State agency below; and
- 7) "Principals or Key Personnel" means and refers to those principals and key personnel of the Contractor, and its or their agents, as described in C.G.S. §§4-250(5) and 4-252(c)(1)(B) and (C).

I, the undersigned, am the official authorized to execute the Contract on behalf of the Contractor. I hereby certify that, between the Planning Start Date and Execution Date, neither the Contractor nor any Principals or Key Personnel has made, will make (or has promised, or offered, to, or otherwise indicated that he, she or it will, make) any **Gifts** to any Applicable Public Official or State Employee.

I further certify that no Principals or Key Personnel know of any action by the Contractor to circumvent (or which would result in the circumvention of) the above certification regarding **Gifts** by providing for any other principals, key personnel, officials, or employees of the Contractor, or its or their agents, to make a **Gift** to any Applicable Public Official or State Employee. I further certify that the Contractor made the bid or proposal for the Contract without fraud or collusion with any person.

CAMPAIGN CONTRIBUTION CERTIFICATION:

I further certify that, on or after December 31, 2006, neither the Contractor nor any of its principals, as defined in C.G.S. §9-612(g)(1), has made any **campaign contributions** to, or solicited any contributions on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support, any candidate for statewide public office, in violation of C.G.S. §9-612(g)(2)(A). I further certify that **all lawful campaign contributions** that have been made on or after December 31, 2006 by the Contractor or any of its principals, as defined in C.G.S. §9-612(g)(1), to, or solicited on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support any candidates for statewide public office or the General Assembly, are listed below:



**STATE OF CONNECTICUT
GIFT AND CAMPAIGN CONTRIBUTION CERTIFICATION**

Lawful Campaign Contributions to Candidates for Statewide Public Office:

<u>Contribution Date</u>	<u>Name of Contributor</u>	<u>Recipient</u>	<u>Value</u>	<u>Description</u>

Lawful Campaign Contributions to Candidates for the General Assembly:

<u>Contribution Date</u>	<u>Name of Contributor</u>	<u>Recipient</u>	<u>Value</u>	<u>Description</u>

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

Printed Contractor Name
Official

Signature of Authorized Official

Subscribed and acknowledged before me this _____ day of _____, 200__.

Commissioner of the Superior Court (or Notary Public)

For State Agency Use Only

_____ Awarding State Agency	_____ Planning Start Date
_____ Contract Number or Description	

APPENDIX 8 - CONSULTING AGREEMENT AFFIDAVIT



STATE OF CONNECTICUT
CONSULTING AGREEMENT AFFIDAVIT

Affidavit to accompany a State contract for the purchase of goods and services with a value of \$50,000 or more in a calendar or fiscal year, pursuant to General Statutes of Connecticut §§4a-81(a) and 4a-81(b)

INSTRUCTIONS:

If the bidder or vendor has entered into a consulting agreement, as defined by General Statutes of Connecticut §4a-81(b)(1): Complete all sections of the form. If the bidder or vendor has entered into more than one such consulting agreement, use a separate form for each agreement. Sign and date the form in the presence of a Commissioner of the Superior Court or Notary Public. If the bidder or vendor has not entered into a consulting agreement, as defined by General Statutes of Connecticut §4a-81(b)(1): Complete only the shaded section of the form. Sign and date the form in the presence of a Commissioner of the Superior Court or Notary Public.

Submit completed form to the awarding State agency with bid or proposal. For a sole source award, submit completed form to the awarding State agency at the time of contract execution.

This affidavit must be amended if the contractor enters into any new consulting agreement(s) during the term of the State contract.

AFFIDAVIT: [Number of Affidavits Sworn and Subscribed On This Day: ____]

I, the undersigned, hereby swear that I am the chief official of the bidder or vendor awarded a contract, as described in General Statutes of Connecticut §4a-81(a), or that I am the individual awarded such a contract who is authorized to execute such contract. I further swear that I have not entered into any consulting agreement in connection with such contract, except for the agreement listed below:

Consultant's Name and Title Name of Firm (if applicable)

Start Date End Date Cost

Description of Services Provided:

Is the consultant a former State employee or former public official? YES NO

If YES: Name of Former State Agency Termination Date of Employment

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

Printed Name of Bidder or Vendor Signature of Chief Official or Individual Date

Printed Name (of above) Awarding State Agency

Sworn and subscribed before me on this ____ day of ____, 200__.

Commissioner of the Superior Court or Notary Public

APPENDIX 9 - AFFIRMATION OF RECEIPT OF STATE ETHICS LAWS SUMMARY



**STATE OF CONNECTICUT
AFFIRMATION OF RECEIPT OF STATE ETHICS LAWS SUMMARY**

Affirmation to accompany a large State construction or procurement contract, having a cost of more than \$500,000, pursuant to General Statutes of Connecticut §§1-101mm and 1-101qq

INSTRUCTIONS:

Complete all sections of the form. Submit completed form to the awarding State agency or contractor, as directed below.

CHECK ONE:

- I am a person seeking a large State construction or procurement contract. I am submitting this affirmation to the awarding State agency with my bid or proposal. [Check this box if the contract will be awarded through a competitive process.]
- I am a contractor who has been awarded a large State construction or procurement contract. I am submitting this affirmation to the awarding State agency at the time of contract execution. [Check this box if the contract was a sole source award.]
- I am a subcontractor or consultant of a contractor who has been awarded a large State construction or procurement contract. I am submitting this affirmation to the contractor.

IMPORTANT NOTE:

Contractors shall submit the affirmations of their subcontractors and consultants to the awarding State agency. Failure to submit such affirmations in a timely manner shall be cause for termination of the large State construction or procurement contract.

AFFIRMATION:

I, the undersigned person, contractor, subcontractor, consultant, or the duly authorized representative thereof, affirm (1) receipt of the summary of State ethics laws* developed by the Office of State Ethics pursuant to General Statutes of Connecticut §1-81b and (2) that key employees of such person, contractor, subcontractor, or consultant have read and understand the summary and agree to comply with its provisions.

* The summary of State ethics laws is available on the State of Connecticut's Office of State Ethics website at http://www.ct.gov/ethics/lib/ethics/contractors_guide_final2.pdf.

Signature

Date

Printed Name

Title

Firm or Corporation (if applicable)

Street Address

City

State

Zip

Awarding State Agency

APPENDIX 10 - NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN

SEEC FORM 11

This notice is provided under the authority of General Statutes of Connecticut 9-612(g)(2), as amended by P.A. 07-1, and is for informing state contractors and prospective state contractors of the following law (*italicized words are defined below*):

Campaign Contribution and Solicitation Ban

No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a State agency in the Executive Branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

Duty to Inform

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

Penalties for Violations

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties

\$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor, which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences

of their violations, may also be subject to civil penalties of \$2,000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties

Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than five years, or \$5,000 in fines, or both.

Contract Consequences

Contributions made or solicited in violation of the above prohibitions may result, in the case of a state contractor, in the contract being voided.

Contributions made or solicited in violation of the above prohibitions, in the case of a prospective state contractor, shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State will not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information and the entire text of P.A. 07-1 may be found on the Web site of the State Elections Enforcement Commission, www.ct.gov/seec. Click on the link to "State Contractor Contribution Ban."

APPENDIX 11 - BUSINESS COST SECTION SCHEDULES