

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EMPLOYMENT SECURITY (NHES)

REQUEST FOR PROPOSAL
RFP# NHES2016-06 ISSUED 04-13-2016
BANKING SERVICES

ADDENDUM #1
RESPONSES TO QUESTIONS

- 1) **Referring to pg. 3, top. Please define "reasonable" or can you let us know what the maximum acceptable mileage to a branch for any given location would be?**

NHES Response: Our intent is to avoid NHES customers having to travel excessive distances to cash one of our checks without paying a fee. There is no set mileage limit, but ideally not more than 40-50 miles from each local full service office. A full listing of our Local Offices along with address information can be found at www.nhes.nh.gov/locations/index.htm.

- 2) **Referring to pg. 6, top. What is the average collected balance for the Revolving Account? I saw the balances for the other two (2) accounts but not for this one?**

NHES Response: The Revolving Fund Account is authorized for \$10,000 and typically has a balance of approximately \$10,000. The Revolving Fund Account is used infrequently to temporarily fund travel-related costs for employees and witness fees for hearing appearances by the non-NHES employees.

- 3) **General Question. Would it be acceptable for the three (3) accounts be combined onto one analysis group to maximize use of any/all ECR [Earning Credit Rate] Credits?**

NHES Response: No. NHES is required to report activity separately by account to the United States Department of Labor.

- 4) **Referring to pg. 6, 4th paragraph. It was noted that daily wires are executed to send Clearing Acct Funds to the State Unemployment Trust Fund Acct. Would it be possible to utilize EFT's to better manage the cost. In addition, Same-Day EFT starts in September of 2016. The use of EFT vs. wire could result in a substantial savings?**

NHES Response: State/Federal regulations require moneys in the Clearing Account to be immediately deposited with the Secretary of the Treasury of the United States of America to the credit of the account of the State in the Unemployment Trust Fund. The wire is usually not ready/processed until after 4pm. It is important to receive same-day confirmation of transaction. It is possible that EFTs could be utilized in the future to better manage cost. For purposes of completing the standardized pricing form, please utilize the estimated annual volumes given for wire transfers.

- 5) **Referring to pg. 6, 4th paragraph. The Bank does offer a fee based RDC [Remote Deposit Capture] service. Is the Expectation, the way it's written, that the bank not charge for that service or is it simply stating the bank must be able to offer that capability.**

NHES Response: The banking institution must offer Remote Deposit Capture capability. Please see standardized pricing form for further details.

- 6) **Referring to pg. 6, 4th paragraph. In addition to the above, the mention of "scanner's" implies more than one (1) location. How many scanners (locations) are needed?**

NHES Response: NHES has two scanners at one location in Concord, NH.

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- 7) **Referring to pg. 8, Item B. In the RFP, it mentions the Bank/Institution will wire funds and process EFT's. To confirm and clarify, the Bank will provide the platforms through which YOU will then be able to transmit and prepare wires and EFT's. The Bank does not send wires or EFT as the Bank.**

NHES Response: NHES will initiate all wires and transactions via the banking institution's platform (ie: online banking).

- 8) **Referring to pg. 9, I. For your Positive Pay service, do you want to utilize Payee-Pos Pay or just Standard Pos Pay?**

NHES Response: NHES currently utilizes Payee Positive Pay on both the Benefit Account and Clearing Account.

- 9) **Referring to pg. 9, M. Please clarify your expectation of forged checks being processed. We will assist you with the process but request a better clarification of your expectation here.**

NHES Response: NHES expects the banking institution to credit our account once supplied with appropriate evidence of forgery (ie: affidavit).

- 10) **Referring to pg. 10, Q. The bank does not have the ability to NOT process stale-dated checks so the Bank is not in the position to assume a loss if one were to clear. That could be effectively managed through Pos Pay.**

NHES Response: While NHES would prefer the banking institution to agree not accept any stale-dated checks, we recognize the issue is mitigated via the use of payee positive pay.

- 11) **Regarding the statistics provided on page 6 about the check payments; can the state identify how many unique claimants opted to receive payment via check in 2015? Is the stated 32%/68% ratio based on total number of payments, dollar value of payments or number of people? We would like to better understand how many/what % of claimants elect to receive payment via check vs. EFT?**

NHES Response: Approximately 8,600 distinct or unique customers received payment via check in 2015. The 32/68% ratio is based on counts provided in the same paragraph.

- 12) **How many total payments does the average recipient receive?**

NHES Response: The average number of payments per recipient, as of March 2016, is thirteen (13). The number of payments per recipient includes partial payments where weekly benefits are reduced because of earnings.

- 13) **What is the average payment amount per recipient? Is there a maximum payout amount allowed per recipient?**

NHES Response: The average payment amount per recipient is \$293.68 as of March 2016, and varies by claimant. This average does include the effect of partial payments. However each recipient is entitled to 26 times their weekly benefit amount. The Average Weekly Benefit Amount (excluding partial weeks), as of March 2016, is \$301.61.

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14) How many new unemployment claims were filed in 2015?

NHES Response: There were 40,772 initial claims filed in 2015. However, relative to benefit recipients, there were 17,447 first payments issued in 2015.

15) The State has indicated that you do not currently employ card for completing payments, but are considering it for implementation in the future. The State has offered a contract for a five year contract term. Can the State please provide more insight on the expected timing for launching an EAC [Electronic Access Card] program and your estimate for how many years of the initial contract term that the bidder could expect the EAC product to be in effect?

NHES Response: It is anticipated that an Electronic Access Card program will not be pursued by NHES for at least 3 years. An Electronic Access Card program may be priced separately, but the standardized pricing form must be completed in full with estimated annual volumes listed.

16) On the standardized pricing form provided on page twelve, the State has provided for only a single line-item for the EAC debit card product within your client pricing sheet. Typically, Unemployment EAC debit card programs are offered free to the State agency and are therefore competitively assessed based on the full Cardholder Schedule of Fees associated with the card program and the strength of the local bank branch and ATM network available to provide fee-free access to constituents. For instance, agencies will typically assess and compare the fee amounts that cardholders will pay for special transactions – such as out of network ATM fees, international transaction fees, expedited card replacements, etc. Can the State please advise how and where in your RFP document format you would like to have the cardholder fee schedule included?

NHES Response: If you wish to submit an Electronic Access Card program fee schedule, which will need to include all potential cardholder fees, please attach a separate pricing sheet labeled ‘Attachment A’ as a supplement to the standardized pricing form.

17) Bidders will only have 5-6 business days following receipt of responses to these questions to prepare their RFP responses. Will the State please consider providing an extension to the due date to allow bidders ample time to put forward their best proposals to the State?

NHES Response: No. NHES believes ample time is allowed. Responses are being issued early.

18) Referring to Page 3. What is the acceptable "reasonable" proximity for the TD Bank Locations in relation to the NHES Locations?

NHES Response: Please see response to Question #1.

19) Referring to Page 6. Could NH DES please provide a 12 month history of average monthly account balances for Benefit, Clearing and Revolving accounts?

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NHES Response:

Month-YR	Benefit	Clearing
April-15	310,262	296,195
May-15	258,271	943,378
June-15	177,735	34,390
July-15	188,956	253,734
August-15	180,680	485,698
September-15	171,320	62,705
October-15	125,465	122,073
November-15	135,586	451,080
December-15	141,077	83,766
January-16	132,665	119,232
February-16	142,963	299,226
March-16	97,721	26,473

Please also see response to Question #2 with respect to the Revolving Account.

- 20) Referring to Page 7. Can you please provide a timeline for the implementation of the EAC program. If EAC re-loadable cards are implemented, how many cards do you anticipate issuing and how long to you anticipate these cards to be active. Also can you provide any detail around \$ that will be used on the cards.**

NHES Response: Please see responses to Question #15, Question #27, Question #28 and #Question 29.

- 21) Referring to Page 9. Daily Check Return File. Can you please clarify if this information is currently being provided today and in what format?**

NHES Response: Yes, this information is provided today and in .RCN format via secure FTP site.

- 22) Referring to Page 10. Does NH DES currently void items that are stale-dated within current software?**

NHES Response: Yes. Please see answer to Question #10 for further information.

- 23) Referring to Page 10. Unauthorized ACH debit/credit transaction. How many ACH Debits are currently authorized on NHDES accounts.**

NHES Response: Approximately 355 ACH debits per year in the Benefit Account and 94 ACH Debits per year in the Clearing Account.

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24) Referring to Page 11. The carry-forward of excess ECR. How long of a time period for accumulation of excess ECR will be acceptable?

NHES Response: Any excess Earnings Credit Rate amount would be utilized in the subsequent month.

25) Referring to Page 13. Proposal 15 pages or less. Can the 15 pages be double sided and will cover section VII A-J and J will cover IV scope of services A-Z.

NHES Response: Yes, the 15 page limit may include double-sided pages.

26) What is your target timeframe for establishing an EAC program for UI benefits?

NHES Response: Please see answer to Question #15.

27) Please confirm that the 70,595 checks issued annually/ approx. 1,400 once a week will be converted to the future EAC program?

NHES Response: Undetermined at this time, but it would be our expectation that checks would be converted to Electronic Access Cards. Utilizing the statistic provided in response to Question # 11, it is estimated that approximately 8,600 Electronic Access Cards would be issued and the remaining 61,995 would be additional weeks of benefits loaded onto existing cards.

28) Will the 151,000 EFT annually be transitioned to the future EAC program or remain as EFTs to the benefactor?

NHES Response: It is too early to speculate the level of EFTs that might transition if NHES decides at a future date to launch an Electronic Access Card program. For purposes of your RFP response, please assume that the volume of EFTs will remain the same.

29) Can you share any program requirements you have established for the future EAC program?

NHES Response: Undetermined at this time as significant system enhancements would be required; therefore, NHES will not be pursuing for at least three (3) or more years.

30) Will other state agencies be eligible to be added to the EAC program?

NHES Response: No.

31) Would you consider charging a convenience fee to accept payments by credit card?

NHES Response: Undetermined at this time.

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CONTACT: Jill D. Revels, Business Administrator
New Hampshire Employment Security
(603) 229-4449

Vendor _____ Address _____

By: _____
(This document must be signed) (Title)

(Please print or type name) Tel. No. _____