

**RFP 21-001**

**Third Addendum – November 5, 2021**

PART ONE: Questions Submitted Subsequent to October 20 Pre-Proposal Conference

*[No background language or RFP page reference provided]*

**Q1:** Please confirm the following:

A minimum participation threshold for SDB participation on this RFP does not exist for PA Treasury Electronic Payment Card RFP.

Therefore, if Company A submits a proposal with 5% SDB participation and Company B submits a proposal with 10% SDB participation.

Company B will receive a greater number of SDB participation points in the overall scoring of the RFP responses.

**A1:** The Issuing Office believes this is substantively the same inquiry as posed by Question 18 of Addendum 2 (October 26, 2021). For ease of reference, the answer to that question is reproduced here:

There is no numeric or objective minimum requirement for small diverse business commitments. An Offeror proposing no small diverse business commitment will receive no scoring points for this component of the RFP, but is not disqualified from consideration. Assuming other qualitative considerations associated with the small diverse business requirements are effectively equivalent, an Offeror that proposes a commitment will be scored based upon the dollar value of its commitment relative to the dollar value of commitments from other Offerors.

*[Background RFP language provided by questioner, from page 21 of the RFP. Note: Questions 2 and 3, immediately below, both appear to refer back to this RFP language.]* The Offeror may identify Standard Terms in Appendix A it proposes to modify (or remove) if it is selected for Contract negotiations. If it identifies any such terms or conditions, it shall also provide in full the alternative language it proposes and the rationale for the proposed change to (or removal of) the identified provision(s). The Offeror may also propose, in full, provisions it wishes to add to the Standard Terms if it is selected for Contract negotiations. The Offeror shall similarly provide a rationale for proposed additional terms.

**Q2:** Can you confirm our understanding that we can supply the language referenced above with our initial RFP submission?

**A2:** Yes. If Offerors desire to have the Issuing Office consider alternatives to any Standard Terms and Conditions included in the RFP, they should identify the specific terms or conditions and present their preferred alternate language in their proposals.

**Q3:** Does the Commonwealth want the Offeror to identify objections not related to the Standard Contract Terms and Conditions in its proposal?

**A3:** **Part I-16** of the RFP provides direction regarding alternatives to certain elements of the RFP. The Issuing Office will not consider a proposal that fails to include a debit card payment modality as one of the payment options to be responsive to the RFP. Alternate payment modalities may be included, but only in addition to a conventional debit card. Offerors may utilize **Part II, Section II-7.1.**, relating to value added services, to present concerns regarding RFP elements other than Standard Contract Terms and Conditions as well as alternate responses or solutions that address those RFP elements. Consistent with the corresponding provision of **Part II-6**, however, the Issuing Office retains sole discretion to accept or reject any objection to RFP requirements (and associated alternatives), and an Offeror is obligated to satisfy the original RFP requirement in the event that the Issuing Office does not accept its alternative(s).

*[No background RFP language provided; reference is to page 22 of the RFP]*

**Q4:** Is the Offeror/Prime Contractor required to be a financial institution, or can a program manager be the Offeror/Prime Contractor and provide the services in conjunction with an issuing bank/financial institution that is FDIC insured?

**A:4** The Offeror/Prime Contractor is not required to be a financial institution; associated banking and/or financial services required to meet the objectives of the RFP need to be provided by an FDIC-insured institution.

*[Background RFP language provided by questioner, from page 38 of the RFP]* 3.Treasury requires access to the Offeror designated site to transmit and download files using Secure Transfer Protocol (SFTP).

**Q5:** Can the Commonwealth provide sample file layouts we must follow for enrollments, funding, and maintenance as an Addendum to the RFP? If not, please confirm you are allowing vendors to provide their standard file layouts.

**A5:** Treasury uses a standard, configurable file format. Details will be discussed and agreed to after contract award as part of overall technical specifications. Offerors should not assume that their standard file layouts will be acceptable in their entirety. It is also worth noting, however, that Treasury/L&I have successfully negotiated prior contracts for these services with three different providers, encountering few if any significant challenges in establishing acceptable layouts/contents/formats for the files to be transferred between the parties in each instance.

*[Background RFP language provided by the questioner; no page identified, but believed to be from pages 8 – 9 of the RFP]* **I-12. Proposals.** To be considered, Offerors should submit a complete response to this RFP, using the format provided in **Part II**, providing **twelve (12) paper copies of the Technical Submittal in a separate sealed shipping container, twelve (12) paper copies of the several Cost Submittals (in two or three separate envelopes (depending upon an Offeror's response to the Value Added Services section) enclosed in a single Cost Submittals envelope, as described in Part II, Section II-9), in a separate sealed shipping container, and two (2) paper copies of a Small Diverse Business (SDB) participation submittal in a separate sealed shipping container).** Offerors

**should ensure that there is no cost information in the Technical Submittal.** The Offeror may combine the three separate sealed shipping containers into a single shipping container if desired, so long as each proposal is distinct from the other two and individually sealed. Each proposal page should be numbered for ease of reference. Each Technical Submittal should be in a three-ring binder with tabs to indicate, at a minimum, each major section heading (example **Part II, Sections II-1 to II-7**). The Offeror shall also include tabs to indicate each subsection A. through M. included under **Part II, Section II-7** (the Work Plan). An official authorized to bind the Offeror to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet (Appendix B to this RFP) and the Proposal Cover Sheet is attached to the Offeror's proposal, the requirement will be met.

In addition to the paper copies of the proposal, Offerors shall submit two (2) complete and identical copies of each proposal on separate media for each proposal (Technical, Separate Cost proposals, and SDB, along with all requested documents) using DVD, CD-ROM, or Flash drive in Adobe PDF, Microsoft Office, or Microsoft Office-compatible format. The Offeror shall utilize navigation headings (Microsoft Word) or bookmarks (Adobe PDF) that match the physical tabs it includes in its proposal. Minimally, there should be eight (8) media devices (two (2) for each of the four submittals (including two separate cost submittals) that make up a complete proposal) included in the separate shipping container for each applicable submittal. The electronic copy must be identical to the paper copy and any spreadsheets must be in Microsoft Excel. The Offerors may not lock or protect any cells or tabs. **Offerors should ensure that there is no cost information in the Technical Submittal. The CD or Flash drive should clearly identify the Offeror and include the name and version number of the virus scanning software used to scan the CD or Flash drive prior to submittal.**

**Q6:** Due to the Covid-19 pandemic and the anticipated heightened amount of shipping around the holiday season - Would the Commonwealth please remove the requirements of receiving 12 physical copies plus 8 media devices and amend to accept proposals through strictly electronic means (e-mail).

If the Commonwealth does not accept removing physical delivery, would they be willing to accept proposals through only electronic (e-mail) and the 8 media devices? Thus removing the requirement of 12 physical copies.

**A6:** Unfortunately, the Issuing Office cannot accommodate either of these requests. Many of the Committee members have expressed a desire to have available to them physical (i.e., paper) copies of the proposals, which they believe will facilitate their review, note-taking, and dialog with other members during proposal evaluation sessions. The Issuing Office is unable to assume responsibility for creating paper copies of complex proposals from versions submitted on electronic media since such a process inevitably carries risk that the resulting physical version could inadvertently deviate in some fashion from the actual proposal intended by the Offeror to be considered by the Committee, to the possible detriment of the Offeror.

The Issuing Office is aware of the challenges presented by the shipping requirement during the time period contemplated by the RFP. Offerors are expected to make their best reasonable efforts to deliver physical proposals by the RFP deadline. The Issuing Office retains the discretion to waive non-material deviances from RFP requirements (including certain deadlines) where no significant competitive advantage is gained from a deviation, where an Offeror has made reasonable efforts to comply, and where waiving the relevant requirement is in the best interests of the Commonwealth by allowing it to consider otherwise meritorious proposals.

*[Addendum continues on following page]*

## PART TWO: Modifications to RFP language

A. The Issuing Office has determined that the Commonwealth's interests will be advanced if it does not utilize a minimum 70% technical submittal score to eliminate any Offeror from consideration prior to considering all components of its Proposal. To that end, the following provisions of the RFP are reissued with references to a 70% minimum scoring requirement deleted: **I-20. Best and Final Offers** (*Original language: pages 11 – 12 of the RFP*), **II-1. Work Plan** (*Original language: page 22 of the RFP*), and **III-4. Evaluation Criteria** (*Original language: 68 of the RFP*). The relevant revised portions of these provisions are produced below:

### **I-20. Best and Final Offers**

- B. Even in an instance where the Issuing Office elects to solicit best and final offers, the following Offerors **will not** be invited by the Issuing Office to submit a best and final offer:
1. Those Offerors that the Issuing Office has determined to be not responsible or whose proposals the Issuing Office has determined to be not responsive.
  2. Those Offerors that the Issuing Office has determined, in accordance with **Part III, Section III-5** from the submitted and gathered financial and other information, do not possess the financial capability, experience or qualifications to assure good faith performance of the Contract.

The Issuing Office may further limit participation in the best and final offers process to those remaining responsible Offerors that the Issuing Office has, within its discretion, determined to be within the top competitive range of responsive proposals.

*[Removed: "3. Those Offerors whose score for their technical submittal of their proposal is less than 70% of the total number of points allotted to the technical submittal."]*

**II-1. Work Plan.** As part of the proposal, Offerors shall submit a work plan that includes a response to each numbered requirement below, utilizing the same numbering scheme to facilitate evaluation. Each Offeror shall confirm its compliance with the Treasury requirements in its response and detail how the Offeror will perform the tasks as described in each section.

Treasury has established certain requirements with respect to its evaluation of proposals submitted by Offerors. The use of "shall," "must," or "will" in the RFP indicates a requirement or condition that is mandatory. An Offeror failing to meet a mandatory Treasury requirement or providing a response that materially deviates from the mandatory requirement can result in Treasury awarding zero (0) points in the scoring phase for the applicable section of the proposal and may lead to the proposal not receiving the required 70% of available Technical Submittal points to qualify for further evaluation. Treasury may waive a mandatory requirement or condition in its sole discretion if an Offeror fails to meet it, but provides a reasonable basis for its deviation from the prescribed requirement or condition and Treasury

determines that the deviation is not material. A deviation from a requirement or condition is material if Treasury determines the deficient response does not substantially comply with the RFP requirement or condition, provides an advantage to one Offeror over other Offerors, or has a potentially significant effect on the EPC program.

The words "should," "may," or "encouraged" in the RFP indicate desirable attributes or conditions, but are non-mandatory in nature. Deviation from, or omission of, such a desirable feature will decrease the number of points that a proposal will receive for that feature, but the Offeror will remain eligible to receive partial points for its response.

*[Removed the following language from the end of the third sentence of the second paragraph: "and may lead to the proposal not receiving the required 70% of available Technical Submittal points to qualify for further evaluation."]*

**III-4. Evaluation Criteria.** Proposal elements that demonstrate the Offeror's competence in and commitment to establishing and administering a leading EPC program will be evaluated more favorably. Overall, the evaluation will be weighted to reflect the following established priorities, listed – except for the first two groupings – in descending order of importance. The first two items are weighted equally.

*[Removed the first two sentences following "III-4. Evaluation Criteria.," with next two sentences combined into new introductory paragraph as shown. Remainder of Section III-4. is unchanged.]*

B. The Issuing Office has identified errors in the formatting for **Section II-9. Cost Submittal**. The RFP labels the last five sub-parts as "S.," "T.," "S.," "T.," and "U.," The RFP is corrected to read as follows:

- S. The Offeror shall not impose inactivity fees . . . will be evaluated more favorably.
- T. The Offeror shall make available . . . will be evaluated more favorably.
- U. The Offeror shall describe the fee it proposes for International ATM cash withdrawals.
- V. The Offeror shall describe the fee it proposes for International POS transactions.
- W. The Offeror shall describe any fee . . . proposed by an Offeror.