RFP26-001 Pre-Bidders Conference Questions

Questions asked by vendors:

- **Page 25, #9**
    - *Please provide clarity of the intent of this section and it's applicability if the offeror is a financial institution.*

      - The Offeror must secure a financial instrument in the amount of five million dollars ($5,000,000) from an independent financial institution to be readily available to address any corrective actions that Treasury may need to take to remedy Contractor deficiencies and also to satisfy any liquidated damages that may be due pursuant to Part IV, Section IV-3. Prior to execution of any Contract resulting from this RFP, the Offeror will be required to provide Treasury with proof of such financial instrument. If at any point during the term of the Contract Treasury is required to correct a deficiency of the Offeror, Treasury may exercise against such financial instrument an amount sufficient to cover the costs to Treasury. The Offeror will be required to maintain the financial instrument in the amount of five million dollars ($5,000,000) throughout the duration of the Contract, including subsequent to any instances in which Treasury has drawn against the financial instrument. Financial instruments that an Offeror may secure and provide to meet this requirement include an appropriate certified or bank (cashier's) check, letter of credit, or performance bond.

    - *If a bond is required, please indicate the type of bond form you require.*
        - Please see the above response which will also apply to a financial institution. The bond type is a performance bond.

- **Page 43, #9**
    - *Please clarify the intent of this section. Because ACH transactions are transmitted through the NACHA network and settled via the Federal Reserve and participating financial institutions, interstate processing is an inherent component of electronic payments. Would Treasury consider compliance with NACHA rules, Federal Reserve requirements, and applicable banking security controls sufficient to satisfy this requirement?*
        - The section is to enable the Offeror to both illustrate and describe in detail the Offeror's payment posting process, including a flow chart that depicts the flow of funds from the Commonwealth's transfer of funds for payments through the posting of deposits into individual accounts. The Offeror's

description and illustration must disclose: a) details regarding any point in the payment posting process that takes place outside of Pennsylvania or otherwise crosses state lines; b) the frequency and times at which the Offeror makes deposits after receiving NACHA files; and c) The timing and mechanism (phone, email, text and/or other) by which the Offeror will provide notice to Treasury in cases where there is a delay or disruption in the payment posting process.

- An Offeror's depiction and description of the process should be predicated on compliance with NACHA rules, Federal Reserve requirements, and any applicable banking security controls.

- **Page 27**
    - *Section II-7(A)(14) requires customer service representatives to be employed and located within the United States. Would Treasury consider alternative staffing models that utilize offshore customer service resources for routine cardholder support, provided the Offeror demonstrates compliance with all applicable security, privacy, regulatory, audit, fraud prevention, and service-level requirements and maintains appropriate oversight and accountability for program performance?*
    - *The rationale for this question is that additional staffing flexibility may reduce operating costs, potentially allowing Offerors to provide enhanced cardholder value through lower fees and/or expanded service offerings while maintaining required security and performance standards.*

    - All Treasury call center operations require U.S.-based operations and customer service representatives. 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 many of the available points on a highly weighted component of the proposal. 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,

providing an advantage to one Offeror over other Offerors.

- **Page 55, H**
    - *Can the Commonwealth please clarify examples where this would be required? Can you please provide volumes from the past 4 years associated with this requirement?*

- Examples of when Treasury would require a designated individual or telephone number so that the Treasury customer service staff can directly transfer a Cardholder to an Offeror's CSR specialist would include:

    - A cardholder cannot get through to the toll-free phone number (IVR or reach a live rep.) or use the mobile app to access the requested information – typically, they call the Treasury Call Center multiple times to report that they cannot get a resolution.

    - Treasury receives an extremely important escalation from the State Treasurer or a Member of the General Assembly that requires immediate attention.

- Treasury has not tracked volumes over the past four years but these would be very infrequent and rare occurrences.

- *What enhancements is the Treasury looking for based on the previous contract performance?*

  Treasury's requirements for the program are set out in Request for Proposal 26-001.

- Would the Treasury be willing to consider an extension given the additional Q/A period for time to enhance the written proposal?

  Treasury does not intend to extend the proposal submission deadline. The proposal due date will remain as stated in the solicitation documents.