

**New York State Department of Civil Service
Invitation for Bid #Banking Services-2016-1
NYSHIP Banking Services
Official Answers to Offerors Questions**

Following are the Department's answers to questions regarding the NYSHIP Banking Services IFB.

Note: If the Offeror's questions included their name, the name has been replaced with "Offeror."

Questions and Answers as of December 2, 2015

| <u>Section</u> | <u>Question and Answer</u> |
|--------------------------------------|---|
| Q1 Section III.F Page 3-5 | The requirement for references is listed as a total of 3 (2 current and 1 former). However, in Exhibit I.V. the request is for a total of 4 (3 current and 1 former clients). Please confirm the number required. |
| A1 | Exhibit I.V Client References has been amended to stay consistent with the submission requirements referenced in Section III.F and Exhibit I.A(3.E) of the IFB, which state that a total of three (3) references are required: two (2) current and one (1) former. |
| Q2 Section III.G. Page 3-6 | Can we provide a link to our financial statements or is a paper copy required? |
| A2 | While links to an Offeror's financial statements can be included, pursuant to Section III.G of the IFB, Offerors are required to include printed copies of their financial statements. |
| Q3 Section IV | Can you provide a copy of your current lockbox processing instructions? |
| A3 | Exhibit II.N has been added and provides details on the processing instructions used by the current vendor, which were provided in the IFB released in 2010. Please note that all processing procedures as written may not be strictly followed. In addition, the processing instructions are subject to change as a result of this IFB since it is the Department's intention to utilize, upon mutual agreement, the lockbox processing procedures employed by the selected vendor. |
| Q4 Section IV | Do you have any custom programming in place at your current lockbox provider? If yes, can you please describe the custom requirement? |
| A4 | In order for the Department to apply payments to the system, details found in Exhibit II.A and Exhibit II.B provide information related to custom programming. The Department requires submitted file layouts as indicated in Exhibit II.A and Exhibit II.B. |
| Q5 Section IV | Are these payments strictly Health premium payments? |
| A5 | The majority of payments received and processed under the resulting Contract are for health insurance premium payments for enrollees |

participating in the New York State Health Insurance Program (NYSHIP). Some payments are for dental and vision coverage but the Department does not require any differentiation in the payment submitted.

- Q6** Section IV Do you experience peaks and valley(s) in your workload? If yes, please explain in which months there are peak volume periods.
- A6** **No; The volume of payments submitted by enrollees and agencies are relatively constant from month to month.**
- Q7** Section IV Are you able to provide a breakdown of the anticipated volume of each payment process: Lockbox, E-lockbox and Remote Deposit Scanners?
- A7** **Offerors should refer to Exhibit II.C Monthly Detailed Transactions, which captures three (3) years of manual (Remote Deposit Capture) and Lockbox processing. The Department does not currently utilize an electronic receivable system and therefore does not have an estimate of associated transactions at this time.**
- Q8** Section IV It is standard practice not to inspect checks for dates (e.g., postdating or stale dating) or restrictive notations (e.g., "paid in full"). Do you require:
1. Inspection for restrictive notations (e.g., "Paid in Full")?
 2. Inspection of dates (e.g., do not process items dated more than 3 days in the future)?
- A8** **For both scenarios in #1 and #2 above, the Department will follow the standard practices/procedures employed by the vendor.**
- Q9** Section IV(3)(b)
Page 4-2 We provide email alerts to your designated contacts. Does this satisfy the 'in writing' requirement?
- A9** **Providing notice to the Department by an email alert would satisfy the 'in-writing' requirement.**
- Q10** Section IV
Page 4-2 Are you willing to negotiate implementation timeframes?
- A10** **Yes, the Department could discuss modest changes to the Implementation timeframe if it were critical to the success of the project.**
- Q11** Section IV
Page 4-3 You indicated that vendor must secure and maintain (2) USPS boxes. Can you clarify whether these boxes are either a caller box or bank-owned PO box?
- A11** **The two USPS boxes are bank-owned PO boxes.**
- Q12** Section IV.A.3.b
Page 4-4 Please describe what this 5-digit code represents. Is this a data field on the remittance? USPS box numbers are 6 digits.
- Please confirm the five-digit agency code is a unique number?

- A12 **The five digit numerical code is a unique agency code assigned by the Department to each NYSHIP participating agency or employer. The five digit agency code is printed on agency remittances.**
- Q13 Section IV.A.3.d Is imaging of unprocessable transactions mandatory requirement?
Page 4-4
- A13 **Yes, the Department must receive images of all unprocessable transactions.**
- Q14 Section IV.A.5.a Is providing a scanner, versus direct purchase from our vendor a mandatory
Page 4-5 requirement?
- A14 **Yes, the IFB requires the vendor to provide the Department with two Remote Deposit Scanners. Any fees associated with the cost of the two scanners should be included in Exhibit V – Schedule of Fees and Expenses.**
- Q15 Section IV.A.6.d Will the client Provide a courier number for the unprocessables or is this expected
Page 4-5 to be billed through the bank?
- A15 **The IFB has been amended to remove the requirement of utilizing a delivery courier to forward unprocessable items. Unprocessable items must be delivered to the Department using first class (USPS) mail.**
- Q16 Section IV.A.7.e Please provide insight into the requirement around ad-hoc reports and data
Page 4-6 analysis.
- A16 **Requests by the Department for ad hoc reports are infrequent. The Department may on occasion request ad hoc reports or other data analysis to monitor Project Services and contract compliance. If ad hoc reports are necessary, we will work with the Contractor on the information needed and expected due dates.**
- Q17 Section IV.A.7.h(4) Payment Detail Transaction Reports: Ad hoc reports of transaction details are
Page 4-7 available in a self-serve environment on our banking portal. Users select the items that should be included and create a report that can be downloaded into a number of formats, including csv, which can be save into excel. We can also deliver an email / smartphone alert to notify you when processing is completed with a link to go into the site and create the report. Does this solution satisfy your requirement?
- A17 **Yes, as long as the reports capture the detail listed in Section IV.7 and the reports are made available within one business day of deposit.**
- Q18 Section IV.A.8 Are you willing to negotiate penalties?
Page 4-9
- A18 **Penalties are not negotiable. However, the Department in its discretion can modify or waive penalties.**

- Q19** Section IV.8.a(1)
Page 4-9 Implementation and Start-up Guarantee and Credit Amount: Is the guarantee and credit amount a mandatory requirement?
- A19** **Yes, the guarantee and credit amount are mandatory requirements, however, the Department may take into consideration any situation contributing to an implementation delay and reduce or waive any credit amount.**
- Q20** Section IV.8.a(2)
Page 4-9 Lockbox Retrieval Guarantee and Credit Amount: Is the guarantee and credit amount a mandatory requirement?
- A20** **Yes, the guarantee and credit amount are mandatory requirements, however, the Department may take into consideration any situation preventing retrieval and/or payment posting and reduce or waive any credit amount.**
- Q21** Section IV.8.a(3)
Page 4-10 Lockbox Processing Guarantee and Credit Amount: Is the guarantee and credit amount a mandatory requirement?
- A21** **Yes, the guarantee and credit amount are mandatory requirements, however, the Department may take into consideration any situation impacting processable receipts and reduce or waive the credit amount.**
- Q22** Section VII Is the State willing to negotiate the terms of its Agreement and the Appendixes, including indemnification and liability?
- A22** **Appendices A through D-1 are not subject to negotiation. However, per the IFB, Section II, paragraph 11.o, the Department reserves the right to negotiate with the successful Offeror within the scope of the IFB in the best interests of the Department. Additional provisions which do not materially alter the requirements of the draft contract may be considered. Any such additional provision(s) requested by any Offeror must be clearly stated in the Offeror's proposal. Offerors are advised that the Department is under no obligation to accept such additional proposed provisions.**
- Q23** Section VII Where would the Bank's terms and conditions fall within NYS's documents as it relates to order of precedence?
- A23** **Provision 4.1.7 of the draft Contract (Section VII) indicates the order of precedence. The body of the Agreement, which contains the terms and conditions, is specifically referenced in provision 4.1.7e.**
- Q24** Exhibit II.B The file format includes a note about multiple days' deposit. Does NYSHIP require tracking of the receive date?
- A24** **No. The file format requires the reporting of deposit dates.**
- Q25** Exhibit II.D and II.E Are your documents single sided or dual sided. If dual sided, please provide a sample showing both sides?
- A25** **Exhibit II. D and II.E are both single-sided Remittance Advices.**

- Q26** Exhibit II.D and II.E The coupon provided in the IFB does not contain an OCR scan line.
1. Is NYSHIP willing to re-design the form to include an OCR scan line?
 2. If you are using an OCR scan line, can you provide a sample of that coupon and confirm that there are no variations?
 3. What percentage of your lockbox items are received as a single check with a single coupon?
- A26**
1. **The Enrollee remittance does include a scan line, a copy of which has been added as Exhibit II.O. Participating Agency and Participating Employer remittances do not. Currently, the Department does not have the resources to redesign the Participating Agency/Employer remittances to include a scan line. Please consider this when submitting price quotes on Exhibit V – Schedule of Fees and Expenses.**
 2. **There are no variations with the format of scan lines printed on Enrollee remittances.**
 3. **Approximately 85%.**
- Q27** Exhibit II.H ACH Services:
- Will you require ARC (check conversion) on any of the checks deposited to your account? If so, please indicate the amount.
- The account analysis exhibit shows received items only for ACH, will you also require and credit or debit origination services? If so, please indicate how many ACH IDs will be required and the estimated volume.
- A27** **No, ARC (check conversion) and credit or debit origination services are not required.**
- Q28** Exhibit II.H Based on your current banks fee analysis, it appears you subscribe to an Acceptable Payee List. In order to reduce fee's, would you be willing to "Accept All Payee's?"
- A28** **Yes, the Department would be willing to consider "Accept All Payee's".**
- Q29** Exhibit II.H
1. What are unmatched payments?
 2. Are these payments that do not balance to the amount located in the OCR Scan line?
 3. Why do you need unmatched payments identified?
 4. How are un-matched payments handled by your current provider today?
- A29**
1. **An unmatched payment occurs when a payment (check, ACH, etc.) cannot be matched to the remitter.**
 2. **No, these are payments that do not match and are not related to balanced payments.**
 3. **The unmatched payments or unprocessable payments need to be forwarded to the Department for review. Upon receipt, the Department will attempt to match the payment to the payer. If the Department is successful in matching the payments, the Contractor will be advised of the correct payer account.**
 4. **See response to #3 above.**