ALABAMA DEPARTMENT OF HUMAN RESOURCES

REQUEST FOR PROPOSALS

PROCUREMENT INFORMATION	
RFP Number: 2013-900-01	**RFP Title:** ***Alabama State Disbursement Unit (ASDU)***
Proposal Due Date and Time: ***Thursday, November 14, 2013*** **12:00 p.m., Central Time**	**Number of Pages: 100**
Procurement Officer: **Starr Stewart, Director** **Phone: (334) 353-4744** **E-mail Address: starr.stewart@dhr.alabama.gov** **Website: http://www.dhr.alabama.gov**	**Issue Date:** ***Thursday, September 05, 2013*** **Issuing Division:** ***Child Support***

INSTRUCTIONS TO VENDORS	
Submit Proposal to: **Starr Stewart, Director** **Office of Procurement** **Alabama Department of Human Resources** **Gordon Persons Building, Room 2153** **50 Ripley Street** **Montgomery, AL 36130-4000**	**Label Envelope/Package:** **RFP Title/Number:** ***Alabama State Disbursement Unit (ASDU)*** **/2013-900-01** **Proposal Due Date:** ***Thursday, November 14, 2013*** **Special Instructions:**

VENDOR INFORMATION (Fill in the information fields below and return this form with RFP response)	
Vendor Name/Address: **DUNS NUMBER: _____**	**Authorized Vendor Signatory:** **(Please print name and sign in ink)**
Vendor Phone Number: ( )	**Vendor FAX Number: ( )**
Vendor Federal I.D. Number:	**Vendor E-mail Address:**
Indicate whether this proposal is an original or a copy. ☐ **Original** ☐ **Copy**	
Total number of proposal pages: _____	
Trade Secret Declarations: (<u>reference section/page(s) of trade secret declarations)</u>	

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VENDOR'S RFP CHECKLIST

1. _____ **Read the *entire* document.** Note critical items such as: mandatory requirements; supplies/services required; submittal dates; number of copies required for submittal; licensing requirements; contractual requirements (i.e., contract performance security, insurance requirements, performance and/or reporting requirements, etc.).

2. _____ **Note the procurement officer's name, address, phone numbers and e-mail address.** This is the only person you are allowed to communicate with regarding the RFP.

3. _____ **Attend the pre-proposal conference** if one is offered. These conferences provide an opportunity to ask clarifying questions, obtain a better understanding of the project, or to notify the Department of any ambiguities, inconsistencies, or errors in the RFP.

4. _____ **Take advantage of the "question and answer" period.** Submit your questions to the procurement officer by the due date listed in the Schedule of Events and view the answers given in the formal "addenda" issued for the RFP. All addenda issued for an RFP are posted on the Department's website at www.dhr.alabama.gov and will include all questions asked and responses concerning the RFP.

5. _____ **Follow the format required in the RFP** when preparing your response. Provide point-by-point responses to all sections in a clear and concise manner.

6. _____ **Provide complete answers/descriptions.** Read and answer **all** questions and requirements. Don't assume the Department or evaluation committee will know what your company's capabilities are or what items/services you can provide, even if you have previously contracted with the Department. The proposals are evaluated based solely on the information and materials provided in your response.

7. _____ **Use the forms provided**, i.e., cover page, budget forms, certification forms, etc.

8. _____ **Check the Department's website for RFP addenda.** It is the vendor's responsibility to check the Department's website at www.dhr.alabama.gov for any addenda issued for this RFP, no further notification will be provided.

9. _____ **Review and read the RFP document again** to make sure that you have addressed all requirements. Your original response and the requested copies must be identical and be complete. The copies are provided to the evaluation committee members and will be used to score your response.

10. _____ **Submit your response on time.** Note all the dates and times listed in the Schedule of Events and within the document, and submit all required items on time. Late proposal responses are ***never*** accepted.

This checklist is provided for assistance only and should not be submitted with Vendor's response.

SCHEDULE OF EVENTS

The following RFP Schedule of Events represents the Department's best estimate of the schedule that will be followed. Unless otherwise specified, the time of day for the following events shall be between 9:00 a.m. and 12:00 p.m., Central Time. The Department reserves the right, at its sole discretion, to adjust this schedule, as it deems necessary. Notification of any adjustment to the Schedule of Events shall be posted on the Department's website at www.dhr.alabama.gov as detailed in Section 1.5.3 of this RFP. ***Vendors should refer to the website periodically for changes to the RFP.***

EVENT	DATE
RFP Issue Date	**September 05, 2013**
Deadline for Receipt of Written Questions	**September 26, 2013**
Deadline for Posting of Written Responses to Questions	**October 03, 2013**
Proposal Due Date	**November 14, 2013**
Evaluation of Proposals and Selection of Vendors	**December 03-20, 2013**
Intended Date for Notice of Intent to Award a Contract	**February 01, 2014**

SECTION 1: PROJECT OVERVIEW AND INSTRUCTIONS

1.0 PROJECT OVERVIEW

The ALABAMA DEPARTMENT OF HUMAN RESOURCES, (hereinafter referred to as "the Department") seeks a qualified vendor to continue operation of the Alabama State Disbursement Unit (ASDU). The ASDU is the central child support collection unit for the State of Alabama, as required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). The ASDU is designed to: (a) process all Alabama IV-D and non IV-D child support payments, with the exception of a small number which are made at court houses and cash IV-D payments resulting from court action; (b) transfer data and funds to other state agencies for allocation, distribution and disbursement to child support recipients; (c) explore innovative approaches to processing payments to increase efficiency and improve data communication, both in terms of timeliness and quality of content; and (d) provide customer service and other relevant services as necessary.

A more complete description of the services sought for this project is provided in *Section 3, Scope of Project*. Proposals submitted in response to this solicitation must comply with the instructions and procedures contained herein.

1.1 ELIGIBLE ENTITIES

Eligible entities may include governmental agencies, faith-based organizations, non-governmental public or private organizations and individuals who: 1) are legally authorized to conduct business within the State of Alabama; 2) possess a high degree of professional skill in the area of service described in this document; 3) possess the skills needed to perform the services described in this RFP; and, 4) meet the terms and conditions of the RFP. In addition, applicants must demonstrate the ability to manage Department funds in accordance with Federal and State regulations and guidelines.

1.2 REQUIRED LICENSURE/CERTIFICATION/CREDENTIAL

There are no licensure, certification or credential requirements for this procurement.

1.3 CONTRACT TERM

The initial contract term is for a period of **two (2)** years beginning **November 01, 2014** and ending ***October 30, 2016***. Renewals of the contract, as agreed upon by both parties, may be made at **one (1)** year intervals, or any interval that is advantageous to the Department, not to exceed a total of **three (3)** years, at the option of the Department. ***The selected vendors must be fully operational on Friday, November 01, 2014.***

1.4 POINT OF CONTACT

From the date this Request for Proposal (RFP) is issued until the vendor selection is announced, all communication must be directed to the procurement officer in charge of this solicitation. **Vendors must not communicate with any Department staff or officials regarding this procurement with the exception of the procurement officer.** Any unauthorized contact will disqualify the vendor from further consideration. Contact information for the point of contact is as follows:

Starr Stewart, Director
Office of Procurement
Alabama Department of Human Resources
Gordon Persons Building, Room 2153
50 Ripley Street
Montgomery, AL 36130-4000
Telephone Number: (334) 353-4744

E-mail Address: starr.stewart@dhr.alabama.gov

1.5 REQUIRED REVIEW

1.5.1 REVIEW RFP

Vendors should carefully review the instructions, mandatory and general requirements, project specifications, and the standard terms and conditions in this RFP. After a thorough review of the RFP, if the vendor identifies any ambiguity, inconsistency, unduly restrictive specifications, or error, promptly notify the procurement officer identified above in writing, via e-mail or courier by the deadline for receipt of questions as stated in the Schedule of Events.

1.5.2 VENDOR'S QUESTIONS

Vendors with questions or requiring clarification regarding any section of this RFP must reference the RFP by title and number and submit written questions via e-mail or courier to the procurement officer referenced above by 3:00 p.m. (CST) ***Thursday, September 26, 2013***. Each question must reference the section, page, and item in question. Vendors must submit all questions posed in a single email message to the procurement officer. Questions received after the deadline will not be considered.

1.5.3 DEPARTMENT'S RESPONSES

The Department will provide an official written answer by ***Thursday, October 03, 2013*** to all questions received by the deadline on *September 26, 2013*. The Department's response will either provide clarification of the applicable issue or be in the form of a correction to this RFP. Vendor questions and the Department's responses, as well as any formal written addendum will be posted on the Department's website at www.dhr.alabama.gov by the close of business on the date listed.

1.6 MANDATORY REQUIREMENTS

Vendors are expected to respond to all of the requirements described in this document. The Department will determine whether a vendor's proposal meets the terms of the requirements. Proposals that do not meet all requirements listed in this RFP may be subject to point reductions during the evaluation process or may be deemed non-responsive. Proposals that do not meet the requirements 1.6.1 through 1.6.6 will be deemed non-responsive and no other consideration will be given. **DO NOT ALTER ANY OF THE FORMS LISTED BELOW OR OTHERWISE INCLUDED/REQUIRED IN THIS DOCUMENT.**

1.6.1 DEADLINE FOR RECEIPT OF PROPOSALS

Proposals must adhere to the format requirements and must be received by the deadline for receipt of proposals as specified in the Schedule of Events and Section 1.8.1 *Required Copies and Deadline for Receipt of Proposals.*

1.6.2 LEGAL STATUS LETTER OR TAXPAYER IDENTIFICATION VERIFICATION

Vendors must include a legible copy of their taxpayer identification letter from the Internal Revenue Service. If the legal status letter is not available, a completed and signed copy of the **"Request for Taxpayer Identification Number"** form *(Appendix B)* must be included.

1.6.3 DISCLOSURE STATEMENT

Act 2001-955 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of $5,000. Disclosure Statements are available for completion on the Attorney General's web site at www.ago.alabama.gov under *Publications and Forms*. Vendors may also click on either of the following links for a copy of the Disclosure Statement: (manual fill-in) http://www.ago.state.al.us/documents/vendor_disclose.pdf or (online fill-in)

http://www.ago.state.al.us/documents/vendor_disclose_fill.pdf when connected to the internet. Vendors must include a completed copy of the Disclosure Statement in their proposals.

1.6.4 IMMIGRATION AFFIDAVIT AND E-VERIFY DOCUMENTATION

Vendors must submit a completed, signed copy of the immigration affidavit (*Appendix D*) with their proposals. In addition, vendors must include documentation that they have completed the e-verify registration.

1.6.5 AUTHORIZED VENDOR SIGNATORY

Vendors must provide an original proposal using the format described, with an original signature of person(s) legally authorized to bind the applicant to the proposal.

1.6.6 DUNS NUMBER

Vendors must include their Dun & Bradstreet, or D-U-N-S, Number, a unique nine-digit identification number for each physical location of your business.

1.7 GENERAL REQUIREMENTS

1.7.1 ACCEPTANCE OF STANDARD TERMS AND CONDITIONS

By submitting a response to this RFP, vendors agree to acceptance of the standard terms and conditions of this RFP. Requests for additions or exceptions to the standard terms and conditions including any necessary licenses, or any added provisions must be submitted to the procurement officer by the due date for receipt of written questions and must be accompanied by an explanation of why the exception is being sought and what specific effect it will have on the vendor's ability to respond to the RFP or perform the contract.

Note: *The Department reserves the right to not enter into a new contract with a current vendor who is under a corrective action plan until all corrective requirements have been met.*

1.7.2 UNDERSTANDING OF SPECIFICATIONS AND REQUIREMENTS

By submitting a response to this RFP, vendors agree to an understanding of and compliance with the specifications and requirements described in this RFP.

1.7.3 PRIMARY VENDOR/SUBCONTRACTORS

The primary vendor if a contract is awarded shall be responsible, in total, for all work of any subcontractors. All subcontractors, if any, must be listed in the proposal. The vendor shall not assign, transfer or subcontract any portion of the contract without the written consent of the Department. The vendor shall be responsible to the Department for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the vendor. Any awards made as a result of this document will create a contractual relationship between the vendor and the Department, not the subcontractor.

1.7.4 VENDOR'S SIGNATURE

An individual authorized to legally bind the organization submitting the proposal must sign the original proposal in ink. The vendor's signature on a proposal in response to this RFP guarantees that the offer has been established without collusion that would preclude the Department from obtaining the best possible service for the best possible price.

1.7.5 UNDERSTANDING OF SPECIFICATIONS AND REQUIREMENTS

By submitting a response to this RFP, vendor agrees: to provide sufficient resources and manpower adequate enough to complete this effort on time and without added expenditures and difficulties to the State; attest that the staff and individuals proposed for the project will be those actually assigned and that they will remain with

this project for the duration of the activities for which they are proposed; and agrees to an understanding of and compliance with the specifications and requirements described in this RFP.

1.7.6 PRIME CONTRACTOR/SUBCONTRACTORS

The prime contractor if a contract is awarded shall be responsible, in total, for all work of any subcontractors. All subcontractors, if any, must be listed in the proposal. The contractor shall not assign, transfer or subcontract any portion of the contract without the written consent of the Department. The Contractor shall be responsible to the Department for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the Contractor. Any awards made as a result of this document will create a contractual relationship between the Contractor and the Department, not the subcontractor.

1.8 SUBMITTING A PROPOSAL

1.8.1 REQUIRED COPIES AND DEADLINE FOR RECEIPT OF PROPOSALS

Vendors must submit **one (1)** original proposal, **seven (7)** copies and **one (1)** electronic (PDF preferred) copy on CD or DVD clearly labeled with the Vendor's name and the RFP title and number to:

Starr Stewart, Director
Office of Procurement
Alabama Department of Human Resources
Gordon Persons Building, Room 2153
50 Ripley Street
Montgomery, AL 36130-4000

Proposals must subscribe to the section/subsection headings and numbering format (i.e., **4.2.5.1 Vendor Qualifying Information**) as specified in *Section 4 Proposal Format and Instructions.* Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to the ***Alabama State Disbursement Unit (ASDU) RFP# 2013-900-01***. ***Proposals must be received at the receptionist's desk of the Resource Development-Office of Procurement by 12:00 p.m., local time, Thursday, November 14, 2013.*** Two business (Monday-Friday) days prior to the due date, proposals may be hand delivered between the hours of 9:00 a.m. -12:00 p.m. (with the exception of state and federal holidays). Faxed and electronically submitted responses to requests for proposals are NOT accepted.

1.8.2 FAILURE TO COMPLY WITH INSTRUCTIONS

Vendors failing to comply with these instructions may be deemed non-responsive or subject to point deductions. The Department may also choose to not evaluate, and disqualify from further consideration any proposals that do not follow the format described in Section 4: *Proposal Format and Instructions,* are difficult to understand or read, or are missing any requested information.

1.8.3 COST PROPOSAL FORMS

Vendors ***must*** respond to this RFP by utilizing the cost proposal form found in *Section 5.0*. The form will be used as the primary representation of each vendor's cost, and will be used extensively during proposal evaluations. Additional information should be included as necessary to explain in detail the vendor's cost.

1.8.4 MULTIPLE PROPOSALS

Vendors may only participate in a single proposal in response to this RFP, either as prime contractor or subcontractor. If multiple proposals are received, in which a vendor is proposed as either prime or subcontractor, all proposals including said vendor will be deemed non-responsive and excluded from consideration.

1.8.5 SEPARATE COVER

Vendor Cost Proposals (Price Sheets) and Vendor Technical Proposals must be submitted in separately sealed containers. No pricing information shall be included in the Vendor Technical Proposal document. Inclusion of Price Sheet amounts in the Vendor Technical Proposal document shall make the entire proposal non-responsive.

1.8.6 TIMELY SUBMITTED PROPOSALS

All timely submitted proposals and materials received in response to this RFP become the property of the Department and will be incorporated into any formal documentation and/or contract resulting from this RFP between the Department and the vendor.

1.8.7 LATE PROPOSALS

Regardless of the cause, late proposals will not be accepted and will automatically be disqualified from further consideration. It shall be the vendor's sole risk to assure delivery at the receptionist's desk at the designated office by the designated time. Late proposals will not be opened and may be returned to the vendor at the expense of the vendor or destroyed if requested.

SECTION 2: STANDARD INFORMATION

2.0 AUTHORITY

This RFP is issued under the authority of Section 41-16-72 of the Alabama Code (Act 2001-956, 2001 3rd Sp. Sess., p 817, §1.). Any awards resulting from this RFP will be made based on stated evaluation criteria. The weight assigned to each criterion denotes the relative importance of that criterion. No criteria, other than that identified in this RFP, will be used.

2.1 VENDOR COMPETITION

In accordance with 45 CFR 74.43, the Department encourages free and open competition among vendors. Whenever possible, the Department will design specifications, proposal requests, and conditions to accomplish this objective, consistent with the necessity to satisfy the Department's need to procure technically sound, cost-effective services and supplies.

2.2 NONDISCRIMINATION

In accordance with 45 CFR 74.44, no person shall be excluded from participation in, be denied benefits of, be discriminated against in the admission or access to, or be discriminated against in treatment or employment in the Department's contracted programs or activities on the grounds of handicap and/or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal or Alabama State Constitutional or statutory law; nor shall they be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of contracts with the Department or in the employment practices of the Department's contractors. Accordingly, all vendors entering into contracts with the Department shall, upon request, be required to show proof of such nondiscrimination and to post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

2.3 IMMIGRATION AFFIDAVIT AND E-VERIFY

Only U.S. citizens or foreign citizens who have the necessary authorization to legally work in the United States may be employed to work under any contract with the Department. Vendors must agree to not knowingly employ, hire for employment, or continue to employ an unauthorized alien, and must provide to the Department a sworn affidavit (*Appendix D)* signed before a notary attesting to such.

The United States Citizenship and Immigration Services (www.uscis.gov) provides E-Verify, an internet-based system that allows companies to determine their employees' eligibility to work in the United States. Vendors must participate in the E-Verify program and verify every employee that is required to be verified according to the applicable federal rules and regulations. Vendors must provide documentation to the Department establishing that they are enrolled in the E-Verify program.

Vendors must agree to not knowingly employ, hire for employment, or continue to employ a subcontractor to perform work under a contract that knowingly employs, hires for employment, or continues to employ an unauthorized alien. Any subcontractor hired to perform work under a contract must attest to such by sworn affidavit signed before a notary. Subcontractors must also enroll in the E-Verify program prior to performing any work on a project and must attach to the sworn affidavit documentation establishing that the subcontractor is enrolled in the E-Verify program.

2.4 DUNS NUMBER

Vendors must obtain a Dun & Bradstreet, or D-U-N-S, Number, a unique nine-digit identification number for each physical location of your business. D-U-N-S Number assignment is free for all businesses required to register with the federal and state government for contracts or grants.

2.5 PROPOSAL EFFECTIVE PERIOD

All proposals submitted in response to this RFP shall be effective for a 180-day period following the deadline for receipt of proposals as specified in the Schedule of Events and may not be modified, withdrawn or canceled by the vendor during this period.

2.6 TRADE SECRETS

As part of the initial evaluation, the procurement officer in charge of this solicitation will review proposals received in response to this RFP, for any information deemed a "trade secret" by the vendor and separate identified parts of proposal from public viewing providing the following conditions have been met: (1) confidential information is clearly marked and separated from the rest of the proposal; (2) the proposal does not contain confidential material in the cost or price section; and (3) an affidavit from a vendor's legal counsel attesting to and explaining the validity of the trade secret claim is attached to each proposal containing trade secrets. If applicable, the vendor's Legal Counsel must use the Department of Human Resources "Affidavit for Trade Secret Confidentiality" form when requesting the trade secret claim. The affidavit form *(Appendix C)* is included in this document.

Information separated out under this process will be available for review only by the procurement officer, the evaluation committee members, and limited other designees. Vendors must be prepared to pay all legal costs and fees associated with defending a claim for confidentiality in the event of a "right to know" (open records) request from another party.

2.7 PRE-SCREENING AND EVALUATION OF PROPOSALS

2.7.1 PRE-SCREENING

During the pre-screening, proposals will be reviewed to ensure compliance with all general and mandatory requirements. Upon completion of this initial review they will be classified "responsive" or "non-responsive". However; proposals may be found non-responsive at any time during the evaluation process if the proposal does not meet the formatting requirements specified in the RFP; if any of the required information is not provided; or the submitted price is found to be excessive or inadequate as measured by criteria stated in the RFP. Proposals declared non-responsive, will not receive further consideration.

2.7.2 EVALUATION OF PROPOSALS

All responsive proposals will be evaluated against the stated criteria. However, this does not preclude the Department from any discussions/negotiations or requests for a best and final offer that it may deem necessary to assist in determining the vendor. In scoring against stated criteria, the Department may consider such factors as accepted industry standards and a comparative evaluation of all other qualified RFP responses in terms of differing price, quality, and contractual factors to determine the most advantageous offering to the Department.

2.8 DISCUSSION/NEGOTIATION AND/OR ORAL PRESENTATION/PRODUCT DEMONSTRATION

After receipt of all proposals and prior to the determination of the award, the Department may initiate discussions with one or more vendors should clarification or negotiation be necessary. Vendors may also be required to make an oral presentation and/or product demonstration to clarify their RFP response or to further

define their offer. In either case, vendors should be prepared to send qualified personnel to **Montgomery**, **Alabama**, to discuss technical and contractual aspects of the proposal. Oral presentations and product demonstrations, if requested, shall be at the vendor's expense.

2.9 BEST AND FINAL OFFER

The Department reserves the right to request a "best and final offer" for this RFP based on price/cost alone, from one or more vendors if additional information is required to make a final decision. Vendors may be contacted asking that they submit their "best and final offer," which must include any and all discussed and/or negotiated changes.

2.10 PUBLIC REQUESTS FOR INFORMATION

All information received in response to this RFP, including copyrighted material, is deemed public information and will be made available to the public upon requests shortly after the signing of a contract(s) with the exception of: (1) trade secrets meeting the requirements of the Alabama Trade Secrets Act, that have been properly marked, separated, and documented; and (2) any financial information requested by the Department, unless prior written consent has been given by the Vendor.

2.11 COST OF PREPARING A PROPOSAL

The Department is not liable for any expense incurred by the vendor in the preparation and presentation of their proposal or any other costs incurred by the vendor prior to execution of a contract. All costs are the responsibility of the vendor.

2.12 DEPARTMENT'S RIGHTS RESERVED

While the Department has every intention to award a contract as a result of this RFP, issuance of the RFP in no way constitutes a commitment by the Department to award and execute a contract. Upon determination such actions would be in its best interest, the Department, in its sole discretion, reserves the right to the following:

2.12.1 PRE-SELECTION DISCRETION

The Department reserves the right at its sole discretion, at any time and for any reason, to reject any or all of the proposals submitted in response to this RFP, or to cancel this RFP, if it is deemed by the Department to be in its best interest to do so.

2.12.2 POST-SELECTION DISCRETION

Upon selection of a proposal, the Department reserves the right, at its sole discretion, at any time and for any reason, to change its decision with respect to the selection and to select another proposal, or to cancel the RFP, if it is deemed by the Department to be in its best interest to do so.

2.12.3 WAIVERS

Notwithstanding the amendment provisions otherwise set forth herein, the Department reserves the right at its sole discretion, to waive any minor irregularity in an otherwise valid proposal which would not jeopardize the overall program and to award a contract on the basis of such a waiver in the event the Department determines that such award is in the best interest of the Department. Minor irregularities are those which will not have a significant adverse effect on the overall program cost or performance.

2.12.4 NEGOTIATIONS

The Department reserves the right to negotiate with any vendor whose proposal is within the competitive range, as specified in the RFP with respect to technical plan and cost, as well as to select a vendor other than the vendor offering the lowest price.

2.12.5 ADOPTION OF IDEAS

The Department reserves the right to adopt to its use all or any part, of a vendor's proposal and to use any idea or all ideas presented in a proposal.

2.12.6 ORAL PRESENTATIONS

The Department reserves the right to require some or all of the vendors to provide oral presentations of their proposals.

2.12.7 AMENDMENTS

The Department reserves the right to amend the RFP. Except as provided above with respect to "WAIVERS" made by the Department, all amendments to the RFP will be made by written addendum issued by the Department and posted to the web at www.dhr.alabama.gov under this RFP link.

2.12.8 NO GUARANTEE OF CONTRACT

Selection of a proposal shall not be binding upon the Department and may or may not, at the Department's sole discretion, result in the Department entering into a contract with the vendor if it is in the best interest of Department not to proceed with contract execution.

2.12.9 RIGHT TO INVESTIGATE AND REJECT

The Department may make investigations as deemed necessary to determine the ability of the vendor to perform the services specified. The Department reserves the right to reject any proposal if the evidence submitted by, or investigation of, the vendor fails to satisfy the Department that the vendor is properly qualified to carry out the obligations of the contract. This includes the Department's ability to reject the proposal based on negative references.

2.12.10 DISCLAIMER

Issuance of this RFP does not constitute a commitment by the Department to select any proposal submitted in response to the RFP, or to award a contract to any vendor who responds to this RFP.

Note: All contracts awarded by this Department are subject to review and approval by the Legislative Oversight Committee and the Governor's Office.

SECTION 3: SCOPE OF PROJECT

3.0 OVERVIEW OF THE CURRENT COLLECTIONS AND DISBURSEMENT PROCESSES

Alabama began implementation of centralized collections for child support in 2000 as mandated by Health and Human Services. Currently all child support payments made by employers through an income withholding order, all child support payments coming from other states, military allotments, unemployment compensation intercepts, Financial Institution Data Match intercepts and most regular payments from non-custodial parents are being posted at the ASDU. Approximately 46% of all transactions are via Electronic Funds Transfer (EFT). Payments are also made via personal checks, employer checks, cashier checks and money orders. No walk-in payments are accepted at the ASDU. All payments are posted on a system developed by the current vendor. All collections are electronically deposited daily into the State Treasury Account by Image Cash Letter. The arrangement for the time of day for making the daily deposit will be made between the vendor and the bank. There will however be occasions where an individual will mail in a cash payment. Vendors must address how cash receipts will be handled.

3.0.1 COUNTY DHR PAYMENT PROCESSING

DHR handles distribution of all IV-D collections and some non IV-D collections. Each DHR county office receives cash purge payments resulting from court action. DHR will continue to handle income tax intercepts. The ASDU will have no responsibility for income tax intercepts. The State Office of DHR will continue to perform the following child support payment functions:

- ✓ Maintain the ALECS software and hardware platforms
- ✓ Maintain the ALECS allocation and distribution rules
- ✓ Continue the development of the ALECS system
- ✓ Process certain types of adjustments through the Child Support Accounting (CSA) group
- ✓ Maintain the State Voice Response Unit for customer inquiry
- ✓ Maintain an On-line Payment Inquiry system
- ✓ Distribute notices to Obligors
- ✓ Send bills to Obligors
- ✓ Process Federal and State income tax intercepts
- ✓ Disburse child support payments through the State Comptroller
- ✓ Continue to collect purge payments made as a result of court action
- ✓ Collect $25.00 fees mandated by the Deficit Reduction Act from custodial parents.

3.0.2 CLERK OF COURTS PAYMENT PROCESSING

Some non IV-D, non-income withholding payments are still being made at county court houses. The ASDU will not have any responsibility for these payments. With few exceptions, Alabama Clerks of Court use SJIS for receipting of non IV-D child support payments. Administrative Office of the Courts (AOC) handles distribution of all non IV-D collections. The Alabama AOC will continue to perform the following non IV-D child support payment functions:

- ✓ Maintain the SJIS software and hardware platforms
- ✓ Establishment of guidelines for non IV-D payment processing

3.1 CURRENT PROCESS STATISTICAL INFORMATION

Current payment processing statistics are provided below.

3.1.1 DHR PAYMENT PROCESSING

- ✓ The ASDU processes an average of 241,227 payments per month, which totals approximately $38,300,000.
- ✓ Approximately 79.6% of these payments are from employers, 8.8% are from other states and 11.6% are personal payments.
- ✓ Checks received from employers may represent payments from multiple NCPs and may require multiple transactions to process.
- ✓ 100% of transactions are processed the same day they are received.
- ✓ Approximately .04% (approximately 103 per month) are posted as unidentified payments.
- ✓ Approximately 1,337 transactions per month have miscellaneous payment instructions.
- ✓ Currently, there are approximately 7,800 employers and other states transmitting payments via EFT.

EFT transactions total approximately 111,015 per month. This represents about 46% of the total transaction volume. Approximately 2% of these payments require additional research, which is conducted at the end of the day the payments are received. Remitters failing to enter a correct or complete remittance identifier are the most common cause for additional research and these generally come from new remitters or new court orders. Payments that require additional research are usually properly receipted within three days following the date of receipt

3.1.2 ASDU PAYMENT PROCESSING VOLUME EXPECTATIONS

The table below shows the current annual IV-D and non IV-D payment transactions in Alabama.

Annual Child Support Payment Transactions	
IV-D payment transactions	*2,204,439*
Non IV-D payment transactions	*645,974*
Total ASDU payment transactions	*2,852,912*
Anticipated annual growth rate	*4%*
Annual collections	*$450,000,000.00*
Average annual number of MPIs	*14,900*

Information provided in the following table is provided in an effort to help vendors develop adequate staffing plans. Typically Mondays have the heaviest volume, followed by the 1st, 2nd, 15th, and 16th of the month. These eight days account for approximately 58% of the total monthly payment volume. The remaining 42% is spread out fairly evenly during the other days of the month. The table below contains additional payment processing-related information.

Monthly Payment Transaction Distribution and Other Statistics	
Payment volume on the first day of the week	*37%*
Payment volume on the two days following the 1st and 15th	*21%*

Payments (from paper instruments) requiring research prior to posting	*1%*
EFT payments requiring research prior to posting	*3%*
Payments returned for lack of posting information	*1%*
Number of payments made with NSF checks monthly average of	*14*

3.2 CURRENT PROCESS TECHNICAL INFORMATION

A brief description of the current technological environment is provided below.

3.2.1 DHR – ALECS

3.2.1.1 HARDWARE

- PCs from various vendors
- IBM 2818-M05 z114 zEnterprise mainframe

3.2.1.2 SOFTWARE

- State staff are using PCs operating on Windows 7, Microsoft Office 2010, Internet Explorer 8.0, and EXTRA X-Treme 9
- 3.2.1.3 **NETWORKS**
- TCP/IP protocol
- Mainframe is accessed via Attachmate Extra terminal emulation software running TN3270 sessions through HIS (Host Integration Server) interface.
- Printing is also by TCP/IP

3.2.2 AOC – SJIS

3.2.2.1 HARDWARE

- IBM Z10 Mainframe

3.2.2.2 SOFTWARE

- Z/VSE 5.1

3.2.2.3 NETWORKS

- SNA and TCP Network

3.3 ASDU OPERATIONAL REQUIREMENTS

3.3.1 OVERVIEW

To comply with Federal requirements to process all IV-D and mandated non IV-D payments through a single location for Alabama child support court orders, the contractor will create and maintain a database (the ASDU Database) of all IV-D obligors and non IV-D obligors under appropriate income withholding orders and related court orders. ALECS contains both IV-D cases and non IV-D cases that were formerly IV-D. SJIS contains only non IV-D cases. The ASDU, in general, will receipt payments, send all IV-D and some non IV-D payment

information to ALECS for posting, and send non IV-D payment information to SJIS for posting. The DHR will send a file to the State Comptroller for disbursement of child support funds. The AOC will send a file to the Alabama Central Disbursement Division (ACDD) for disbursement. A brief summary of how this will be accomplished is provided below, followed by a more detailed description of the requirements of the ASDU.

a. The contractor will operate the ASDU at least five business days per week, excluding federal holidays, fifty-two weeks per year. The contractor may work more hours than those required in order to meet payment-processing requirements.

b. The ASDU Database will initially be loaded with the information needed for payment processing of IV-D and non IV-D child support orders existing at the time of implementation. The data will include, at a minimum the following :

   - *Participant Identification Number (PID#) (IV-D only)*
   - *IV-D Case Number (IV-D only)*
   - *Obligor Name*
   - *Obligor SSN*
   - *Court Order Number with County Identifier*

   The State is willing to discuss recommendations made by the vendor regarding the use of certain data elements that might further assist in decreasing errors and unidentified payments.

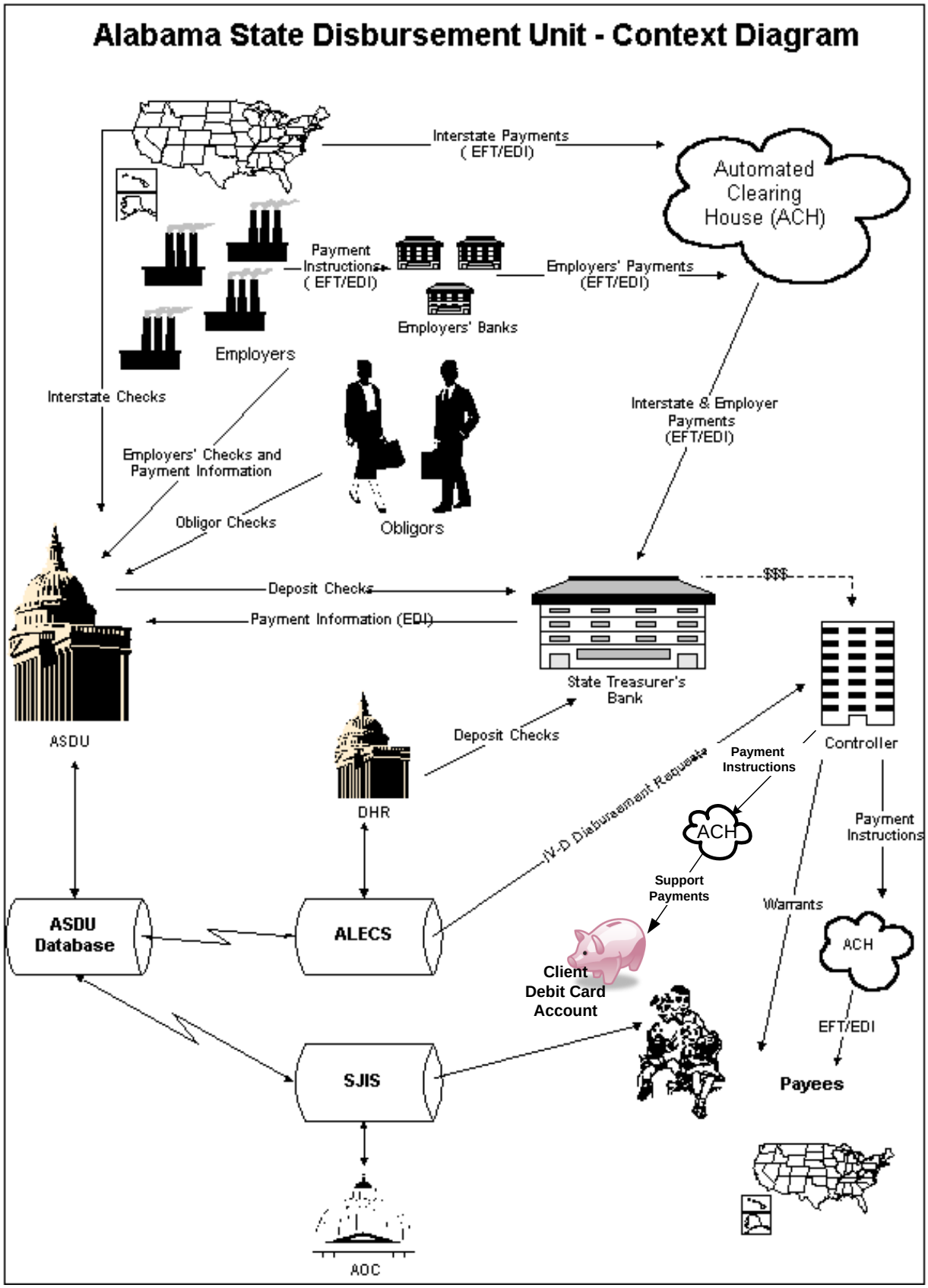
c. The ASDU will not maintain a payment history or participant address for obligors. It will be required to maintain address information for employers and other states.

d. All payments received must be deposited into the ASDU State Treasurer's Account on the day they are received.

e. When a payment is received, it will be associated with a PID# if it should post to ALECS, and a court order number(s) if it should post to SJIS. If the court order type is ALECS, the obligor data for the payment will be electronically transmitted daily to ALECS, including the PID#. If the court order type is SJIS, the ASDU will send the court order number and obligor SSN electronically to the SJIS. The contractor will be responsible for constructing data files to accomplish this transfer. Formats for these data files will be identified during implementation. The handling of specific posting issues will be discussed with the contractor during implementation.

f. The PID number and the 12-digit court order number are provided to employers in ALECS cases. A 17-digit court order number is provided in SJIS cases. The differing formats of the court order numbers and the inclusion of the PID number are the primary ways to differentiate between ALECS and SJIS cases. The employer is expected to provide this information for an individual's payment on the transmittal. If this information is not included, research must be conducted between ALECS and SJIS. The last resort would be to contact the employer to obtain the needed information.

g. The case and participant portion of the ASDU Database will be populated electronically with data from ALECS and SJIS. Information on the entire caseload will be provided electronically once a week (Saturdays) from ALECS and twice a week (Wednesdays and Fridays) from SJIS.


Alabama State Disbursement Unit - Context Diagram
Interstate Payments
(EFT/EDI)
Automated
Clearing
House (ACH)
Payment
Instructions
(EFT/EDI)
Employers' Payments
(EFT/EDI)
Employers' Banks
Employers
Interstate Checks
Interstate & Employer
Payments
(EFT/EDI)
Employers' Checks and
Payment Information
Obligor Checks
Obligors
Deposit Checks
Payment Information (EDI)
$$$
State Treasurer's
Bank
ASDU
Deposit Checks
Controller
Payment
Instructions
IV-D Disbursement Requests
DHR
ACH
Payment
Instructions
Support
Payments
Warrants
ASDU
Database
ALECS
ACH
Client
Debit Card
Account
EFT/EDI
SJIS
Payees
AOC

3.3.2 THE ASDU SYSTEM

The ASDU System consists of the following components (vendors may group these differently in their proposals, but the functionality must be present):

a. The ASDU database subsystem including all database management software;

b. The ASDU receipting subsystem, which includes hardware and software for opening envelopes, imaging or copying payment instruments and payment instruction documents, and posting payment to the ASDU database;

c. The ASDU research subsystem for identifying payments (access to ALECS and SJIS provided by DHR and AOC respectively will be part of this subsystem);

d. The ASDU interface subsystem, which supports electronic linkages with ALECS and SJIS; and

e. The ASDU accounting subsystem, which includes hardware and software for bank account management and financial reporting.

3.3.3 THE ASDU DATABASE

3.3.3.1 INITIALIZING THE ASDU DATABASE

Before ASDU implementation, data on IV-D and non IV-D obligors must be loaded into the ASDU database.

a. Data Needed for the ASDU Database. The following data, at a minimum, will be supplied in an initial upload and through daily interface to the ASDU Database:

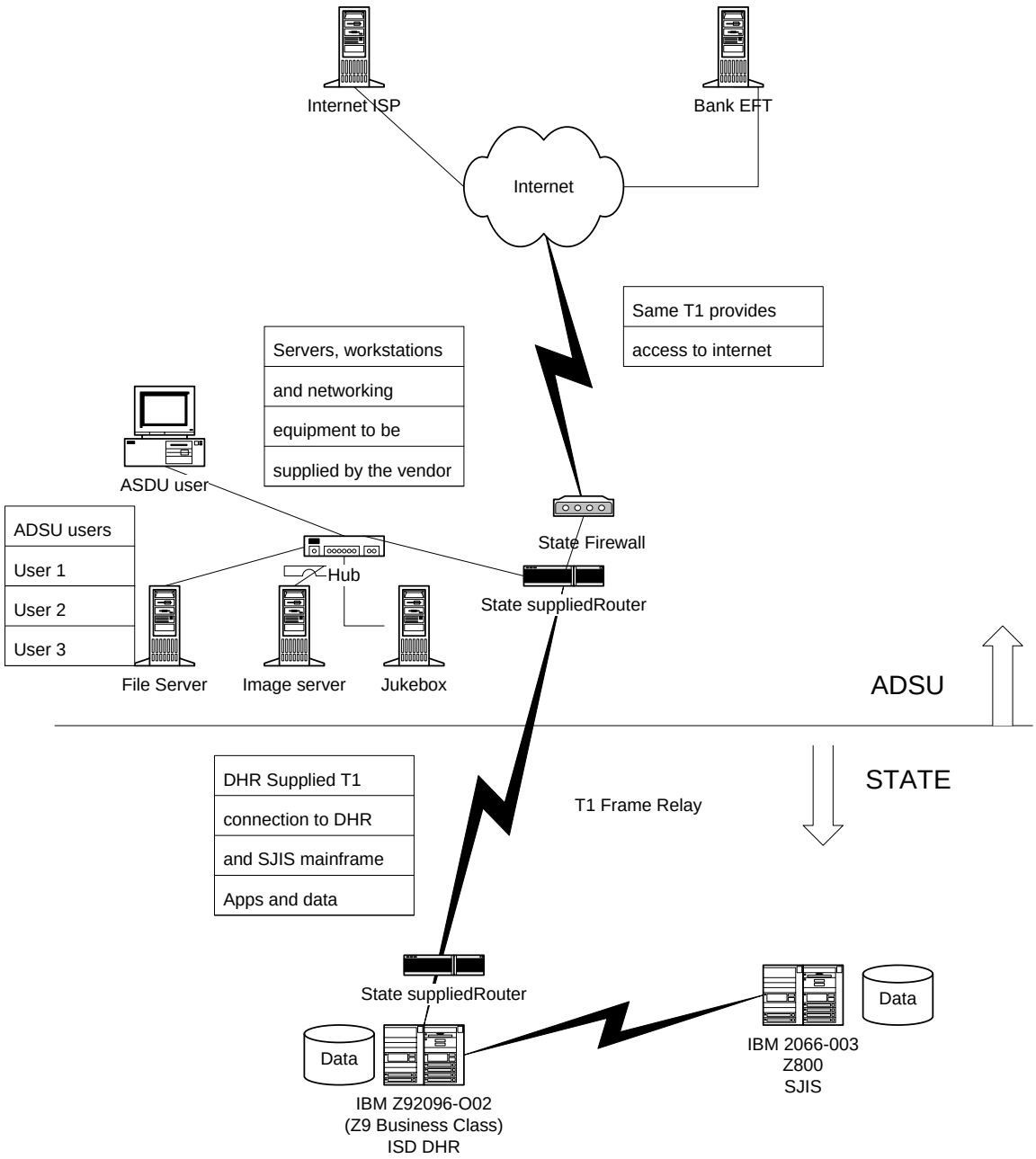
- *PID#* *(IV-D only)*
- *IV-D Case Number* *(IV-D only)*
- *Obligor Name* *(IV-D and Non IV-D)*
- *Obligor Social Security Number* *(IV-D and Non IV-D)*
- *Court Case Numbers with County Identifiers* *(IV-D and Non IV-D)*

b. Sources of Data. The ASDU Database will be initialized from the following data sources:
ALECS. The required data will be delivered via file transfer from ALECS for all open IV-D and some non IV-D cases. DHR staff are responsible for creating the software to perform the daily extract.
SJIS. The required data will be delivered via file transfer from SJIS for its non IV-D cases. AOC staff are responsible for the initial data load and creating the software to perform the daily extract.

DHR provides a frame relay T1 data connection to the State backbone network at no cost to the vendor. The State will assume any monthly cost associated with the T1 connection. The Vendor will operate from behind the State firewall for communication with ALECS and SJIS. Communication outside the State intranet from any component (workstations, servers, etc.) must be through the State firewall. Files transmitted to and from the DHR should be via FTP. See diagram on the next page for the required ASDU network configuration.

Attachment 1

TYPICAL ASDU NETWORK

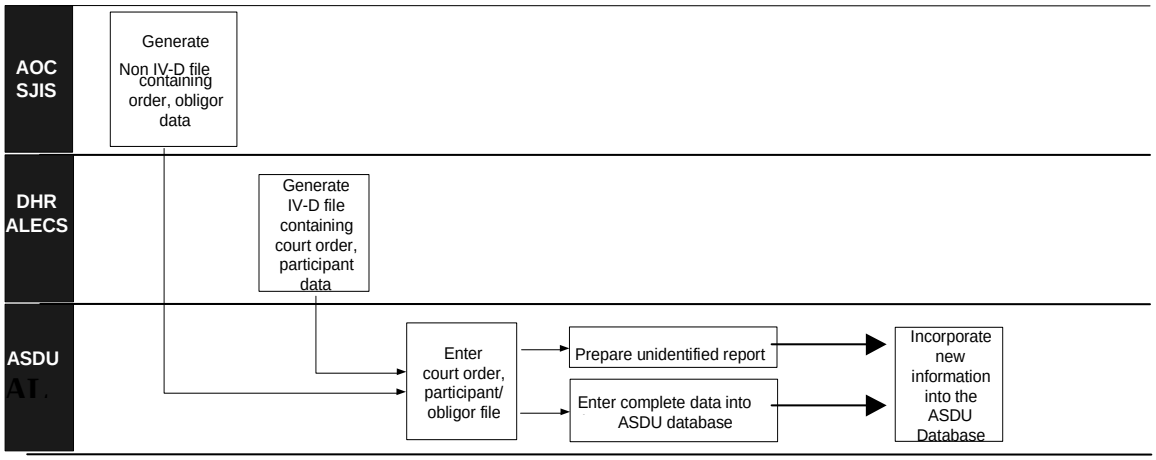


ALECS must be available from 6:00 a.m. – 5:00 p.m. Monday – Friday except for State holidays and, occasionally, on the first business day of the month. Typically ALECS is available on all Saturdays from 7:00 AM to 4:00 PM unless the Saturday is involved with Month Begin (1st calendar day of the month) or Month End (last Friday of the month) processes. The Saturday after first Friday the system is **not** normally available at 7:00 AM and the availability depends on the First Friday daily batch schedule completion.

ALECS has a comprehensive database of employer's name, address and tax payer I.D. ALECS can be scanned to develop a database of employers. ALECS does not have employer's bank account numbers or EFT data.

A diagram of this process to establish the initial ASDU Database is provided below.

Creating the ASDU Database

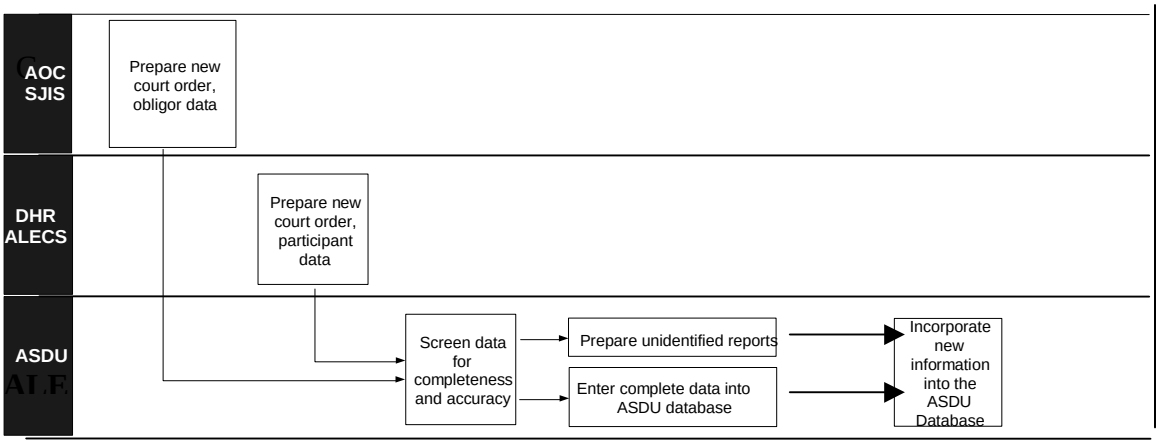


The Contractor will work with the DHR and AOC to create a successful data transfer system.

3.3.3.2 MAINTAINING THE ASDU DATABASE

Entire load of active court orders and participant data will be sent to ASDU on a weekly basis for refresh. A diagram of this process is provided below.

Maintaining the ASDU Database



The ASDU System will edit the received data for format and missing or duplicate required data elements or duplicate court orders, and produce paper reports to indicate where problems exist. Correct obligor and court order data will be entered into the ASDU Database. The DHR and AOC staff will review the edit reports and submit corrections to the ASDU through the weekly/twice weekly electronic upload of the import file.

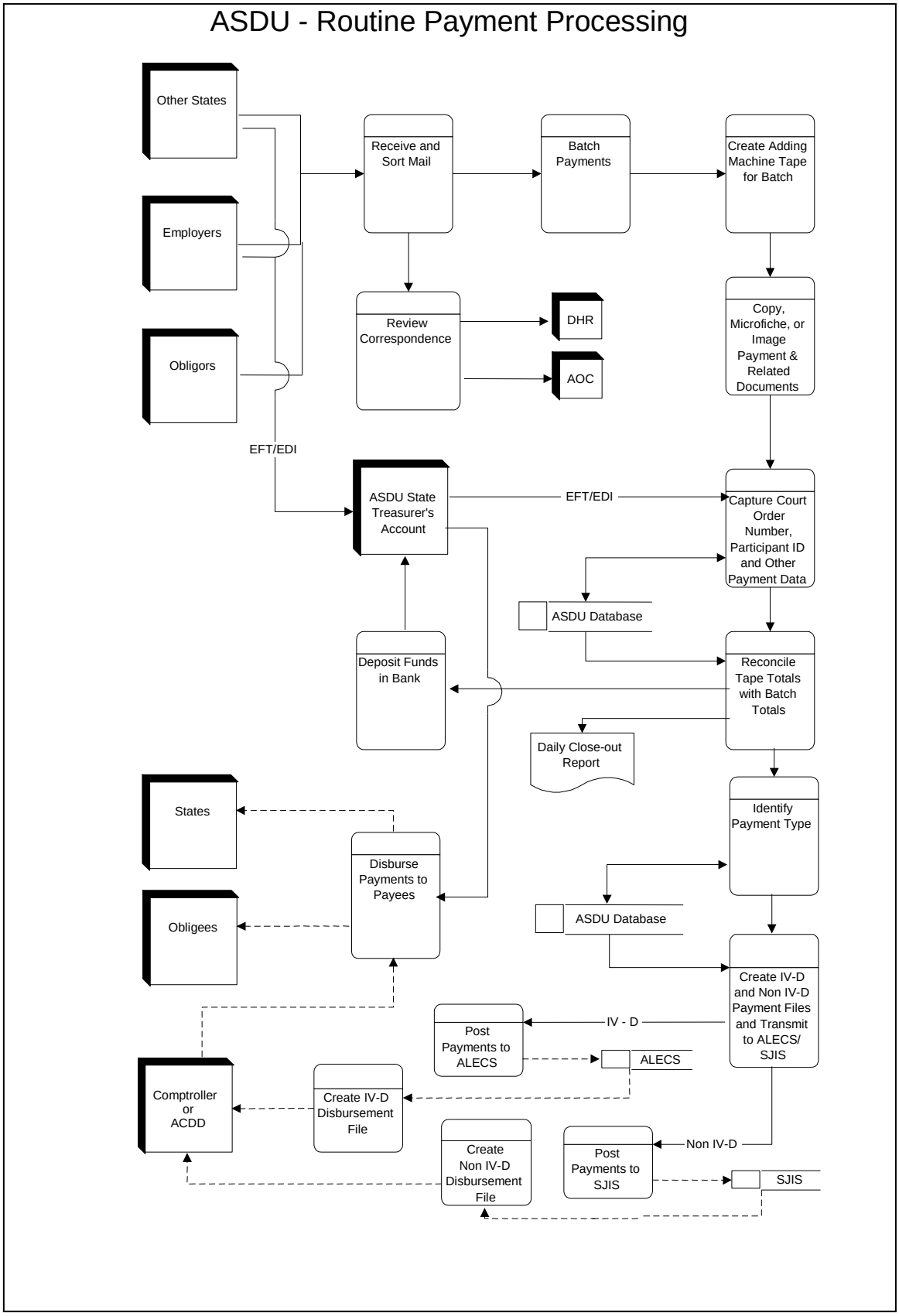
a. New Court Order Data. It will be particularly important that data on each new court order reach the ASDU Database quickly, before payments are received that will be unidentified if the new data is not in the ASDU Database. It is incumbent on DHR and AOC staff to assure that new court order data is entered in ALECS

and SJIS respectively in a timely manner so that this information can be passed to the ASDU Database in the weekly/twice weekly upload of entire caseload information.

b. Changes in Court Order Data. Any changes in court order data that affect payment processing will be communicated to the ASDU in the manner described in Subsection 3.3.3.2 (a) above.

3.3.4 PAYMENT PROCESSING

The following subsections describe the processes to be used after ASDU implementation for processing child support payments. The deadlines and accuracy requirements are stated in Section 3.5 of this RFP. Vendors are encouraged in their responses to propose innovative and/or alternative ways of providing certain functionality if they believe that efficiency is enhanced and the costs to the State are decreased.
A diagram showing ASDU payment processing is provided on the next page. The dashed lines indicate process flow that is not the responsibility of the ASDU Contractor.


ASDU - Routine Payment Processing
Other States
Employers
Obligors
Receive and Sort Mail
Batch Payments
Create Adding Machine Tape for Batch
Review Correspondence
DHR
AOC
Copy, Microfiche, or Image Payment & Related Documents
EFT/EDI
ASDU State Treasurer's Account
EFT/EDI
Capture Court Order Number, Participant ID and Other Payment Data
ASDU Database
Deposit Funds in Bank
Reconcile Tape Totals with Batch Totals
Daily Close-out Report
States
Identify Payment Type
Disburse Payments to Payees
Obligees
ASDU Database
Create IV-D and Non IV-D Payment Files and Transmit to ALECS/ SJIS
IV - D
Post Payments to ALECS
ALECS
Comptroller or ACDD
Create IV-D Disbursement File
Create Non IV-D Disbursement File
Post Payments to SJIS
Non IV-D
SJIS

3.3.4.1 BILLING STATEMENTS

The DHR currently sends bills to obligors who are not paying through an income withholding order. These bills contain a coupon but do not contain a perforated stub to be returned with the payment. Approximately one third of personal payors return the coupon with their payment. Appendix E is a sample of an Alabama Child Support bill. The AOC does not currently send bills to obligors.

3.3.4.2 SORT AND BATCH PAYMENTS

Payments will be received at a single location. The Contractor may use multiple post office boxes as a means of sorting and batching payments by instructing employers and interstate agencies to use a different box number than obligors. Currently, one general post office box is used for all payments. Another one is used for unusual items such as repayments, and one is used for remittances on administrative levies. The Contractor will bear the cost of the post office boxes. The mail must be taken to the ASDU processing center at least once each day, or as frequently as necessary to meet processing requirements. The ASDU must be located within a thirty-minute drive of Montgomery, Alabama.

a. Ensure envelope contents emptied. The Contractor must propose a proven methodology to ensure all envelopes are opened and their contents removed without damaging the contents.

b. Forward correspondence. Information received (correspondence) that should be directed to another agency (the DHR or AOC) must be imaged and the original copies forwarded to the appropriate location within 48 hours of receipt. It is permissible for the Contractor to provide electronic images of correspondence from Bankruptcy Court to the DHR without forwarding the original copies. The Contractor may elect image all documents accompanying a payment before sorting out the correspondence, or may separate correspondence before imaging. Personal material sent in error, such as correspondence with attorneys, must be returned to the sender within 48 hours of receipt. DHR will provide the Contractor with a list of the types of correspondence and the appropriate sites to which they should be forwarded. As the Contractor images payments and related documents, the Contractor must keep the physical documents for one month before they can be properly disposed, at the Contractor's expense. Documents retained by the Contractor would be those documents not forwarded to another entity, e.g., envelopes, stubs, source documents, or any media containing confidential data. The Contractor must establish a method of notifying employers and others who send inappropriate information to the ASDU (i.e. court order copies, requests for arrears balances, etc.) that such submissions must be sent elsewhere. The vast majority of correspondence that requires forwarding is handled internally by the State mail system at no cost to the vendor.

c. Batch payments. The Contractor may batch payments using any method suited to its processing logic and to verifiable internal control requirements, so long as the methodology allows that each individual transaction can be verified through an independent means such as an adding machine tape on each batch and balancing the processing of the dollars on the ASDU System to the manual tape total.

Mail is delivered twice daily Monday - Friday at 5:30 a.m. and 9:45 a.m. Approximately 98% of the mail is delivered at 5:30 a.m. Presently mail is delivered to the ASDU by a courier service paid by the vendor to deliver and pick up mail. The main post office in Montgomery is located on 6701 Winton Blount Boulevard.

3.3.4.3 DEPOSIT PAYMENT INSTRUMENT

All payments will be deposited directly to the ASDU State Treasurer's Account. The ASDU State Treasurer's account is at Compass Bank. The State will pay all fees related to establishing and maintaining the ASDU bank account to which receipts are deposited.

The Contractor must image checks and accompanying payment related documents with posting information (both sides) and create the Image Cash Letter file for deposit. The Vendor must also make images of these documents available to the State DHR, local DHR offices, the AOC and other authorized users through a

website or email. Approximately 15 to 20 State DHR office users will need access to the imaging system plus at least one user in each of the 67 county offices. All state and local DHR offices and all AOC offices have internet access and email. Authorized DHR personnel will have access to the imaging system. Deposits will be made at least once per day. Payment instruments that cannot be immediately identified will also be deposited daily. Payments will be endorsed for deposit only. Deposits are made electronically through an Image Cash Letter (Check 21). Changes by a new vendor to the deposit process used by the current contractor can be addressed in contract negotiations.

Process payments with "pay to" the wrong entity. Some child support payments will be paid to the order of the wrong entity. The ASDU will maintain a list of pay-to names that are acceptable and for which the ASDU can endorse payment to be deposited on the ASDU's behalf. Please see section 3.3.4.6 (c) for the disposition of checks, which cannot be endorsed.

a. Foreign currency. The Contractor must accept foreign currency.

b. Checks Received by the ASDU in Error. The ASDU will from time to time get checks, like a credit card payment, which should not have been mailed to the ASDU. These will be immediately returned to sender without going through any payment processing steps.

c. Personal and Business Checks. Personal and business checks are accepted by the ASDU. Any personal checks in the amount of $5,000 or more should be verified with the proper depository before being posted. Documentation of the verification will be placed on the back of the financial instrument. The frequency of this occurrence is approximately 150 per month. Should a cost be incurred, vendor would be responsible. To date there has never been a fee charged by a bank for providing this information.

d. Post-dated and Stale-dated Checks Post-dated personal and business checks are not accepted by the ASDU. Stale-dated personal and business checks more than 30 days old are not accepted by the ASDU.

3.3.4.4 POST IDENTIFIED PAYMENTS

Payments received by the ASDU must be identified to a participant on ALECS or to a unique SSN/Court Order Number/County Identifier combination on SJIS. The PID# allows ALECS to allocate the payment across multiple IV-D cases. SJIS does not allocate across court orders, but applies the payment to the particular court order specified with the payment. Approximately 10 to 15% of the payments received have both IV-D and non-IV-D orders. About 90% of these payments have instructions regarding distribution provided by the employer. The ASDU Database contains the information needed to identify a payor so the payment can be posted to a participant. Two of four elements listed below are required for a match:

1. Name

2. Social Security number

3. Participant Identification number (PID #)

4. Court Order number-County Identifier

In the process description that follows in this subsection, it is assumed that the payment instrument contains or is accompanied by a document, which contains the necessary data to post the payment to the appropriate system – ALECS or SJIS. In subsection 3.3.4.6 Unidentified or Unpostable Payments we will discuss the process when this information is not available or is incomplete.

a. Allocating payments. ALECS handles all allocations among multiple cases for a particular obligor. For Non IV-D income withholding payments, SJIS posts the payment to whatever court order was specified

with the payment. If an obligor has both IV-D and Non IV-D court orders, the payer is required to specify the amount to be posted between IV-D and non IV-D. See subsection 3.3.4.6 Unidentified or Unpostable Payments for a description of the process if this information is not provided with the payment).

b. Payments that include child support and other monies. Occasionally payments from obligors will contain monies for items that are not related to child support. These might include court fees and traffic fines, etc. Unless a payment is clearly marked otherwise, it is considered to be Child Support. The ASDU Contractor will post the child support portion to the proper participant or case, the remainder is posted to unidentified and an adjustment request is sent to CSA to disburse the other funds to the appropriate party as described in subsection 3.3.5.1 Refunds.

3.3.4.5 POSTING PAYMENTS WITH AN MPI

All identified ALECS payments will be transmitted to ALECS for posting (allocation and distribution) according to the process described above. In some instances, specific payments posted to ALECS will encounter an MPI once the payments have been sent by the ASDU to ALECS for allocation and distribution. If the payment encounters an MPI, the transaction will be automatically placed in an exceptions file and returned to the ASDU for manual posting in ALECS. The ASDU will be set up on ALECS as a unique location and these MPIs will be electronically routed to the ASDU for action. ASDU personnel will review the MPI associated with a particular payment and post the payment on ALECS according to these instructions. This process takes approximately 2 minutes per transaction. MPI is an integral part of the ALECS system and is not modifiable at this time. The monthly number of transactions to accounts with MPIs is approximately 1400.

3.3.4.6 UNIDENTIFIED OR UNPOSTABLE PAYMENTS

Payments without clear, accurate or sufficient payment posting information, or which have payment posting information that does not exist in the ASDU Database, will be researched by the ASDU staff. The research will include accessing ALECS and/or SJIS screens to identify a participant (ALECS) or court order (SJIS) that clearly matches the payment information. (At least two of the following pieces of data must match before a payment can be posted – obligor name, obligor SSN, obligor PID#, Court Order Number/County Identifier.) Payments may be unidentifiable for one of several reasons:

- ✓ Payment lacks sufficient posting information;
- ✓ Payment posting information is incorrect;
- ✓ IV-D/Non IV-D allocation information is incomplete; or
- ✓ Case does not exist on ALECS or the SJIS.

These situations cover employer, interstate and obligor payments.
The Contractor will deposit the payment instrument and contact the payer to gather any additional information needed to post the payment or to allocate it between IV-D and non IV-D cases. The Contractor will provide the payer instructions on what information should accompany payments to assure proper credit in the future.
If the payer cannot be contacted, the payment amount will be returned by CSA with instructions on what information should accompany payments to assure proper credit. See subsection 3.3.6.4 Returned Payments for a description of this process.

a. Holding payments for reprocessing. All payment instruments must be deposited on the day of receipt in the ASDU State Treasurer's Account, providing a means for daily reconciliation of receipts. Unidentified payments (where it is not possible to immediately contact a payer to rectify a specific problem with the payment or to identify the payment) will be posted to the ASDU Database as unidentified and held in this status for no more than three (3) business days beyond the date of receipt. The three day period will allow the Vendor additional time to research the payment, properly credit the item, and transmit the payment to the State in the daily file. If payments remain unidentified after this three day time period, they will be transferred to CSED on an exceptions report. Relevant documentation (instrument image, accompanying

documentation, and telephone logs) will be made available to CSED for their follow-up. Forms to affect this transfer will be jointly developed during implementation.

b. Methodology for identifying future payments. For payments received without adequate identifying information, the vendor must propose a methodology for preventing future payments from the same source requiring research. The Contractor may use a database linking the payment instrument identifier (bank routing and account number) to the payment posting information previously identified through research. Other options will be considered if the vendor's proposed methodology will result in a high percentage of identified payments without undue delays in processing each time a payment is received. Vendors are encouraged to propose innovative ways to automate future identification of these types of payments.

c. Accounting for unidentified payments. Payments not identified during the same business day with other payments in the same batch that are processed must be tracked. The Contractor must use a DHR approved process that assures that unidentified payments are researched in a timely manner or forwarded to CSA in the specified time period if they cannot be identified. The CONTRACTOR will manually complete an Adjustment Request Form for funds that are placed in unidentified status. The form will be sent via fax or email to CSA. The time it takes to complete these adjustments varies with the complexity of the adjustments. Typically, they are completed in the same day they are received by CSA.

Three (3) days after date of receipt, the Contractor will forward unidentified payments to the DHR or the AOC with a written report identifying as much information as possible about the payment and the reason for the transfer.

3.3.4.7 RECEIPT OF ELECTRONIC PAYMENTS

The ASDU Contractor must have the capability of accepting EFT/EDI transactions in NACHA-approved formats. The current contractor accepts EFT/EDI transactions in CTX and CCD+ formats.
The bank supporting the ASDU State Treasurer's Account must have the ability to receive the funds and data and pass the data to the ASDU for posting and the funds to the ASDU State Treasurer's Account. This and other receipts of electronic payment data will be accompanied by edit processes that reject payments with payment posting information that does match those on the ASDU Database. These exceptions will then be researched in the same way as other unidentified payments.

a. Large employer data files. Large employers may elect to send a file over a modem or on a disc to the ASDU simultaneous with a deposit of associated child support payments in the ASDU State Treasurer's Account. The ASDU must provide for the use of this methodology by employers withholding for over 100 child support obligors, and the ASDU must be able to accept the format provided by the employer or their agent. Smaller employers may use the same methodology but are restricted to using a standard format specified by the Contractor.

b. NACHA (or other format) payment data and direct deposit records created using software provided by the Contractor. The Contractor may offer employers software that would enable them to build and transmit the payment data to the employer's bank via disk or modem in the NACHA format. This software would include the ACH record that results in a direct deposit of the dollars electronically. Alternatively, employers could request and be provided a format that would allow the data to be sent on disk or via modem to the ASDU with the dollars being sent separately to the ASDU State Treasurer's Account using either direct deposit or check. This latter approach would not use the NACHA format.

c. Automatic withdrawal. At the Contractor's option, the ASDU Contractor will be encouraged (but not required) to offer the following service to employers. The employer would send a list of obligors, payment posting information, and dollar amounts to be withdrawn from the employer's bank account. The ASDU would receive this list via telephone, fax, mail, or modem. The ASDU would then initiate the automatic

transfer of funds from the employer's bank account and to the ASDU State Treasurer's Account and then post the payment using the information provided by the employer. This is similar to direct deposit, but relieves the employer of the need to modify its own software or install ASDU direct deposit software. It is similar to the method many companies now use to make payroll tax withholding payments.

d. Encouraging electronic payment. The ASDU will provide education and outreach at least annually to encourage employers not currently using EFT to begin utilizing this method to transmit child support withholdings. Vendor should describe proposed method, which can include annual notices, phone calls, or other methods of outreach. The vendor will pay the cost of this outreach.

e. Web-based payment. The contractor will be encouraged (but not required) to offer a web portal service through which individuals can pay Child Support electronically.

3.3.4.8 POST ALL PAYMENTS TO THE ASDU DATABASE

Every identified payment will be posted on the ASDU Database to the appropriate participant ID for ALECS payments and to the appropriate SSN/Court Order Number/County Identifier for Non IV-D payments. All payment instruments which can be deposited (i.e., not returned to the payer) will be deposited on the day of receipt. Unidentified payments will be posted to the ASDU Database as unidentified, i.e. posted to Participant 5 on ALECS.

3.3.4.9 TRANSFER PAYMENT DATA

Three files containing posted payment information are transmitted from the ASDU to ALECS and SJIS via the State mainframe once per day no later than 4:00 p.m. (including Saturdays). These are:

a. ALECS Payment File – Transmitted daily from ASDU; contains daily payment data related to ALECS payors (See Appendix G "ALECS Payment File"). The format for this data transfer will be determined during the implementation process. The individual payment records will include, at a minimum, Participant Name, Participant Number, the amount paid, the ASDU Receipt Number, the Collection Type, Collection Source, and the date posted by the ASDU.

   The ASDU Receipt Number is a unique number to identify an ASDU payment. Vendor is required to provide the 8 digit Batch Date, 4 digit Batch Number, 3 digit Check Sequence and 4 digit Stub Sequence not exceeding 19 characters.

b. SJIS Payment File – Transmitted daily from ASDU; contains daily payment data related to SJIS payors (See Appendix H "SJIS Payment File"). The format for this data transfer will be determined during the implementation process. The individual payment records will include, at a minimum, an ASDU Receipt Number, the obligor name and SSN, the Court Order Number with the County Identifier first, the amount, the Collection Type, and the date received by the ASDU

c. Journal File – Transmitted daily from ASDU; contains a record of all payments receipted for the day through the ASDU (See Appendix I "Journal File")

Three files are transmitted from ALECS and SJIS to the ASDU via the State mainframe:

a. ALECS Court Order and Payor Information File – Transmitted daily to ASDU; contains the court order and payor data related to ALECS payors/cases (See Appendix J"ALECS Court Order and Payor File").

b. SJIS Case Data File – Transmitted daily to ASDU; contains information related to SJIS payors/cases (See Appendix J "SJIS Court Order and Payor File").

c. Exceptions File – Transmitted daily to ASDU; contains those unidentified/unpostable payments that remain the responsibility of the ASDU to resolve (See Appendix L "Exceptions File"). Available transmission protocols are FTP via z/OS communication server, encrypted using PGP or not; Connect:Direct. If the data is transferred within the State network ring, encryption is not required. Otherwise, one of the above methods is required.

3.4.10 PROCESS PAYMENTS RECEIVED BY DHR

Payments that come directly to DHR (tax intercepts for instance) will be processed there without involvement of the ASDU. This is also true of payments that come directly to the AOC.

3.3.5 DISBURSEMENT

The ASDU will have no obligation for disbursing payments to payees. Files will be transferred from ALECS and SJIS to the State Comptroller and to the ACDD, respectively, where warrants will be prepared and mailed.

3.3.5.1 REFUNDS

Refunds typically result from overpayments on accounts due to erroneous case information on ALECS, e.g., a downward modification of current support order that was not recorded on ALECS. It is unlikely that the ASDU will become aware of the need for refunds before DHR does. However, if the ASDU becomes aware of the possible need for a refund, staff will send an Inquiry Form to the caseworker to research the case and, if appropriate, complete an adjustment to cause the Comptroller to generate a warrant of the refund amount to the payer.

3.3.6 OTHER ASDU REQUIREMENTS

3.3.6.1 RESEARCH BASED ON REPORTS OF COLLECTIONS POSTED INCORRECTLY

Whenever an obligee or obligor reports to his/her caseworker that they believe the wrong amount was posted, the ASDU will be contacted and must be able to produce a copy or an image of the payment instrument and any accompanying documentation from which that payment was posted to determine if there was a posting error. The images must be available to the local offices, but there may be a time gap between the creation of the images or copies and the time that the potential error is reported. This requires that every posted payment be tied back to the payment instrument, and for multiple payments on the same payment instrument, to the item number posted from that payment instrument. In other words, the ASDU posting record must include a Receipt Number that allows the ASDU or CSA to identify quickly the payment batch, the payment instrument within a payment batch, and the sequence number of a payment if multiple payments were made with a single payment instrument.

There are approximately 150 - 200 requests for copies of images per month. These typically come from county staff and employers. State DHR staff has the greatest need for this information and they have online access to the images.

3.3.6.2 ADJUSTMENTS

The ASDU is required to manually release MPI exceptions daily. This is explained in more detail in Section 3.3.4.5 Posting Payments with an MPI.

3.3.6.3 RECOVERY

Payments posted to the wrong participant (ALECS) or court order (SJIS) may result in child support being paid to the wrong payee. Vendor is responsible for initiating collection attempts for payments posted incorrectly to ALECS and SJIS.

Child Support Accounting (CSA) will adjust the posting in ALECS and post the payment to the proper payee. If the posting error was made by the ASDU staff, the ASDU will be responsible for reimbursing the State for the amount posted in error based on the following criteria. The posting accuracy expected of the Vendor is

99.96%. This percentage applies to the number of transactions processed, not the dollar amount of the transactions. Thus, the State will take responsibility for covering the reimbursement for the first 0.04% of cases posted in error by Vendor staff. No mechanism has been developed for incentives for the allowable error rate and money recovered. This is open to negotiation. Thereafter, the Vendor will be responsible for covering the reimbursement. The Vendor and State will reconcile payments posted in error at the end of each contract year and the Vendor will reimburse the State for amount owed, if any. Any recoveries made by the State will be the property of the State. The Vendor is asked to propose methodology and processes which will track and account for the funds posted in error.

The Vendor will initiate collection attempts on behalf of DHR for funds that were credited to a participant in error. Vendor will complete adjustment requests to CSA as stated above. CSA will enter the erroneous payment information onto the state's automated system which will generate a Notice(s) to the participant if (s)he is a custodial parent. The Notice(s) will contain the return address of the vendor so that the custodial parent (CP) can contact the vendor to complete an agreement for repayment or request an administrative review. If the CP requests to complete an agreement and/or agrees to recoupment, the vendor will use a form developed by DHR for these purposes. The state's automated system may recoup from future payments made to CPs if they have agreed to recoupment. If the CP requests to complete an agreement and/or agrees to recoupment, the vendor will use a form developed by DHR for these purposes. If the custodial parent contests repayment, the vendor will provide an appointed official of DHR all research available in order that an administrative review may be conducted in a timely fashion by DHR.

In order to post these funds received as repayments the Vendor will receipt the payments to the CP's participant ID using the pay source 'GI'. Overnight processing will update the pay source to 'RP', tax the payment as 'RECV', and apply it to the receivable. If the participant cannot be located in the states automated system, the payment will appear on the suspense exception report as 'RP' and tagged with 'RECV'. There may be rare instances where the CP attempting to repay funds received in error is also an NCP on another case. The vendor will develop methodology and processes to insure that funds from repayments are not receipted as child support.

In a situation where an erroneous payment was credited to a noncustodial parent, the vendor will complete an adjustment request to CSA using the same process as for custodial parent payment errors. However, the only payment option for noncustodial parents (NCPs) is to repay the money, as automated recoupment does not apply to NCPs.

ACDD will initiate collection attempts for funds that were credited to a non-IVD participant in error following the same procedure outlined in the preceding paragraphs. After meeting due process requirements ACDD will refer all CP's who refuse to repay state funds to the vendor. Vendor will then refer these individuals to the State Fraud Unit.

3.3.6.4 BANK RETURN ITEMS INCLUDING NON-SUFFICIENT FUNDS CHECKS

The vendor will be the first point of contact for the collection of bank return items. The State requires that the vendor immediately note on the ASDU database the occurrence of an NSF check so that no future checks will be accepted from that source. If an NSF check (business or personal) remains uncollected by the ASDU after 30 days, the ASDU will send a ten-day demand letter, based on a form letter developed by the Montgomery County District Attorney's office and known as the "Notice to the Maker", to the maker of the check. The letter will be sent certified, return receipt requested. The ten day demand letter notifying the payer of the NSF will be developed by the Vendor with State approval. The ten day demand letter must contain language, which requires restitution, the address to which restitution should be made, and language that instructs the payer to send guaranteed funds in the future. If full payment has not been received at the end of ten days after the letter is received, the Vendor will complete the required paperwork to submit the check(s) to the Magistrate of Montgomery County in order for the Montgomery County District Attorney's Worthless Check Unit to pursue

collection. The Vendor then completes an adjustment request to reverse the payment posting(s) and faxes it to CSED. A log will be maintained by the Vendor which will provide, at a minimum, the date of receipt of the item from the bank, payer name, payer account number, reason for return (account closed, NSF, payment stopped, etc.), amount of the item, collection attempts including telephone contacts and letters, and the date on which restitution was made (if applicable).

The State will incur the cost of the first occurrences of return items. Items received subsequently will be charged to the Vendor. As soon as the Contractor becomes aware of bank return items, the NSF Status flag must be set in the ASDU Database. The ASDU Contractor will no longer accept a corporate or personal check from that employer or individual. The same or a similar process will be developed with items that have been posted to the SJIS system.

3.3.6.5 PAYMENT HISTORIES

Payment histories will be maintained by the DHR on ALECS and by the AOC on SJIS. ASDU will not be required to maintain any payment histories.

3.3.7 CUSTOMER SERVICE UNIT

DHR requires that the Vendor provide customer service as defined in Level 1 customer service below. During the course of the contract, DHR reserves the right to expand customer service activities to include any or all additional components as mutually agreed upon tasks. Any contract change will be subject to negotiation.
The Contractor will act as DHR's agent and will provide the following customer service tasks as defined below:

a. Provide assistance to employers, interstate agencies, state child support personnel, ACDD personnel, payors or their legal representatives regarding receipt and disbursement information via a toll free telephone number available from 8:00 a.m. to 5:00 p.m. central time. The ASDU Contractor will not be expected to be available to payees. DHR will continue to handle this aspect of customer service. The contractor will pay for the toll free number

b. Provide general problem resolution regarding lost, damaged, misposted or delayed receipts.

c. Provide customers with the appropriate agency telephone number as necessary.

d. Forward correspondence to appropriate office within 48 hours of receipt.

e. Provide assistance to payors regarding where to send payments.

f. Prepare Adjustment Request to correct mispostings.

The daily call volume is 50 to 60 inquiry calls from employers, state and county DHR staff, AOC, ~~and~~ court clerk staff, and payors or their legal representatives. Call distribution is heaviest from 10:00 a.m. – 2:00 p.m. with call lengths averaging 2.5 to 3.5 minutes. The majority of customer service inquiries come via letters, email, and fax rather than phone calls.

3.3.8 OPTIONAL EXPANDED CUSTOMER SERVICE UNIT

Vendors have the option of submitting a separately priced proposal to provide customer services above the minimum required, as specified in Section 3.3.7. The goals of this additional customer service are:

- To relieve CSED and county staff from receiving and responding to routine inquiries relating to disbursement and simple case management issues. To provide timely and accurate information regarding child support questions and concerns. This unit will be housed and equipped by the contractor.

While the limitations placed on the vendor by the specifications in this section may render the proposal to be insufficient to establish a full service customer service unit, this is seen as a step toward more comprehensive statewide customer service. Proposals should include a description how the vendor proposes to develop such a unit using no more than 10 full time positions. This limitation is being imposed as a result of DHR's current budget constraints. The Customer Service Unit is not meant to replace any state Child Support employee, but to give them the ability to work their cases with fewer interruptions.

3.3.8.1 ESTABLISH A VOICE RESPONSE UNIT (VRU)

A VRU is a telephone-based system that can provide automated payment information to child support customers without worker intervention. Vendors are asked to propose a plan to create a new system to replace the current system, increase the capacity and possibly expand the menu of information provided to include a Spanish option, some limited case information not related to payments, and specific payment information.

3.3.8.1.1 Current System

Alabama CSED currently operates a VRU to serve IV-D clients who call about child support payments. This system can serve 40 customers at any given time. The system is available 24 hours per day and provides information to custodial and non-custodial parents regarding payments that have been received, warrants that have been issued to payees, tax offset information and a summary of payments for the past three months. This system currently receives 400,000 calls per month. AOC operates a similar VRU and Internet based payment inquiry. They will continue to provide this service. The vendor is not expected to propose a VRU for non IV-D cases.

3.3.8.1.2 Development of Interface

Vendor should develop a method to interface with ALECS on a daily basis in order to transfer this information to the VRU. This VRU will not be required to interface with SJIS, as only IV-D payment information will be required.

3.3.8.2 OVERVIEW OF CUSTOMER SERVICE UNIT

Proposals should address the establishment and operation of a Customer Service Unit, which will be the initial point of contact for inquiries received from child support customers. This unit will respond to inquiries regarding child support matters received by telephone, fax, mail or e-mail and should be adequately staffed, within the limitations previously described, to meet the volume of inquiries received.

This unit should be capable of handling calls relating to payments, allocation, distribution, and simple case management issues including but not limited to processing address changes, responding to case status inquiries or reported changes of status, and calls referred by the State Fraud Unit. Additional services could include sending out child support applications, other educational materials and copies of payment histories.

3.3.8.2.1 ALECS Updates

In order to make address changes and record certain actions or events in the case notes, the contractor will be required to have an ALECS security level adequate to make address changes in ALECS. Thus, the vendor should address security issues of separation of the duties such as posting money and making address changes in ALECS.

3.3.8.2.2 Staff for Customer Service Unit

While it is desirable that Customer Service Unit staff have some knowledge of child support, financial processing, allocation, and distribution, DHR recognizes that this may be difficult. Therefore, Vendors must include a plan to provide appropriate training to individuals employed to operate this unit. This plan must include an overview of proposed training.

3.3.9 OTHER OPERATIONAL REQUIREMENTS

3.3.9.1 AVAILABILITY OF COPIES OF PAYMENT INSTRUMENTS

As discussed in Section 3.3.4.3, all payment instruments and accompanying payment-related documents must be imaged by the ASDU Contractor. In addition, for images not accessible by the local offices, the ASDU Contractor must be able to provide copies of these documents on demand to the DHR and the Courts for the purpose of conducting research on payments on a court order. The documents must be provided to the requesting party within four hours of the request; immediate access is preferred. The Receipt Number will be used to identify which image is required.

3.3.9.2 CONTINGENCY PLAN/DISASTER RECOVERY PLAN

It is critical to the smooth operation of the ASDU that downtime be minimized. The Contractor must present a written disaster recovery plan. The disaster recovery plan must include a sample test scenario.

a. Current versions of any software associated with ASDU operations must be running at all times.

b. A daily backup file of the ASDU Database must be stored at a secure site away from the ASDU and specifically designed for this type of secure record storage. This site must be accessible to the State. The backup cycle must be a month in length.

c. Vendor must identify a “hot site” for payment processing in case of a disaster at the ASDU location. Payment processing at the “hot site” must be described in detail.

d. The ASDU Contractor must annually conduct a disaster recovery exercise.

e. Payment processing must not be interrupted for more than 72 hours following any disaster.

3.3.9.3 SECURITY

a. The Contractor must provide a secure environment for the ASDU. Access must be limited to persons with proper clearance. Several levels of security within the facility are permissible.

b. The ASDU System must contain a security hierarchy for restricting an individual’s access only to information and processes important to their payment processing functions.

3.3.9.3.1 SAFEGUARDING FEDERAL TAX INFORMATION

a. The ASDU does not receive information from the US Internal Revenue Service and it does not receipt Federal Tax Offset payments. ASDU staff with access to ALECS can view payment information which includes Federal Tax Offset payments. The ASDU is subject to all safeguarding requirements specified in the US Internal Revenue Service Publication 1075. A copy of Publication 1075 is attached as Appendix (x).

b. All ASDU staff will participate in Safeguarding training provided by the DHR once per calendar year.

c. The DHR will conduct an inspection of the ASDU facility once every eighteen (18) months to monitor compliance with all IRS safeguarding requirements.

3.3.9.4 STATE ON-SITE REPRESENTATIVES

a. DHR and AOC reserve the right to have up to three staff located at the ASDU, and the Contractor must make space available to house these individuals. Furnishings and equipment for onsite State staff would be provided by the State. These staff must have full access to the ASDU System and will be subject to the appropriate security checks required for this access.

b. State personnel authorized by the State Project Manager may visit the ASDU at any time for site inspections and shall have unlimited access to all areas of the ASDU.

3.3.9.5 INNOVATION

a. The Contractor is encouraged to be innovative in its approach to maintaining the ASDU Database and conducting payment processing.

b. The State will encourage innovation by allowing the Contractor to modify or replace equipment and processes as new approaches become available.

c. Changes and improvements to existing approaches and processes can be discussed during contract negotiations.

3.3.10 FIDUCIARY RESPONSIBILITIES

3.3.10.1 BANKING

The ASDU Contractor is required to deposit daily in the ASDU State Treasurer's Account all payment instruments not immediately returned to the sender. There is an existing State Treasurer's Account at Compass Bank. The contractor is not required to establish another account. The State pays for all banking fees. The vendor will not be responsible for any costs related to the State Treasury account in which all deposits are made. The bank currently charges one cent per EFT transaction and $12.50 per file.

3.3.10.2 FINANCIAL CONTROLS AND REPORTS

The ASDU Contractor will be required to establish procedures for review by the DHR and State audit staff that meet generally accepted accounting procedures and federal cash handling standards. The cost of any State-initiated audit will be paid by the State. In addition, the Contractor will provide access to the ASDU's books and records for a financial control audit by an independent organization.

3.3.10.3 AUDIT

a. Financial Audit – The Contractor must have an independent financial audit performed of ASDU financial activities annually and submitted to the State within 120 days of the end of the State's fiscal year, which ends September 30.

b. Operations Audit – The Contractor must have an independent audit performed annually of the ASDU operations. This audit must focus on the adequacy of internal control procedures and other safeguards against fraud and theft. This audit must be performed in accordance with Generally Accepted Auditing Standards (GAAS) and by an organization acceptable to the State. The State can conduct its own audit whenever it chooses. The Contractor must allow the State or an independent party of mutual choosing to perform a computer audit of its systems.

c. Books and Records – The Contractor must maintain all books and records pertaining to payment processing and the management of these activities at the site of the work activity. These records must be maintained onsite for two years and they must be available for five additional years. The Vendor will further permit, at any reasonable time, authorized personnel of the U. S. Department of Health and Human Services, the Comptroller General of the United States, the U. S. Internal Revenue Service, or other authorized federal agencies, DHR, the Examiners of Public Accounts or other authorized personnel full access to financial books, accounts, files, records, ledgers, documents, statistical reports, accounting procedures, practices and any other items pertaining to this project in order to audit, examine and make excerpts of the records.

d. Audit Trail – The Contractor must maintain a link between the case and accounts to which a payment is posted and the payment instrument it was received on. Batching of payments should permit the

unambiguous tracking of a payment posting to a workstation and operator. The Contractor is free to meet this requirement in any fashion it chooses, but the mechanism must be described in the Proposal in detail.

e. Standard – The Contractor must maintain books and records in accordance with Generally Accepted Accounting Principles (GAAP).

f. Separation of Duties – Personnel duties must be separated so that no single person has complete control over initial receipting and posting. Daily and monthly reports will be produced that clearly balance all funds receipted and deposited to funds posted and payments still being researched.

g. Cash Handling – It is unlikely the ASDU will receive much cash, but it will occasionally happen. The Contractor must present a plan for handling cash transactions at the ASDU.

h. Reconciliation – The bank balance must be reconciled each day. Processed receipts must be reconciled to deposits. Each day's deposits must balance with each day's receipts. Processed receipts must be reconciled to payments posted to ALECS and the SJIS, and to amounts residing in the ASDU State Treasurer's Account for unidentified payments. The ASDU is only responsible for balancing daily receipts and deposits. CSA does all daily and monthly reconciliation.

3.3.10.4 EMPLOYEE CONFIDENTIALITY

a. All employees must be instructed in the need for confidentiality. Each employee must sign a confidentially statement, the content of which has been approved by DHR and AOC. ASDU employee training must include instruction on confidentiality and the penalties for failing to comply with confidentiality agreement requirements.

b. All employees will receive annual training on safeguarding Federal Tax Information. The training material will be provided by DHR.

c. The Contractor will hold the State, DHR and the AOC harmless in any legal proceedings that arise out of a breach of confidentiality on the part of the Contractor's employees.

3.3.11 REPORTING

Effective reporting requirements should naturally flow from the manner in which payment receipting and posting is done and be tied to the performance standards. We discuss reporting requirements in roughly the same order as the performance standards. Unless otherwise specified, the reports must come to one person or group within DHR and AOC. The Contractor must provide a summary of the daily reports five business days after month-end.

3.3.11.1 DAILY REPORTING

a. The Contractor's receipting system must be able to produce a daily count of the following:

- ✓ Payment instruments received by type (check, money order, cash, EFT) and dollar amount
- ✓ Payment instruments received by source (employer, obligor, interstate) and dollar amount
- ✓ Images created
- ✓ Payments received by Court Order Type and total dollar amount
- ✓ Payments unidentified, with aging and dollar amount
- ✓ Payments unidentified and sent to the CSA
- ✓ Payments sent to ALECS and SJIS for posting, and dollar amount
- ✓ Same day posting compliance
- ✓ Bank Returned Item amount and status

These reports should also be summarized in a monthly status report to DHR.

b. Bank reconciliation reports, which document daily cash flow in ASDU State Treasurer's Account, must be delivered to the DHR and AOC contacts.

3.3.11.2 WEEKLY REPORTING

a. The Contractor must summarize the mail receipt log weekly and send the summary to the DHR contact for delivery by 10:00 AM the following Monday.

b. The Contractor must summarize weekly the ASDU Database updates it received from ALECS and SJIS by type of update:

- ✓ New cases
- ✓ Closed cases
- ✓ Changes in Court Order Type

c. The Contractor must summarize the correspondence log weekly, grouped by day and by destination. This summary should include the type of correspondence, number of items sent and their destinations.

3.3.11.3 MONTHLY REPORTING

a. Monthly Status Report. This is a summary of the required daily reports as detailed in 3.3.11.1.

b. Cost Recovery Fee Report. This is a summary of fees collected by other states to recoup their costs of providing child support services.

c. Direct Pay Credit Report. This is a report of credits that must be issued as a result of Cost Recovery. This report allows DHR to give credit to the payor for cost recovery fees collected by other states, which must be credited toward the child support obligation if the cost is assessed against the CP.

3.3.11.4 AD HOC REPORTING

From time to time, the DHR and the AOC may require the ASDU Contractor to provide a special report. An example might be a summary of payments posted for a particular county by month. The ASDU System and Database must have the capability to produce the ad hoc reports on a timely basis. The vendor should describe how it plans to accommodate these requests and the cost of preparing ad hoc reports.

3.4 ASDU IMPLEMENTATION WORK PLAN

In this subsection, we describe the steps necessary to develop the ASDU System, including the ASDU Database. We also describe the interface requirement with ALECS and the SJIS. The Contractor must develop an Implementation Work Plan, which will be reviewed and approved by the State.

3.4.1 SITE LOCATION

The ASDU must be located within a thirty-minute drive of Montgomery, Alabama.

3.4.2 HARDWARE AND SOFTWARE

Acquisition of hardware and software to operate the ASDU by the ASDU Contractor is to be made subject to the following stipulations:

a. The ASDU Contractor grants to the DHR a license in the hardware and software required to operate the ASDU, except as such items that are the tangible or intangible property of persons or entities not parties to this contract.

b. The DHR acknowledges that it is obtaining no title to proprietary hardware and software because of this license. The license includes the right to use the hardware and software and to authorize its employees, agents, contracted employees, contractors and contractors' agents and subcontractors to do so for government purposes.

c. Use of the license for government purposes includes the right (as necessary for government purposes) to change, modify, or adapt hardware and software and to combine the software with other computer software.

d. Computer software programs used by the ASDU Contractor necessary for the performance of the requirements of this contract, which the ASDU Contractor does not have the right to grant a license to, shall only be acquired with the advice and upon the written consent of the DHR. The ASDU Contractor shall provide the DHR with advance notice in writing of, and permit the DHR to participate in, any and all negotiations for the acquisition of such software and the license(s) necessary for the DHR to use and possess such software.

e. The ASDU Contractor shall cause all licenses for such software to include the DHR as a licensee; alternatively, the DHR may consent, at the DHR's sole discretion, to such a license containing a provision that permits the transfer and assignment of the license from the ASDU Contractor to the DHR. Where the DHR has consented to a "Transfer and Assignment of Rights" provision (and in those instances where the ASDU Contractor is using software with a license that can be transferred to the DHR), upon termination of the contract for any reason, the DHR Contractor shall transfer and assign the license to the DHR; provided, however, that the DHR shall have the sole option of accepting such transfer.

f. The format and medium in which the above materials are supplied shall be approved by the DHR. The DHR and the ASDU Contractor shall meet to agree upon the format and medium in accordance with the period set forth in the Implementation Plan.

g. The ASDU Contractor shall be responsible for the maintenance, including maintenance costs, of all software used by the ASDU Contractor during the term of this contract. Upon termination of the contract, the DHR will be responsible for any maintenance and maintenance related costs for any software that it uses as a license holder.

h. The ASDU Contractor shall maintain change control logs and version documentation and shall submit these to the DHR.

Additional hardware and software acquisition requirements will be discussed with the successful bidder during contract negotiations.

The disposition of hardware and software at the end of the contract or upon termination will be covered in the End-of-Contract Transition Plan. This plan is discussed in Section 3.4.8

3.4.3 ASDU SYSTEM DEVELOPMENT

3.4.3.1 BUSINESS REQUIREMENTS VALIDATION

It is important that the Contractor conduct a thorough validation of the ASDU requirements described in this RFP. They should prepare a Validation Report that details the functioning of the ASDU and its relationships with external parties. In previous section 3.3.4, we discussed the development of Payment Processing Flow Diagrams as an aid to understanding how the ASDU works and to support training. Flow Diagrams will be developed as a consequence of this requirement validation effort. The DHR and AOC should concur with the specified requirements before continuing implementation.

The ASDU Contractor will prepare a comprehensive set of payment processing flow diagrams. These diagrams will clearly depict ASDU, DHR, and AOC staffs' roles in the flow of information, documents, and electronic files through the ASDU System and between the ASDU System and ALECS and the SJIS. It is also important

to show the flow of funds through the State Treasurer's bank account. The level of detail in these diagrams must be sufficient, for example, to communicate to a DHR or AOC worker what his or her role is in the efficient processing of payment transactions. The Contractor is free to choose what graphical technique to use in diagram creation, subject to DHR and AOC input and approval. The RFP response should describe how this task will be accomplished.

3.4.3.2 HIGH LEVEL ASDU SYSTEM DESIGN

Based on the validated and agreed to requirements, the Contractor must prepare a System Development Plan. This Plan must describe how and when various components of the ASDU System will be developed. This written Plan must be reviewed and approved by DHR.

3.4.3.3 DETAILED SYSTEM DESIGN

It is critically important that DHR and AOC have input into the design of the structure of the ASDU Database. They can assist in anticipating reporting requirements and in resolving issues related to initially populating the Database. A System and Database design document must be produced and approved before programming.

3.4.3.4 PROGRAMMING

Programming the ASDU System and Database is the Contractor's responsibility. No State staff is available to support this effort.

3.4.3.5 SYSTEM TESTING

A written System Testing Plan must be delivered to DHR prior to beginning testing. This Plan should thoroughly describe how the various components of the ASDU System will be tested and when testing will commence, the State staff's and user's role in the testing, and how the various system interfaces will be tested.

3.4.4 INTERFACE WITH ALECS

The ASDU System will have to interface with ALECS operated by DHR. This interface is required in the two areas noted below. The Contractor will develop these interfaces with DHR input.

3.4.4.1 RECEIPT OF ALECS DATA

Daily, DHR will send the changes in ALECS court order, participant, and case status information to the ASDU. DHR staff and the ASDU Contractor will work together to construct the most efficient file format to use.

3.4.4.2 UPLOAD OF PAYMENT DATA TO ALECS

Payment data will be uploaded daily from the ASDU to ALECS in electronic form. Appendix G contains the file layout.

3.4.5 INTERFACE WITH SJIS

The ASDU System will have to interface with SJIS operated by the AOC. This interface is required in the two areas noted below. The AOC will develop these interfaces with Contractor input.

3.4.5.1 RECEIPT OF SJIS DATA

New cases, closed cases, and changed court order data will be uploaded, on a weekly basis, to the ASDU from the SJIS in electronic form. The form of this upload will be developed as part of the implementation effort. A form similar to that used in uploads from ALECS will be sought, consistent with the capabilities of the SJIS.

3.4.5.2 TRANSFER OF PAYMENT DATA TO SJIS

The payment data file will be retrieved by DHR, on a daily basis, from the ASDU via FTP. DHR then sends the file via FTP to SJIS. The form of this file transfer will be developed as part of the implementation effort. A form similar to that used in file transfers to ALECS will be sought, consistent with the capabilities of the SJIS.

3.4.6 TRAINING

3.4.6.1 TRAINING FOR ASDU STAFF

a. The Contractor must develop a Training Plan for ASDU staff.

b. Training must be based, in part, on the Payment Processing Flow Diagrams.

c. The DHR will train core Contractor employees on the ALECS system and relevant research procedures. These employees will be responsible for training other Contractor employees. AOC will perform similar training on the SJIS.

d. The Contractor must thoroughly train its staff on the ASDU System.

e. The Contractor must provide a complete set of training manuals/CBT CDs (the latter if available – not required), and any updates, to the DHR.

f. The Contractor must provide a complete set of user and technical manuals, and any updates, for the ASDU Database and payment receipting and posting systems to the DHR.

3.4.7 PAYMENT PROCESSING FLOW DIAGRAMS

The ASDU Contractor will prepare a comprehensive set of payment processing flow diagrams. These diagrams will clearly depict the ASDU, the DHR and the AOC staff roles in the flow of information, documents, and electronic files through the ASDU System. It is also important to show the flows between the ASDU System, the DHR, the AOC and various bank accounts. The level of detail in these diagrams must be sufficient to communicate to an AOC or DHR worker what his or her role is in providing timely new court order information to the ASDU. The Contractor is free to choose what graphical technique to use in flow diagram creation, subject to DHR and AOC input and approval. The RFP response must describe how this task will be accomplished.

3.4.8 END-OF-CONTRACT TRANSITION PLAN

As noted previously, the contract will be for **two (2)** years. The Contractor must explain how it plans to handle the transition to State operation of the ASDU or the transition to a new Contractor.

a. The DHR will inform the Contractor thirty (30) calendar days in advance of the routine termination of the contract. The Contractor agrees to participate in an orderly transition.

b. All data in the ASDU Database is the property of the State of Alabama. The vendor will transfer to the State all data contained in the ASDU database and all records related to functions performed and payments processed during the term of their contract. The current vendor will supply the State with the images of all financial instruments received and processed during the term of their contract. The State will make this information available to the winning vendor.

c. If a contract extension for up to six months is needed to affect an orderly transition, the Contractor must agree to do so. The terms and conditions of the contract then in place shall prevail during this extension period.

d. The new vendor will have no responsibility for any unidentified payments posted by the previous contractor.

3.4.8.1 HARDWARE AND SOFTWARE

Section 3.4.2 contains the requirements surrounding hardware and software acquisition for the ASDU, including constructing the mechanisms for the ASDU Contractor to transfer software licenses to the DHR at contract termination. In this Section, we describe the disposition of hardware and software at contract termination. Below we describe two end-of-contract scenarios. Scenario 1 has the State taking over the operation of the ASDU. Scenario 2 assumes that the State has selected a new Contractor to operate the ASDU's receipting and posting function, but the State will maintain and operate the ASDU Database. (The State choosing a new ASDU Contractor to operate both the receipting and posting function and the ASDU Database is a variation within Scenario 2.)

3.4.8.1.1 State Operates the ASDU

The ASDU Contractor shall supply the following items to the DHR except where the ASDU Contractor does not have the right to transfer such items to a third party (the cost of the transfer and/or additional license fees, if any, will be paid for by the State):

a. The ASDU Database structure, including all data models, data dictionaries, drawings, graphic representations, specifications and file formats within the ASDU System, including all hardware and software required to operate the ASDU Database.

b. ASDU network configuration diagrams, maintenance logs, and security provisions

c. All application software (current version) used to process or support the processing of IV-D and Non IV-D payments.

d. All application software documentation (for current version being run) and all training materials for the use of the hardware and software.

e. The hardware specifications and configuration necessary to run the software.

3.4.8.1.2 State Chooses a New Contractor

The ASDU Contractor shall supply the following items to the DHR except where the ASDU Contractor does not have the right to transfer such items to a third party:

a. The ASDU Database, including the structure, all data models, data dictionaries, drawings, graphic representations, specifications and file formats within the ASDU System, including all hardware and software required to operate the ASDU System.

b. ASDU network configuration diagrams, maintenance logs, and security provisions.

c. All application software (current version) used to process or support the processing of IV-D and Non IV-D payments.

d. All application software documentation (for current version being run) and all training materials for the use of the hardware and software.

3.4.8.1.3 General Provisions

Below we describe those end-of-contract transfer provisions that are required regardless of which course of action is chosen by the State.

a. In those instances where the ASDU Contractor does not have the right to transfer hardware or software to the DHR, the ASDU Contractor shall provide the DHR with the name and version of the software necessary to make the ASDU Contractor's technical solution fully functional.

b. The ASDU Contractor shall supply to the DHR on the next day following termination of services under this contract all data and information stored in the ASDU Database and in all other Contractor databases and information systems (including backup copies in any medium located at the ASDU site and in off site storage). The format and medium in which the data and information are supplied shall be specified by the DHR.

c. The ASDU Contractor grants to the DHR an option, exercisable in the DHR's sole discretion upon the termination of services, to purchase or lease (the lease period to be determined in the sole discretion of the DHR) hardware being used to support ASDU operations, including hardware provided to employers by the ASDU Contractor. The DHR recognizes that the ASDU Contractor may be using hardware leased before the ASDU Contractor entered into this Contract. In this case, if the ASDU Contractor has the authority to assign all of its rights, title, and interest in the lease to a third party, the ASDU Contractor, by entering into this Contract, grants to the DHR an option, exercisable in the DHR's sole discretion upon the termination of services under this contract, to have the ASDU Contractor assign its rights, title, and interest in the lease to the DHR. This lease assignment includes space leases and office equipment leases.

d. If the ASDU Contractor should purchase or lease hardware after the award of this contract to support ASDU operations, then the ASDU Contractor shall only acquire hardware with the advice and consent of the DHR. The ASDU Contractor shall provide the DHR with advance notice of and permit the DHR to participate in negotiations for the acquisition of hardware and any operating system license(s). The ASDU Contractor shall cause all agreements for hardware to include a provision that permits the transfer and assignment of the agreement from the ASDU Contractor to the DHR. In the case of the mainframe operating system and other hardware operating system software, the ASDU Contractor shall cause the license to include the DHR as a licensee; in the alternative the DHR may consent, in the DHR's sole discretion, to such a license containing a provision that permits the transfer and assignment of the rights, title, and interest in the license from the ASDU Contractor to the DHR.

e. If the DHR exercises its option to purchase or lease any hardware being used to support ASDU operations, the purchase price shall be the fair market value of the property at the time of termination; the monthly lease rate shall be the fair market lease rate at the time of termination.

f. The Vendor shall submit a detailed narrative description of its technological solution(s), including hardware and software models and versions, to perform the automated tasks for the receipt and posting process service. The Vendor may submit equipment product literature in addition to the description.

Additional hardware and software acquisition requirements will be discussed with the successful Vendor during contract negotiations. Post office boxes and their associated addresses used by the current contractor for receiving child support payments will be made available to the new vendor. The current costs are $824.00/year for the main box and $68.00 per year for the secondary box.

3.4.9 IMPLEMENTATION SCHEDULE

The ASDU procurement schedule is available in the Schedule of Events, which is located at the beginning of this document. **The selected ASDU Vendor must be fully operational by November 01, 2014.**

3.5 PERFORMANCE STANDARDS AND PENALTIES

3.5.1 PERFORMANCE STANDARDS

In cases below where time limits are referred to, the following definitions shall apply:

- ✓ If the time limit is greater than ten days, the time limit includes Saturdays, Sundays, and State/Federal holidays.

- ✓ If the time limit is ten days or less, the time limit does not include Saturdays, Sundays, or State/Federal holidays.

Below we discuss various performance standards:

a. Mail receipt has to be completed at least once per day and date stamped.

b. Payments must be posted on the same business day they are received. This requires the ability to post an unidentified payment to the ASDU System on which an ASDU staff person can continue to pursue identification. The ASDU is required to be operational Monday through Friday and to receipt payments the same day they are received. If the Vendor chooses to work on Saturdays, payments should be receipted, balanced, and secured. The deposit should be made with the first courier run the following business day. This same procedure should be followed on state and banking holidays.
Posting on a non-business day after the last business day of a month may be problematic. Any payments posted on a weekend or holiday after the last business day of a month must be posted as payments for the following month, e.g., if Friday the 30th is the last business day of a month, any payments receipted by the Vendor on Saturday the 31st must be posted as payments for the following month because the State closes out its records for the month on the last business day of that month. If the Vendor receipts on non-business days in this situation, a mechanism must exist on the Vendor's system, which will allow these payments to post to the following month.

c. Invalid payments, illegible payments, and payments that lack sufficient information to initiate research must be returned on the business day they are received. Returned payments must be tracked in a daily log.

d. All other payments must be identified within four business (date of receipt plus three days beyond) days of their receipt or be sent to DHR as unidentified. If the ASDU has any research information, it should be passed to CSED at that time. Any further research information must be given to CSED upon request.

e. Payment instruments not returned to the payer must be deposited in the bank on the business day they are received.

f. Posted payments must be transmitted to ALECS and the SJIS by 5:00 PM (CST).

g. The ASDU payment posting standard is 99.96% payments posted without errors. Identified posting errors will be the responsibility of the CSA to adjust. DHR and AOC recognize that in order for the Vendor to make an adjustment to their system, the vendor will need to be notified of errors, which are directly attributable to error on the vendor's part. Otherwise, continued errors may occur. Procedures will be in place for all involved parties to be aware of the cause and nature of posting errors. The vendor's computer system must be able to maintain an information database that provides a mechanism to eliminate repeat errors of the same nature.

h. Correspondence included with payments and bankruptcy notices must be sent to the appropriate place by the end of the second calendar day after it was received. All other correspondence must be returned to the payer. The Contractor must maintain a log of destinations to which correspondence is sent. This averages approximately 2300 items to be forwarded monthly, most of which goes to DHR county and state offices through hand mail.

i. Payments must be sent to ALECS and the SJIS by the end of the next business day after the business day on which the payment was received. This covers Saturday business, which is not received until Monday processing.

j. The NSF flag must be set in the ASDU Database within the same business day in which notification was received from the bank.

k. Bank reconciliation reports must be delivered to the DHR contact daily by 5:00 PM CST. The ALECS Payment File, the SJIS Payment File, and the Journal File are used in the reconciliation process. No report separate from these files is expected.

3.5.2 PENALTIES

It is important that penalties for poor performance be established, that they be fair, and that they motivate the Contractor to correct poor performance. Directly or indirectly, these penalties are monetary. The penalties become more severe if performance does not improve. The final penalty is contract termination.
Penalties are waived if delays are caused by a natural disaster. The State reserves the right to waive certain penalties at its discretion, and one such instance shall not constitute the future waiver of such penalties.

a. A formal mechanism will be established to inform the Contractor of performance problems and the time frame for correction.

b. Reporting penalties during the first month a new Vendor is operating the ASDU will not apply. There may be other incidences, at the state's discretion that penalties may not apply.

c. The penalty for failure to produce a report on the business day it is due is $1,000 per report. A second failure in the timely production of the same report within 30 calendar days is $2,000 per report, and a similar $1,000 per late report escalation continues.

d. The penalty for failure to post all transactions on the business day they are received is 10%, or $1,000, whichever is more, of the unposted amount. The second failure within a calendar month is 12%, or $2,000, whichever is more, of the unposted amount, and a similar $1,000 per unposted payment escalation continues. The penalty structure recycles on a monthly basis.

e. The failure to transfer payment data to the DHR and AOC by 5:00 PM CST on the day on which they were received is 10%, or $1,000, whichever is more, of the amount not transferred. A second failure within a calendar month is 12%, or $2,000 whichever is more, of the amount not transferred, and a similar $1,000 per failed payment transfer escalation continues. The penalty structure recycles on a monthly basis.

f. Failure to correct any negative audit findings, either by the ASDU Contractor's independent auditors or by State auditors, within 60 calendar days, or a longer period agreed to on problem identification, will result in a penalty of $50,000 per uncorrected finding.

g. Penalties of $1,000 per calendar day for each Implementation Plan milestone that is missed.

h. The penalty for exceeding the posting error rate of 0.04% is equal to the amount of the payments posted in error above 0.04%.

SECTION 4: PROPOSAL FORMAT AND INSTRUCTIONS

4.0 PROPOSAL REQUIREMENTS

Proposals must meet all requirements as specified in this RFP. Proposals must incorporate the specified structure and format; must be clear, detailed, and complete as to fully demonstrate that the prospective Vendor has a thorough understanding of the requirements for providing the services for this procurement. Statements that the Vendor understands, acknowledges, or can comply with the requirements/specifications and statements paraphrasing the specifications are considered inadequate as are phrases such as "industry standards will be adhered to" and/or "standard procedures will be implemented", or "research-based models will be used". Proposals must clearly and adequately describe the concepts and methodologies to be implemented by the Vendor. Information must be clear, succinct, and easily understandable.

4.1 COMPLETENESS OF PROPOSALS

Selection(s) and award(s) will be based on the Vendor's proposal and other items described in this RFP. Proposals should not include references to information located elsewhere, such as Internet websites. Information or materials presented by Vendors outside the formal response or subsequent discussion/negotiation or "best and final offer," if requested, will not be considered, will have no bearing on any award, and may result in the Vendor being disqualified from further consideration.

4.2 PROPOSAL FORMAT

Proposals must not exceed **one hundred (100) pages**, including attachments and must be single-spaced, incorporating 1-inch margins, typed using Times New Roman (font), size 12, black print. Proposals must be printed/copied onto one side of standard (8½ x 11) white typing/copier paper. *Paragraphs must be double-spaced.* All proposals (the original and copies) must include labeled tabs that correspond with the bolded sections and subsections (titles and numbers) to which the information pertains as specified in Section 4 of this document. ***Do not use adhesive tabs (on pages of the proposal), tabs with paper inserts, sheet protectors, rings or prong fasteners.*** Vendors should avoid the use of elaborate presentations and binding materials beyond that which is sufficient to present complete and effective proposals. **Proposals that do not adhere to the specified format may be deemed non-responsive.**

4.2.1 COVER SHEET

The first page of each proposal must be the completed **Cover Sheet** (RFP cover sheet) with an original ink signature of the person(s) legally authorized to bind the vendor to the proposal. **Proposals without signatures of persons legally authorized to bind the vendor to the proposal will be rejected.** The cover sheet must also include the name of the contact person and contact information of the person authorized to act on behalf of the vendor (do not number this page). Vendors must also provide their federal employer identification number and DUNS number. Also, denote the original proposal and copies by placing a check in the appropriate box on the cover sheet.

4.2.2 TABLE OF CONTENTS

The Cover Sheet should be followed by the **"Table of Contents"**, which should list all sections, subsections and page numbers. Numbering of the proposal pages should begin with page 1 of the Table of Contents. Page numbers should be placed in the right corner of the bottom margin.

4.2.3 LEGAL STATUS FORM/CP575 OR TAXPAYER IDENTIFICATION NUMBER

The Table of Contents must be followed by a copy of the **Legal Status Form** or a **CP575.** *These forms are issued by the IRS and denote an organization's legal status (i.e., non-profit, for-profit, corporation, etc.) and include the Federal Employee Identification Number (FEIN).* If neither the Legal Status Form nor the CP575

are available, a completed and signed copy of the **"Request for Taxpayer Identification Number"** form *(Appendix B)* must be included. All items on this form must be completed.

4.2.4 LICENSES/CERTIFICATES/CREDENTIALS

The Legal Status Form or Request for Taxpayer Identification Number Form should be followed by a copy of all required **Licenses, Certificates, and Credentials** or a copy of a completed license application form submitted by the deadline specified in this RFP**.**

4.2.5 TECHNICAL PROPOSAL

Copies of Licenses/Certificates/Credentials should be followed by the **Technical Proposal**. Numbering of the proposal pages should begin with page 1 of the Technical Proposal. Page numbers should be placed in the left corner of the bottom margin. The Technical Proposal must prescribe to sections **4.2.5.1** through **4.2.5.4.6** below:

4.2.5.1 VENDOR QUALIFYING INFORMATION

4.2.5.1.1 Vendor Profile

Vendors must: a) state their full company or corporate name and give the address of the organization's headquarters; b) list all names it has used when conducting business; c) specify how the entity is organized (proprietorship, partnership, corporation); d) specify the state in which the Vendor is incorporated or otherwise organized to do business; e) specify the year in which the Vendor was first organized to do business, identify major changes in the form of organization (such as by subsequent incorporation, merger, or other organizational change) and prior names of the organization; f) provide a description and names of the organization's governing board of directors and the names, titles and responsibilities of all officers, identifying those who are authorized to negotiate a contract with the Department and who have responsibilities and accountability for the contract; g) identify by name, business address and telephone number all owners, partners or stockholders who own ten percent or more of the organization; identify any corporation owning ten percent or more of the organization, identify the corporation and its chief executive officer and chief financial officer; and identify any change in ownership or control of the company is anticipated, describe the circumstances of such change and indicate when the change will likely occur.

4.2.5.1.2 Vendor's Qualifications and Direct Experience

Vendors must describe in detail the Vendor's corporate experience within the last five (5) years directly related to the proposed contract, including all relevant child support payment processing systems experience, other large-scale government database and transaction processing systems, and system transfer and development.

a) Summary of Vendor's Corporate Experience

Vendors must include a summary matrix, which lists previous Vendor projects similar to the ASDU project in size, scope, and complexity. Each column of the matrix must contain the project identifier at the top, and a mark ("x") in each cell opposite the Vendor-determined experience categories applicable to the work performed by the Vendor on that project. For each experience category marked, the narrative should identify the most significant accomplishments, findings, or results. The Vendor shall also provide narrative descriptions of each project to highlight the similarities between its experience and the ASDU project and to expand on the notations on the matrix. Vendor and Subcontractor experience shall be listed separately.

b) Project Narrative Descriptions

For each project (not to exceed 1 page per project) offered as experience related to the ASDU development, the Vendor shall provide:

- ✓ A narrative of the work performed;
- ✓ The time period of the project (dates); and
- ✓ A customer reference (including name, current phone number, contract number).

The narrative must complement and expand on the summary information provided in the matrix of the previous section. Each project must identify whether the work was performed as a Prime Contractor or as a Subcontractor. If the work was performed as a Subcontractor, the description must identify the number of hours allocated, share of contract costs and project tasks and responsibilities performed as a Subcontractor. All current projects must also include a brief statement of the scope of the project, including length of the contract period and staffing levels committed.

Separate narrative descriptions must be submitted for Subcontractors and must be specifically identified as Subcontractor projects.

4.2.5.1.3 Subcontractor(s)

For each proposed subcontracting firm, the Vendor must provide the following information (referencing the subsections in sequence):

a) Subcontracting firm name;

b) Complete address of the subcontractor;

c) Project tasks to be conducted by the subcontractor;

d) Percentage of total project and task-specific work the subcontractor will be providing;

e) A written statement, signed by each proposed subcontractor, that clearly verifies that the subcontractor is committed to render the services required by the contract;

f) Three references for the subcontractor as outlined for the Prime Vendor in RFP Section 4.2.5.1.4 below. At a minimum, one of the references should be for projects of similar size and scope where the subcontractor has provided products or services similar to those proposed;

g) A list, if any, of all current Subcontractor contractual relationships with the State of Alabama and all those completed within the previous three-year period, as outlined for the Prime Vendor in RFP Section 4.2.5.1.5 below;

h) Resumes of key subcontractor staff to be assigned to the ASDU project;

i) Method of monitoring subcontractor's progress on deliverables.

4.2.5.1.4 References

Proposing Vendors must provide a minimum of three (3) references for projects of similar size and scope for which the Vendor served as the prime contractor or system developer and implementer, preferably within the last five (5) years. These references may be contacted to verify Vendor's ability to perform the contract. The Department reserves the right to use any information or additional references deemed necessary to establish the ability of the Vendor to perform the conditions of the contract. Negative references may be grounds for proposal disqualification.

For each reference, the Vendor shall provide (referencing the subsections in sequence):

a) The company name of the reference;

b) The location where the services were provided (city, state);

c) Primary and secondary contact name, title, telephone number, and e-mail address of the client reference;

d) A complete description of the project;

e) Description of the Vendor's role in the project;

f) Beginning and end dates of the project;

g) Maximum number of Vendor staff assigned to project at one time;

h) List of any Vendor-supplied contract staff also expected to be assigned to the proposed ASDU project, their roles in the referenced client contract, and start and end dates of their individual involvement.

4.2.5.1.5 Past and Present Contractual Relationships with the Department

In addition to the three required references as set out in Section 4.2.5.1.4 above, the Vendor shall provide a list, if any, of all current contractual relationships with the State of Alabama including colleges/universities and all those completed within the previous three-year period. If the Vendor, its predecessor, or any party named in the Vendor's responses to this Section has contracted with any department within the State Government during the past three years, identify the contract number and/or other information available to identify such contract(s).

For this section, the Vendor must provide (referencing the subsections in sequence):

a) Contract number;

b) Time period of the project and/or contract;

c) Procuring State agency;

d) Description of project;

e) Description of Vendor's role in project;

f) Total contract dollars awarded to Vendor;

g) Maximum number of Vendor staff assigned to project at one time;

h) List of any Vendor-supplied contract staff also expected to be assigned to the proposed ASDU project, their roles in the previous State contract, start and end dates of their individual involvement;

i) State contact name and telephone number for each reference.

If no such contracts exist, so declare. If any party named in the Vendor's response to this RFP was an employee of the State in the past two years, identify the individual(s) by name, state agency by which employed, job title of position held with the State, and separation date. If no such relationship exists, so declare.

4.2.5.1.6 Relationships to Department's Employees

If any owner or key employee of the Vendor is related by blood or marriage to any employee of DHR (including all its organizational parts), identify each such owner or employee, nature of relationship, and name of the employee of DHR to whom related. If no such relationship exists, so declare.
If any employee of any agency of the State sits on the governing board of Vendor, as of the due date for Proposal submission specified herein, identify all such persons by name, position held with the Vendor, and position held with the State (including job title and agency). Describe the responsibilities of such persons within the Vendor organization. If, after review of this information by DHR, it is determined that a conflict of interest exists or may exist, the Vendor may be disqualified from further consideration in this procurement. If no such relationship exists, so declare.

4.2.5.1.7 Contract Performance

If the Vendor, or any proposed Subcontractor, has had a contract terminated for default during the past five years, all such instances must be described as discussed below. Termination for default is defined as notice to stop performance delivery due to the Vendor's nonperformance or poor performance and the issue was either (a) not litigated due to inaction on the part of the Vendor; or (b) litigated and such litigation determined the Vendor to be in default. Submit full details of all terminations for default experienced by the Vendor during the past five years, including the other party's name, address, and telephone number. Present the Vendor's position on the matter. The Department shall evaluate the facts and may, at its sole discretion, reject the Vendor's proposal if the facts discovered indicate that completion of a contract resulting from this RFP may be jeopardized by selection of the Vendor. If the Vendor has experienced no such terminations for default in the past five years, so declare. If at any time during the past five years, the Vendor has had a contract terminated

for convenience, non-allocation of funds, or any other reason, which termination occurred before completion of all obligations under the initial contract provisions, describe fully all such terminations including the name and address of the other contracting party and the circumstances surrounding the termination. If no such early terminations have occurred, so declare.

Failure to report on the foregoing or if the information furnished is determined to be inaccurate, whether by omission or commission, shall result in rejection of the Vendor's Proposal.

Note: No points will be assigned to proposals submitted by new or current vendors who have performed their contractual obligations satisfactorily. However, current vendors who have performed unsatisfactorily may experience point deductions up to a maximum of 10 points.

4.2.5.1.8 Project Staff/Resumes/Job Descriptions

The Vendor must submit a resume or job description detailing the level of education, experience, training, skills, etc. which emphasizes previous experience in the service area as described in this RFP for all key personnel who will be involved with the proposed project. The Vendor must provide a project organization chart, which identifies the proposed project team, and personnel that would be assigned to this contract. Provide one organization chart for the transition phase and one for the ongoing operations phase.
The Vendor must indicate that it has sufficient staff to perform the services required in this RFP, if sufficient staff is not currently available, describe how staff will be obtained to provide the services and the timeline for obtaining the needed staff. List all professional licenses held by the vendor.

For each management and staff position shown in the project organizational chart, the following must be provided (referencing the subsections in sequence):

a) Title;
b) Description of Project Role and Responsibilities;
c) Percentage of time assigned to ASDU project;
d) Percentage of time spent in Montgomery, AL;

For the key positions, the following must be included:

e) Resume detailing the individual's relevant project experience as it relates to this RFP;
f) Designation of the individual as a contract employee (compensation paid by an organization other than the Vendor submitting this proposal) or staff (compensation paid by the Vendor submitting this proposal);
g) Two references, listing project description, individual role, dates of assignment, and primary and secondary contact email and phone.

4.2.5.1.9 Staff Performance Evaluations and Training

Vendors must describe its staff development program regarding orientation, on-going staff evaluation and training that will be implemented throughout the contract period to ensure delivery of effective services that adhere to the Department's required performance standards.

4.2.5.1.10 Background Checks

Describe in detail the steps that the Vendor will take to ensure that none of its staff, regardless of level, has been the subject of any incident or investigation which would call into question the propriety of that employee's working with the service recipients of this procurement. Provide documentation that each employee has had a

criminal background check. Describe your organization's general procedure for addressing occurrences when an incident or allegation is reported, founded or unfounded.

4.2.5.2 VENDOR FINANCIAL STABILITY

Separate financial statements must be submitted by the Vendor and by each of its subcontractors as specified in this Section. If the Vendor/subcontractor is a publicly held corporation, enclose a copy of the corporation's most recent three years of audited financial reports, financial statements and notes to the financial statements and the name, address, and telephone number of a responsible representative of the corporation's principle financial or banking organization and financial audit firm.

If the Vendor/subcontractor is not a publicly held corporation, financial statements shall be provided as specified with the preceding paragraph or for each of the last three years:

- ✓ Describe the Vendor or subcontractor organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information in such a manner that evaluators may reasonably formulate a determination about the stability and financial strength of the Vendor organization;
- ✓ Provide a banking reference;
- ✓ Provide a credit rating and name the rating service; and
- ✓ Disclose any and all judgments, pending or expected litigation, or other real potential financial reversals, which might affect the viability or stability of the Vendor or subcontractor organization; or certify that no such condition is known to exist.

4.2.5.3 ASDU SYSTEM DESCRIPTION/ SERVICE DELIVERY APPROACH

The Vendor must provide a detailed description of the work plan and the methods to be used that will meet the requirements of the following (the Statement of Work Section and Subsection number following each paragraph refer to the portion of this RFP that must be addressed), the timeframes necessary to accomplish the work, and how the work will be accomplished.

- ✓ Methodology for processing of IV-D and Non IV-D child support payments, including payment identification (Section 3.3.4).
- ✓ Methodology for operating the Customer Service Unit (Subsection 3.3.7).
- ✓ The ASDU Implementation Plan, including development and testing of interfaces to various systems described elsewhere in this RFP (Section 3.4).
- ✓ The plan for developing the ASDU system process flow diagrams (Subsection 3.4.7).
- ✓ The Contingency/Disaster Recovery Plan (Subsection 3.3.9.2).
- ✓ The End of Contract Transition Plan (Subsection 3.4.8).

4.2.5.3.1 Start-up Plan

The Vendor must include a detailed project schedule that is comprised of the detailed work plan for the entire project. This section should also include any proposed additions to the tasks outlined in the *Section 3: Scope of Work.* **Vendors must complete start-up in sixty-nine (69) days.**

4.2.5.3.2 Assessment of Benefits and Impact

Describe the process that Vendor will use to assess the proposed services to determine if the expected benefits and their impact have occurred. Include on-going plans to continuously assess and modify services to better meet the needs of the target population. The assessment methodology should provide the Department with meaningful indicators that funded projects are making satisfactory progress toward desired goals.

4.2.5.3.3 Office Location

Vendors must provide the address of the Vendor's office location responsible for performance under a Contract with the State in the event the Vendor becomes the Contractor.

4.2.5.4 VENDOR CERTIFICATIONS

Vendors must submit a statement attesting that they warrant and represent to the Department that the vendor accepts and agrees with all certifications and terms and conditions of this RFP. Further, by submitting a response to this RFP, the vendor certifies to the Department that they are legally authorized to conduct business within the State of Alabama and to carry out the services described in this document.

4.2.5.4.1 Revolving Door Policy

Vendors must attest that neither the vendor nor any of the vendor's trustees, officers, directors, agents, servants or employees is a current employee of the Department, and none of the said individuals have been employees of the Department in violation of the revolving door prohibitions contained in the state of Alabama ethics laws.

4.2.5.4.2 Debarment

Vendors must attest that neither the vendor nor any of the vendor's trustees, officers, directors, agents, servants or employees (whether paid or voluntary) is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension."

4.2.5.4.3 Standard Contract

The vendor must agree to the use of the Department's standard contract document. The vendor will further comply with all the terms and conditions of that document, including, but not limited to, compliance with the Title VI of the Civil Rights Act of 1964, the Rehabilitation Act of 1973, as amended, the Americans with Disabilities Act, Alabama Act No. 2000-775 (governing individuals in direct service positions who have unsupervised access to children), the Health Insurance Portability and Accountability Act of 1996 (HIPAA) as applicable, and all other federal and state laws, rules and regulations applicable to receiving funds from the Department to carry out the services described in this RFP. Further, any contract executed pursuant to the RFP must be subject to review by the Department's legal counsel as to its legality of form and compliance with State contract laws, terms and conditions, and may further be subject to review by the Alabama Legislative Contract Review Committee, Examiners of Public Accounts, the State Finance Director and the Office of the Governor.

4.2.5.4.4 Charitable Choice (applies to faith-based organizations only)

The vendor must attest that funds received as a result of this procurement will not be used for sectarian instruction, worship, proselytizing or for any other purely religious activities that are not directed toward the secular social goals related to the services described in this RFP. The vendor must agree to serve all eligible members of the public without regard to their religious beliefs and, further, must not require clients' active participation in any religious practice. (In carrying out the said services, the vendor will remain independent from federal, state and local governments; will retain control over the expression of its religious beliefs, and is NOT required to remove its religious writings or symbols or to alter its internal governance as a condition of doing business with the Department.)

4.2.5.4.5 Financial Accounting

Vendors must agree that the vendor's accounting system will be consistent with General Accepted Governmental Accounting Principles (GAAP). The vendor must maintain sufficient financial accounting records documenting all funding sources and applicable expenditure of all funds from all sources.

4.2.5.4.6 Vendor Work Product

The Vendor must attest that the proposal submitted in response to this document is the work product of said vendor. If the proposal is determined not to be the work product of the vendor, the proposal may, at the Department's sole discretion, be rejected.

4.2.5.5 ATTACHMENTS

Vendors must include all applicable forms identified below as attachments (i.e., Attachment A, B, C, etc), applicable forms must follow the Technical Proposal.

4.2.5.5.1. Disclosure Statement

The Technical Proposal must be followed by a completed copy of the **Disclosure Statement**.

4.2.5.5.2 Trade Secret Affidavit

The Disclosure Statement must be followed by a completed copy of the **Trade Secret Affidavit** (*Appendix C*), if applicable.

4.2.5.5.3 Immigration Affidavit

The Trade Secret Affidavit must be followed by a completed copy of the **Immigration Affidavit** (*Appendix D*) and e-verify documentation. ***All proposals must include the Immigration Affidavit and e-verify documentation.***

SECTION 5: COST PROPOSAL

5.0 PAYMENT PROCESSING COST

Manual Payment Posting Costs		
Payments Correctly Posted per Month	**Fixed Price per Payment**	
	Year 1	Year 2
0 to 200,000	$	$
200,000 to 225,000	$	$
225,001 to 250,000	$	$
250,001 to 275,000	$	$
275,001 to 300,000	$	$
300,001 or greater	$	$

EFT Payment Posting Costs		
Payments Correctly Posted per Month	**Fixed Price per Payment**	
	Year 1	Year 2
0 to 200,000	$	$
200,000 to 225,000	$	$
225,001 to 250,000	$	$
250,001 to 275,000	$	$
275,001 to 300,000	$	$
300,001 or greater	$	$

Year	Posting Costs							Customer Ser	
	Payments Correctly Posted Per Month	Manual Rate Per Transaction	Monthly Manual Processing Volume	Monthly Cost for Manual Transactions	EFT Rate Per Transaction	Monthly EFT Processing Volume	Monthly Cost for EFT Transactions	*Level 1	Mont Vo (Aver Dail Day Year)
1	233,387		**147,034**	**$**		**86,353**	**$**		
2	245,056		**142,132**	**$**		**102,924**	**$**		

T

SIGNATURE

DATE

5.2 CUSTOMER SERVICE COST PROPOSAL

Cost or rates to be paid for Level 1 of customer service as explained in Section 3.3.7. Vendors may use whatever table or format they choose to present this data.

5.3 GUARANTEED CHANGE ORDER LABOR RATES BY STAFF CATEGORY

Explain the rates to be paid for Change Order Requests. Vendors may use any table or format to present this information.

5.4 OPTIONAL EXPANDED CUSTOMER SERVICE UNIT COST PROPOSAL

All costs associated with this optional service should be shown separately from any other required functions including training for customer service staff and the required Level 1 customer service as described in Section 3.3.7.

a. Cost of VRU. Cost of operating and maintaining a VRU. This should be presented in the following format:

- ✓ Annual cost for Year 1, and Year 2 for operating and maintaining a VRU.

b. Customer Service Staff. Cost of operating and maintaining a Customer Service Unit. This should be presented in the following format:

- ✓ Annual costs for Year 1, and Year 2 for operating and maintaining a Customer Service Unit.

SECTION 6: EVALUATION CRITERIA

6.0 EVALUATION CRITERIA

The evaluation committee will review and evaluate the proposals according to the following criteria based on **a maximum possible value of 1,000 points**. Proposals failing to meet the requirements of this RFP may be deemed non-responsive or subject to point deductions. The point value assigned to each component of the **Technical Proposal and Cost Proposal** will be based on the following scoring scale.

	Category	RFP Section	Point Value
Vendor Qualifying Information		**20% of points for a possible 200 points**	
A.	Vendor Profile and Experience	4.2.5.1.1	50
B.	Vendor Qualifications and Direct Experience	4.2.5.1.2	145
C.	Subcontractor (s)	4.2.5.1.3	10
D.	References	4.2.5.1.4	0
E.	Past and Present Contractual Relationships with the Department	4.2.5.1.5	0
F.	Relationships to Department Employees	4.2.5.1.6	0
G.	Contract Performance	4.2.5.1.7	*To be Determined*
H.	Project Staff/Resumes/Job Descriptions	4.2.5.1.8	5
Method of Providing Services		**40% of points for a possible 400 points**	
A.	ASDU System Delivery	4.2.5.3	375
B.	Start-up Plan	4.2.5.3.1	10
C.	Assessment of Benefits and Impact	4.2.5.3.2	15
D.	Office Location	4.2.5.3.3	0
E.	Vendor Certifications	4.2.5.4	0
Cost Proposal		**40% of points for a possible 400 points**	
A.	Cost Proposal	5.0	400

SECTION 7: CONTRACT TERMS AND CONDITIONS

7.1 MANDATORY NATURE OF TERMS AND CONDITIONS

The State of Alabama contemplates that any contract resulting from this RFP shall include the following Contractual Terms and Conditions. Vendor's proposals shall include a statement of agreement with these Terms and Conditions. Any exceptions, which Vendors wish to raise, must be addressed in the Question and Answer process. Changes to these proposed Contract Terms and Conditions may be made only through an amendment to this RFP. Failure to specifically agree to these conditions will render a proposal non-responsive.

7.2 CONTRACT DOCUMENT

7.2.1 TYPE OF CONTRACT

The contract for operation of the ASDU shall be entered on a cost per transaction basis.

7.2.2 ENTIRE AGREEMENT

Any contract negotiated pursuant to this RFP shall supersede any and all other agreements, either oral or written, between the parties with respect to retaining the Contractor by the State of Alabama and contain all of the covenants and agreements between the parties with respect to such Contract. No representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied in the Contract, and no other agreement, statement, or promise not contained in the Contract shall be valid or binding. Any modification of the Contract will be effective only through a duly executed authority. For the purposes of this paragraph and of the entire agreement, the signatures of the appropriate signature authorities of the State of Alabama are the only signatures that will bind the State of Alabama.

7.2.3 ORDER OF PRECEDENCE

This RFP and the successful Vendor's Proposal will be made a part of any resulting contract and will be incorporated in the contract as if set forth verbatim. In the event of a contradiction between the provisions of the documents comprising the contract, the contradiction shall be resolved by giving precedence in the following order:

- ✓ Provisions of the actual contract document (as it may be modified);
- ✓ Provisions of the RFP (as it may be amended);
- ✓ Provisions of the Proposal (as it may be clarified).

7.2.4 ASSIGNMENT OF CONTRACT

The Contractor may not assign the Contract, in whole or in part including any payment arising there from without the prior written consent of the State of Alabama.

7.2.5 COMPLIANCE WITH LAWS

The Contractor will be required to comply with all applicable Federal, State of Alabama, and local laws, regulations, and ordinances applicable to the work to be performed under the Contract. The Contractor will be required to provide a copy of appropriate business permits and licenses.

7.2.6 GOVERNING LAW

The validity of the Contract and of any of its terms or provisions, as well as the rights and duties of the parties to the Contract, shall be governed by the laws of the State of Alabama. The Vendor, by submitting a proposal and signing a Contract, agrees and submits to the jurisdiction of the courts of the State of Alabama and agrees that the venue for any legal proceedings will be filed in this jurisdiction.

7.2.7 CONTRACT MODIFICATIONS

A bilateral Contract Modification will be required whenever a change affects the payment provisions, the scope of work, the period of performance or the delivery schedule of the Contract. Formal Contract Modifications shall be negotiated by the State of Alabama with the Contractor whenever necessary to address changes to the terms and conditions under the Contract. Any modification of the Contract will be effective only after having been signed by the appropriate signature authorities of each party to the agreement.

Either the State of Alabama or the Contractor may request expansion of the scope of work covered by the Contract or additional compensation in excess of the amounts proposed for performance of the Contract through a Contract Change Order (covered in the "Change Order" clause, reference subsection 7.2.8). Any expansion of work will require a pre-approved Contract Modification. The expansion of work request may be based on new requirements resulting from changes in State of Alabama or Federal regulations and may require additional Federal funding support to implement.

7.2.8 CHANGE ORDERS

The DHR may at any time, with written notice to the Contractor, make changes within the general scope of the Contract. However, any correction of deficiencies and full implementation of all RFP required capabilities are the Contractor's responsibility to make without additional charge to DHR. If any such change causes an increase or decrease in the cost of performance of any part of the work under the Contract, whether or not changed by the order, DHR will make an equitable adjustment in the Contract price and shall modify the Contract accordingly. Any such changes may be necessitated by new Federal or State regulations that require additional resources or an accelerated schedule, which cannot otherwise be met by Contractor staff. Approved Change Orders shall be paid according to the guaranteed hourly rates provided by the Contractor in the Cost Proposal.

The Contractor must assert its right to an adjustment and submit a "Change Order proposal" within fifteen (15) days from receipt of the written Change Order delineating the impact of work deleted as well as work added. The proposal shall include a description of the cost increase or decrease involved in implementing the change. The cost and/or credit to DHR resulting in a change in the work shall specify the total cost based on the quantity of staff hours by Contractor labor category required to complete the change times the corresponding labor rates proposed by the Contractor. The change order proposal should also include any Other Direct Charges (ODC's) separate from the labor cost. The parties will negotiate in good faith and in a timely manner as to the price and any milestone schedule adjustments of any change order proposal. Failure to agree to any adjustment will constitute and be treated as a dispute.

If the parties are unable to reach an agreement, DHR will make a determination of a reasonable price for the change, which the Contractor may dispute under the Disputes clause (see subsection 7.5.9). The Contractor shall proceed with the work according to a schedule approved by DHR while the dispute is being settled. All payments for change orders are to be in accordance with the payment terms set forth in the Contract (Section 7.6.2).

7.2.9 OMISSIONS

In the event that the State of Alabama or the Contractor discovers any material omission in the provisions of the Contract that is believed to be essential to the successful performance of the Contract, each must so inform the other in writing. The State of Alabama and the Contractor shall then follow the procedures outlined in the "Change Order" clause (reference subsection 7.2.8).

7.2.10 MANDATED CHANGES

The State of Alabama and the Contractor acknowledge the possibility that changes in Federal regulations applicable to the Contract could occur and will expressly agree to renegotiate the Contract as necessary to

comply. The State of Alabama and the Contractor shall then follow the procedures outlined in the "Change Order" clause (reference subsection 7.2.8) with such changes.

7.2.11 SEVERABLE PROVISIONS

If any term or condition of the Contract or application thereof to any person(s) or circumstances is held invalid, the invalidity shall not affect other terms, conditions, or applications, which can be given effect without the invalid term, condition, or application; to this end the Terms and Conditions of the Contract will be declared severable.

7.2.12 DISCLAIMERS

All statistical and fiscal information contained in the RFP, and any appendices or attachments thereto, reflects the information available to the State of Alabama at the time of the preparation of the above cited documents. The State of Alabama does not warrant the accuracy of any such information and shall not be liable for any errors or the results of errors, which may be discovered, at any time, to exist in those statements.

7.2.13 HEADINGS

Section or paragraph headings under the Contract are for convenience only and shall have no binding force or effect and shall not enter into the interpretation of the Contract.

7.3 CONTRACT RELATIONSHIPS

7.3.1 RESPONSIBILITY OF PRIME CONTRACTOR

The Prime Contractor shall be designated in the proposal, and the proposal shall be submitted under the Prime Contractor's name. The Prime Contractor shall be the sole point of contact with regard to all contractual matters and shall be solely responsible for the fulfillment of the Contract with the State of Alabama. This includes the professional and technical accuracy of all work and materials furnished under the Contract. The selected Contractor shall assume responsibility for all services offered and products to be delivered as stated in its proposal whether or not the Contractor is the manufacturer or producer of said services. The Contractor shall, without additional cost to the State of Alabama, correct or revise all errors or deficiencies in any contract work identified during the term of the Contract.

The State of Alabama review, approval, acceptance of, and payment of fees for services required under the Contract, shall not be construed to operate as a waiver of any rights under the Contract or of any cause of action arising out of the Contractor's failure to perform. The Contractor shall be and remain liable to the State of Alabama for all direct costs, which may be incurred by the State of Alabama as a result of the Contractor's negligent or incomplete performance of any of the services performed under the Contract.

7.3.2 SUBCONTRACTORS

Any use of subcontractors shall be clearly explained in the vendor's Proposal. Subcontractors must be identified and a complete description of their role relative to the proposal must be included. The selected Vendor, as Prime Contractor, will be solely responsible for Contract performance regardless of the manner in which subcontractors are used. Subcontractors must adhere to the same standards required of the Prime Contractor. The Contractor shall not subsequently subcontract or assign all or any part of the services to be provided under the Contract to any third party without the prior written consent of the State of Alabama.

7.3.3 RELATED CONTRACTS AND COOPERATION WITH OTHER CONTRACTORS

The contractor must acknowledge that the State of Alabama may contract with other vendors or individuals for services related to the implementation of the ASDU not covered by the Statement of Work for this procurement. The contractor agrees to fully cooperate with any other contractors, consultants, or other parties that may be engaged or work with the State of Alabama. The contractor agrees to permit access by other parties upon

written request of the Project Manager to such facilities, program files, procedures or records directly related to the ASDU as may be in the possession of or under the control of the contractor. The contractor will not commit or permit any act which would interfere with the work of any other contractor, consultant or other party and will ensure that any and all of its subcontractors abide by this provision. This provision will be included within any subcontracts regardless of tier. The contractor will not receive extra compensation for required cooperation unless the additional burden on the contractor is outside the scope of the services sought under this solicitation. In such cases, a modification to the contract will be negotiated consistent with Section 7.2.7.

7.3.4 CONFLICTS OF INTEREST

No official or employee of the State and no public official of the Federal Government who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project will, prior to the completion of the project, voluntarily acquire any personal interest, direct or indirect, in the contract or proposed contract.

The contractor will covenant that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The contractor further will covenant that in the performance of the contract, no person having any such known interests will be employed.

The State of Alabama may terminate the contract, by written notice to the contractor, if it is found after due notice and examination that there is a violation of this subsection. In the event the contract is terminated, the State shall be entitled to pursue the same remedies against the contractor as it could pursue in the event of a breach of the contract by the contractor. The rights and remedies of the State provided by this clause shall not be exclusive and are in addition to any other rights and remedies provided by law.

7.3.5 INDEMNITY

The contractor will agree to save and hold harmless the State of Alabama, its officers, agents, representative, employees, successors and assigns and other governmental agencies from any and all suits or actions of every nature and kind, which may be brought for or on account of any injury, death, or damage arising or growing out of the acts or omissions of the contractor, contractor's officers, subcontractors, agents, servants or employees under the contract, or the joint or concurrent acts or omissions of the contractor, contractor's officers, subcontractors, agents, servants, or employees, and the State of Alabama, its officers, agents, representatives, employees, successors or assigns, regardless of whether the injury, death, or damage is alleged but not legally established to have been caused in whole by the State of Alabama, its officers, agents, representatives, employees, successors or assigns.

Except for bodily injury (including death), damage to tangible personal property or real property, the contractor's liability under this contract shall be limited to 200% of the annual contract Price.
Upon notice of any such claim, the State will provide prompt notice of said claim to the contractor. The State will provide reasonable assistance in defense of claims. Any proposed settlement will be subject to review and approval by the State. The State will act promptly in reviewing and reaching a decision regarding approval/disapproval of any proposed settlement.

7.3.6 STATUS AS CONTRACTOR

The contractor and its agents and employees will be independent contractors performing professional services for the State of Alabama and are not employees of the State of Alabama. The contractor and its agents and employees will not accrue leave, retirement, insurance, bonding, use of government vehicles, retirement system benefits, or any other benefits afforded to employees of the State of Alabama as a result of the contract.

7.3.7 TAX LIABILITY

7.3.7.1 PAYROLL TAXES

The contractor will assume responsibility for its personnel providing services hereunder and will make all deductions for social security and withholding taxes and for contributions to employment compensation funds and will maintain, at the contractor's expense, all necessary insurance for its employees including but not limited to Worker's Compensation and liability insurance for each of them. These requirements will apply to each subcontractor as well. There will be no withholding of taxes by the State of Alabama.

7.3.7.2 PAYMENT OF TAXES

The contractor will agree that the responsibility for payment of taxes from the funds received as payment under the contract shall be the contractor's obligation and shall be identified under the contractor's actual Federal and State of Alabama tax identification number(s).

7.3.8 STATE OF ALABAMA NOT LIABLE

The State of Alabama assumes no liability for any accident or injury that may occur to the contractor's agents, dependents, or personal property while in route to or from government facilities or during any travel associated with or mandated by the terms of the contract.

7.3.9 LICENSURE

The contractor shall be fully licensed to do business in the State of Alabama.

7.3.10 STATE AND FEDERAL INSPECTIONS

The State, the U.S. Department of Health and Human Services (HHS), General Accounting Office (GAO), or their authorized representative shall, at all reasonable times, have the right to enter the contractor's premises or such other places where duties under the contract are being performed to inspect, monitor, conduct periodic systems testing, or otherwise evaluate the work being performed.

7.4 INSURANCE

On or before beginning performance under the contract, the contractor will obtain from an insurance company duly authorized to do business in the State of Alabama, insurance as follows:

7.4.1 WORKERS' COMPENSATION

The contractor shall take out and maintain during the life of the contract, Workers' Compensation and Employers Liability Insurance (with a minimum liability limit of $100,000) for all of its employees employed at the site of the project and in case any work is subcontracted, the contractor will require the Subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees employed at the site of the project, unless such employees are covered by the protection afforded by the contractor.

7.4.2 PUBLIC LIABILITY AND PROPERTY DAMAGE

The contractor will take out and maintain during the life of the contract such public Liability and Property Damage Insurance as will protect the contractor and any Subcontractor performing work covered by the contract, from claims for damage or personal injury, including accidental death, as well as from claims for property damages which may arise from operations under the contract, whether such operations be by the contractor or by any Subcontractor, or by anyone directly or indirectly employed by either of them and the amounts of such insurance shall be as follows:

- ✓ General Liability Insurance. Bodily injury or death of any person in the minimum amount of one million dollars ($1,000,000) for any one occurrence to be included on the comprehensive form of the policy; and

- ✓ Automobile Liability Insurance. Coverage against bodily injury or death of any person in the minimum amounts of two hundred thousand ($200,000) per person and one million dollars ($1,000,000) for any one occurrence and property damage in the amount of one hundred thousand dollars ($100,000) for any one occurrence; and

- ✓ Liability Insurance for Property Damages as well as first-party fire insurance, including contents coverage for all equipment, payment instruments and cash, and records maintained pursuant to the Contract, in the amount of ten million dollars ($10,000,000).

- ✓ Errors and Omissions Insurance with limits of not less than four million dollars ($4,000,000) to be in force and in effect at all times which shall indemnify the ASDU contractor and DHR for direct loss which may be incurred due to human error, computer error, machine error, or problems with non-common carrier telecommunication lines owned or leased by the ASDU contractor, or equipment problems, whether caused by negligence, error, omission, or mistake by the ASDU contractor, subcontractor, any employee, officer, or agents thereof. Provider shall be responsible for furnishing certification of "occurrence form" rather than "claims made" coverage.

7.4.3 LIABILITY INSURANCE CERTIFICATES

The contractor will furnish the Department of Human Resources a certificate(s) evidencing that required insurance is in effect, for what amounts, and applicable policy numbers and expiration dates, within ten days of contract signing. The coverage as stated will not be canceled or changed until ten days after written notice of such termination or alteration has been sent by registered mail to the Department of Human Resources.

7.4.4 SUBCONTRACTOR'S REQUIREMENTS

The contractor shall require each of its Subcontractors (regardless of tier) to maintain insurance coverage specified in Subsection 7.4 or provide coverage for each Subcontractor's liability and employees.

7.4.5 LIABILITY NOT LIMITED

The provisions of this section shall not limit the liability or responsibility of the contractor or any of its Subcontractors hereunder.

7.4.6 INSURANCE OF ASSUMED CONTRACTUAL RISK

The contractor may insure any portion of the risk assumed under the provisions of the contract based upon the contractor's ability (size and financial reserves included) to survive a series of adverse experiences, including withholding of payment by the State or imposition of penalties by the Department of Human Resources. Express prior written approval from the Department of Human Resources Contract Officer is required for any proposed program of self-insurance.

7.5 CONTRACT PERFORMANCE

7.5.1 PERIOD OF PERFORMANCE

The effective date of the proposed contract will be on the day it has been signed by the contractor and signed by all appropriate signature authorities of the State of Alabama. Notice of approvals shall be furnished in writing by the State of Alabama Project Manager. The start date of work under the contract toward completion of milestones and deliverables defined in Section 3 will be established as the date of full contract execution as required by Alabama Law. The contract will expire **two (2)** years after the contract award date; but may be extended up to an additional three (3) years. The State of Alabama shall not be liable to the contractor for any work performed by the contractor prior to full execution of a contract, and contractor will expressly waive any and all claims for service performed in expectation of the contract prior to its approval and execution.

7.5.2 PLACE OF CONTRACT PERFORMANCE

Please see Section 3.4.1 for a discussion of the location of the ASDU.

7.5.3 KEY PERSONNEL

The contractor will identify the key personnel in the response to this RFP and will certify that these personnel are the persons to be actually assigned to the project. Key personnel commitments made in the vendor's proposal or approved work plan shall not be deleted or changed without prior written approval of the State of Alabama unless due to resignation, military recall, or death of named personnel in which case the State shall be notified. Replacements for personnel who have terminated employment are subject to approval by the State of Alabama. The State of Alabama reserves the right to request replacement of any individual working under the contract. Key personnel shall be in accordance with Section 7.5.3 of the RFP and are defined as those key personnel specified in the vendor's proposal. The State of Alabama shall approve, in advance and in writing, any permanent or temporary changes to or deletion from the contractor's named key personnel.

7.5.4 QUALIFIED STAFF

The contractor will warrant that all persons assigned by it to the performance of the contract shall be employees of the contractor (or specified Subcontractor) and shall be fully qualified to perform the work required herein. The contractor shall include a similar provision in any contract with any Subcontractor selected to perform work hereunder.

7.5.5 ACCESS TO STATE OF ALABAMA STAFF

The contractor's access to State of Alabama personnel will be as needed. However, the competency/sufficiency of State of Alabama staff will not be reason for relieving the contractor of any responsibility for failing to meet required deadlines or producing non-acceptable deliverables.

7.5.6 REVIEW AND APPROVAL OF DELIVERABLES

All work performed by the contractor during this project will be monitored by the State of Alabama or its designated agents. All completed work must be in conformance with the requirements set forth in this document and the contract. State of Alabama staff will review all work after it is completed and submitted by the contractor in accordance with the following:

- ✓ Completed deliverables and all supporting documentation shall be submitted for review and approval;
- ✓ State of Alabama personnel shall determine within ten (10) working days whether or not the deliverables meet the specifications of the RFP and whether or not all requirements of a milestone have been met. The State's evaluation of deliverables exceeding two hundred (200) pages may receive additional review time, not to exceed twenty (20) days total review time.
- ✓ If the deliverables are accepted by the Project Manager, the contractor will be so notified in writing through a "Notice of Acceptance" letter.
- ✓ If any deliverable or any portion of a deliverable is not acceptable, the Project manager shall notify the contractor in writing of their deficiency (ies). State personnel will evaluate any corrected deliverables within a five (5) day review period.
- ✓ Repeated failure to gain acceptance of deliverables shall be adequate cause for the State of Alabama to exercise its rights under the Termination Provision of the contract. If the contractor is permitted to cure the deficiency (ies), it will have ten (10) working days from the date of receipt of written notification from the State of Alabama to bring the deliverable into compliance with the requirements and resubmit it to the Project Manager.

7.5.7 SUSPENSION OF WORK

If, at any time during the term of the contract, the State of Alabama's Project Manager determines that the best interests of the State of Alabama would be served by temporarily suspending the implementation of the ASDU, he/she shall do so providing the contractor with a written notice to that effect. The contractor shall, immediately upon receipt of the notice, cease all affected operations for the period specified in such notice, said notice not to be unreasonably invoked.

If the contract is suspended due to a significant deficiency being discovered in the contractor's performance, the contract and progress of system implementation may be suspended pending a cure satisfactory to the State of Alabama of such deficiency. All payments shall also be suspended pending the cure of such deficiency. All deliverables and the contractual end date will be extended proportionately to the work suspension.
If the contract is suspended for any reason other than a significant deficiency of the contractor, the State shall provide written notice to the contractor of the effective date of the suspension, the cause of the suspension, and the duration of the suspension. Following the notification of suspension, the party will meet to determine the cost and schedule impact of the suspension. Change order procedures will apply.

7.5.8 DISPUTES

In the event of any dispute arising during the term of the contract concerning performance of the contract, either party shall serve notice of such dispute on the other party, and the dispute shall be decided by the Commissioner of the Department of Human Resources who shall reduce the decision to writing. Pending final determination of any dispute hereunder, the contractor shall proceed diligently with the performance of the contract and in accordance with the contract Officer's direction.

7.5.9 PERFORMANCE BOND

A Performance Bond or other financial sureties acceptable to the State shall be required by the State to assure the contractor's faithful performance to the specifications and conditions of the contract. The amount of the Performance Bond shall be twenty percent (20%) of the total contract amount for each year of the contract and renewable annually. This amount shall be maintained until the completion and formal written acceptance, by the State, of all tasks related to the contract.

The contractor shall furnish the Bond to the State Purchasing Division at the appropriate time.
The contractor shall obtain the Performance Bond with a surety company admitted to do business in the State and which is acceptable to the State. The Bond shall refer to the contract, and shall bind the surety to all of the terms and conditions of the contract, whether or not the particular term or condition is performed by the contractor or Subcontractor.

The Performance Bond shall be forfeited and paid to the extent of damage suffered by the State if the contractor shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for their business or assets, or avail themselves or become subject as debtors to any proceeding under the Federal Bankruptcy Act or any other statute of any State relating to insolvency or the protection of rights of creditors; or if the contract is breached.

7.5.10 WAIVER OF DEFAULT, BREACH OR FAILURE OF PERFORMANCE

Waiver by the State of any default, breach or failure of performance under the contract by the contractor shall not be deemed to be a waiver of any subsequent default, breach or failure of performance. In addition, waiver of any default, breach or failure of performance shall not be construed to be a modification of the terms of the contract unless reduced to writing as a contract modification.

7.5.11 LIQUIDATED DAMAGES – FAILURE TO PERFORM

The contractor will agree that time is of the essence in the performance of the contract. The State of Alabama and the contractor will agree that in the event of a failure to meet the milestones and project deliverable dates within the timeframes contained in the contract, the Vendor's proposal and/or the approved work plan, damage shall be sustained by the State of Alabama and that it is and will be impractical and extremely difficult to ascertain and determine the actual damages which the State of Alabama will sustain by reason of such failure. It is therefore agreed that the State of Alabama, at its sole option and after the contractor has been given reasonable opportunity to cure the failure and fails to do so, may require the contractor to pay liquidated damages for such failure according to the following subsections.

For any failure by the contractor to perform as noted in the subsections below, the State of Alabama may require the contractor to pay liquidated damages in the amount specified in the appropriate subsections for each and every day (not to exceed 180 days) until such failure is completely corrected and accepted by the State of Alabama.

For Liquidated Damages to be imposed upon the contractor a written notification of failure to perform shall be given to the contractor. The contractor shall have five working days, or other mutually agreed period, from the date of receipt of written notification of a failure to perform to cure the failure set forth in the written notification. If the failure is not resolved within this period, liquidated damages may be imposed retroactively to the date of failure to perform. If the State of Alabama elects not to exercise a damage clause in a particular instance, this decision shall neither be construed as a waiver of the State of Alabama's right to pursue future assessment of liquidated damages nor absolve the contractor from meeting its contractual obligations.

7.5.11.1 KEY DATES

It is the State of Alabama's intent to have the ASDU developed, tested, installed and fully operational by ***November 01, 2014***. Accomplishment of key dates (milestones) as defined in the approved contractor Work Plan is key to this objective. If the contractor is delayed in meeting these key dates through negligence or failure to prepare approvable deliverables, damages may be assessed.

7.5.11.2 KEY PERSONNEL

Reference subsection 7.5.3 for the definition of key personnel. Up to a maximum of ten thousand dollars ($10,000.00) damages per occurrence may be assessed for each key person proposed who is replaced without prior written State approval. Up to an additional two hundred dollars (200.00) per workday damages may be assessed for each workday after the initial thirty (30) calendar days that an acceptable replacement for that position is not provided.

7.5.11.3 COMPLIANCE WITH OTHER MATERIAL CONTRACT PROVISIONS

The objective of this provision is to provide the State of Alabama with an administrative procedure to address general contract compliance issues, which are not specifically defined above, but are contractor responsibilities as defined in the RFP.

State of Alabama staff may identify contract compliance issues resulting from the contractor's performance of its responsibilities through routine contract monitoring activities. If this occurs, the contract Administrator will notify the contractor in writing of the nature of the performance issue. The State of Alabama also will designate a period of time in which the contractor must provide a written response to the notification and will recommend, when appropriate, a reasonable period of time in which the contractor should remedy the noncompliance.

Up to two hundred dollars ($200.00) damages per workday may be assessed for failure to correct the non-compliance by the agreed upon due date.

7.5.12 DEDUCTION OF ASSESSED DAMAGES FROM AMOUNT DUE

Amounts due State of Alabama as liquidated damages may be deducted by the State of Alabama from any money payable to the contractor pursuant to the contract. The State of Alabama shall notify the contractor in writing of any claim for liquidated damages pursuant to his provision at least thirty (30) days prior to the date the State of Alabama deducts such sums from money payable to the contractor.

The State of Alabama may, at its own discretion, return a portion or all of any liquidated or consequential damages collected as an incentive payment to the contractor for prompt and lasting correction of performance deficiencies.

The total amount assessable as liquidated or consequential damages shall be limited to the sum total value of the contract, inclusive of all subcontracts, change orders, and other agreements.

7.5.13 CONTRACT TERMINATION

The Contract between the parties may be terminated only on the following basis:

- ✓ By mutual written agreement of the State of Alabama and the contractor.
- ✓ By the State of Alabama, in whole or in part, whenever the State of Alabama determines that the contractor has failed to satisfactorily perform its contracted duties and responsibilities and is unable to cure such failure within the ten (10) days after receipt of a notice specifying the unsatisfactory conditions, or within some other mutually agreed upon time period.
- ✓ By the State of Alabama, in whole or in part, whenever, for any reason, the State of Alabama shall determine that such termination is in the best interest of the State of Alabama, with a minimum of thirty (30) days prior written notice to the contractor.
- ✓ By the State of Alabama, in whole or in part, whenever funding from State of Alabama, Federal, or other sources is withdrawn, reduced, or limited.
- ✓ By the State of Alabama, in whole or in part, whenever the State of Alabama determines that the instability of the contractor's financial condition threatens delivery of services and continued performance of contractor responsibilities.

Each of these circumstances is incorporated in the following subsections.

7.5.13.1 TERMINATION FOR DEFAULT

The State of Alabama may terminate the contract, in whole or in part, whenever the State determines that the contractor or subcontractor has failed to perform the work under the contract within the time specified in the contract or any extension, has performed the work so as to endanger performance of the contract, or has failed to satisfactorily perform any other provisions of the contract and is unable to cure such failure within a ten (10) day period of time as specified in writing by the State of Alabama, taking into consideration the gravity and nature of the default. Such termination shall be referred to herein as "Termination for Default".
Upon determination by the State of Alabama that the contractor has failed to satisfactorily perform its contracted duties and responsibilities, the contractor shall be notified in writing, by either certified or registered mail, of the failure and of the time period which has been established to cure such failure. If the contractor is unable to cure the failure within the specified time period, the State of Alabama will notify the contractor that the contract, in full or in part, has been terminated for default.

If, after notice of termination for default, it is determined by the State of Alabama or by a court of law that the contractor was not in default or that the contractor's failure to perform or make progress in performance was

due to causes beyond the control of, and without error or negligence on the part of, the contractor or any subcontractors, the notice of termination shall be deemed to have been issued as a termination for the convenience of the State of Alabama, and the rights and obligations of the parties shall be governed accordingly.

In the event of termination for default, in full or in part as provided under this clause, the State of Alabama may procure, upon such terms and in such manner as deemed appropriate by the State of Alabama, supplies or services similar to those terminated, and the contractor shall be liable for any excess costs for such similar supplies or services and all other damages allowed by law. In addition, the contractor shall be liable to the State for administrative costs incurred to re-procure such similar supplies or services as are needed to continue operations. Payment for such costs may be assessed against the contractor's performance bond.
Except for defaults of subcontractors at any tier, the contractor shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the contractor. Examples include (1) Acts of God, (2) Acts of the State or Federal governments in their sovereign or contractual capacity, (3) Fire, (4) Flood, (5) strikes. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the contractor.

In the event of termination for default prior to the start of production operations, the contractor shall be paid in accordance with the procedures defined in subsection 7.5.14.6. In the event of a termination for default at any time while under production operations, the contractor shall be paid for any outstanding invoices due less any assessed damages. If damages exceed monies due from invoices, collection can be made from the contractor's performance bond. The rights and remedies of the State of Alabama provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the contract.

7.5.13.2 TERMINATION FOR CONVENIENCE

The State of Alabama may terminate performance of work under the contract with a minimum of thirty (30) days prior written notice to the contractor, in whole or in part, whenever, for any reason, the State shall determine that such termination is the most appropriate action for the State.

In the event that the State of Alabama elects to terminate the contract pursuant to this provision, the contractor shall be notified in writing by either certified or registered mail thirty (30) days prior to or such other reasonable time prior to the effective date, of the basis and extent of termination. Termination shall be effective as of the close of business on the date specified in the notice. Upon receipt of notice of termination for convenience, the contractor shall be paid in accordance with the procedures defined in Subsection 7.5.14.6.

7.5.13.3 TERMINATION FOR UNAVAILABILITY OF FUNDS

When the Commissioner of the Department of Human Resources makes a written determination that funds are not appropriated or otherwise available to support continuance of performance of the contract, the contract shall be canceled. A determination by the Commissioner that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive. The State shall notify the contractor as soon as the Commissioner has made the determination that funds are not available.
The Department of Human Resources agrees to include in its annual budget request an amount equal to the payment due for the appropriate fiscal year during the contract term.

7.5.13.4 TERMINATION FOR FINANCIAL INSTABILITY

In the event that the contractor becomes financially unstable to the point of threatening the ability of the State of Alabama to obtain the services provided for under the contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, or suffers or permits the appointment of a receiver for its business or its assets, the State of Alabama may, at its option, immediately terminate the contract effective the close of business on the date specified. In the event the State of Alabama elects to terminate the contract

under this provision, the contractor shall be notified in writing by either certified or registered mail specifying the date of termination. In the event of the filing of a petition in bankruptcy by or against a principal subcontractor, the contractor shall immediately so advise the Project Manager. The contractor shall ensure that all tasks related to the subcontract are performed in accordance with the terms of the contract.

7.5.13.5 PROCEDURES FOR TERMINATION

Upon delivery by certified or registered mail to the contractor of a Notice of Termination specifying the nature of the termination and the date upon which termination becomes effective, the contractor shall:
Stop work under the contract on the date and to the extent specified in the Notice of Termination.
Place no further orders or subcontracts for materials, services, or facilities. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination.
Assign to the State of Alabama in the manner, and to the extent directed, all of the rights, titles, and interest of the contractor under the orders or subcontracts so terminated. The State of Alabama shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
With the approval of the State of Alabama, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable in whole or in part, in accordance with the provision of the contract.

Within ten (10) days from the effective date of termination, transfer title to the State of Alabama (to the extent that title has not already been transferred) and deliver, in the manner and to the extent directed, all files, processing systems, data manuals, and other documentation, in any form, that relate to the work terminated by the Notice of Termination. Complete the performance of such part of the work as has not been specified for termination by the Notice of Termination. Take such action as may be necessary, or as the State of Alabama may direct, for the protection and preservation of the property related to the contract which is in the possession of the contractor and in which the State of Alabama has or may acquire an interest.

The contractor must acknowledge that any failure or unreasonable delay on its part in the delivery of materials to the State of Alabama will cause irreparable injury to the State of Alabama, not adequately compensable in damages. The contractor will agree that the State of Alabama may, in such event, seek and obtain injunctive relief, as well as monetary damages. Any payments made by the State of Alabama pursuant to this section may also constitute an element of damages in any action in which the contractor default is alleged.
The contractor shall proceed immediately with the performance of the above obligations, notwithstanding any delay in determining or adjusting the amount of any item of reimbursable price under this clause.
Upon termination of the contract in full, the State of Alabama shall require the contractor to return to the State of Alabama any property made available for its use during the contract term.

7.5.13.6 TERMINATION CLAIMS

After receipt of a Notice of Termination, the contractor shall submit any claims for reimbursement related to the termination in the form and with the certifications prescribed by the State of Alabama. Such claims shall be submitted promptly, but in no event later than two (2) months from the effective date of termination, unless one or more extensions in writing are granted within such two-month period or authorized extension thereof.
Subject to the timeliness provisions in the previous paragraph, and subject to any review required by State of Alabama procedures in effect as of the date of execution of the contract, the Contractor and State of Alabama may agree upon the amounts of work. The Contract shall be modified accordingly.

The Contractor shall be entitled to be paid an amount equal to the sum of direct labor, materials, and overhead costs incurred for work performed prior to receipt of Notice of Termination, but not more than the amount which would have been payable for the corresponding deliverables had they been submitted and approved prior to termination. The State of Alabama will only pay for those services for which value has been received in

progress on a product, regardless of Contractor costs. The Contractor shall not be entitled to be paid for any work performed that has not been authorized by the State.

In the event of a failure to agree in whole or in part as to the amounts to be paid to the contractor in connection with the total or partial termination of work pursuant to this article, the State of Alabama shall determine on the basis of information available the amount, if any, due to the contractor by reason of termination and shall pay to the contractor the amount so determined.

However, if the State of Alabama determines that the circumstances justify such action, termination claims may be accepted and acted upon at any time after such two-month period or any extension thereof. Upon failure of the contractor to submit its termination claim within the time allowed, the State of Alabama may determine on the basis of information available the amount, if any, due to the contractor by reason of the termination and shall pay to the contract the amount so determined. In no case shall the contractor's termination claims include any claim for unrealized anticipatory profits.

7.5.14 STATE PROPERTY

The contractor shall be responsible for the proper custody and care of any state owned property furnished for the contractor's use in connection with the performance of the contract, and the contractor shall reimburse the State for its loss or damage, normal wear excepted.

7.5.15 SITE RULES AND REGULATIONS

The contractor shall use its best efforts to ensure that its employees and agents, while on State premises, shall comply with site rules and regulations.

7.6 CONTRACT ADMINISTRATION

7.6.1 NOTICES

After vendor selection, all notices under the contract shall be deemed duly given 1) upon deliver, if delivered by hand upon written acknowledgement of receipt, or 2) three days after posting if sent by registered or certified mail return receipt requested. Notices delivered shall not be sufficient unless acknowledged in writing by the addressee or his designee.

Any notice required or permitted by the contract to be given to a party shall be in writing addressed to:
To the State of Alabama:

Melanie Duncan
Child Support Enforcement Division
Alabama Department of Human Resources
50 North Ripley Street
Montgomery, AL 36130

To the Contractor:

(Name and Address to be provided by the Contractor)
Either party may change its address for notification purposes by giving notice of the change and setting forth the new address and an effective date.

7.6.2 PAYMENT TERMS

Payment terms will be discussed during contract negotiations.

7.6.3 INVOICES

Invoices shall contain the following information:
Vendor's name and date of invoice. Contract number and purchase order number or other authorization for the delivery of products or services. A detailed description of the milestone met or the volume of payment transactions processed, and price of these services. The name, title, phone number, and complete mailing address of the official or office where payment is to be sent. Vendor's Federal Tax Identification Number. Failure to provide the above information may result in the State of Alabama withholding payment. An appropriate master format for the invoices will be provided to the ASDU contractor upon request.

Invoices for payment shall be submitted to:

Department of Human Resources
Child Support Enforcement Division
50 North Ripley Street
Montgomery, AL 36130
(334) 242-9300

7.7 USE AND OWNERSHIP OF SYSTEM SOFTWARE, DATA, PROJECT INFORMATION AND SYSTEM DOCUMENTATION

7.7.1 RETENTION OF RECORDS

The Contractor, including its subcontractors, shall maintain all books, documents, papers, accounting records and other evidence directly pertinent to the contract performance, invoicing and payments under this Contract available at their respective office at all reasonable times during the Contract period and for three (3) years from the date of the final payment under the Contract, for inspection by the State of Alabama or designated Federal Officials. Payment posting data must be maintained for the current year and three historical years. Electronic form of historical payment posting data is permissible.

7.7.2 ACCOUNTING SYSTEM

The Contractor shall maintain an accounting system, which meets generally accepted accounting principles. All funds will be fully accounted for separately and independently from any other funds of the Contractor. The State may audit records directly related to performance of this Contract to insure that it is being charged in accordance with the Contract.

7.7.3 OWNERSHIP OF DOCUMENTS AND INFORMATION

All briefs, memoranda and other incidental work or materials furnished hereunder shall be and remain the property of the State of Alabama including all publication rights and copyright interests, and may be used by the State of Alabama without any additional cost to the State of Alabama.

7.7.4 STATE AND FEDERAL GOVERNMENT ACCESS TO PROJECT DOCUMENTS AND ACCOUNTING RECORDS

The Contractor must facilitate DHR's access to the project documentation of the Contractor and its subcontractors at such intervals as requested. In this regard, the documentation resulting from this project will be reviewed by DHR, and the Contractor will be required to make any corrections required as a result of the evaluations.

7.7.5 COPYRIGHTS

The Contractor must warrant that all materials and/or products produced hereunder will not infringe upon or violate at any time any patent, copyright, or other proprietary right of any third party. The Contractor also warrants that it will not knowingly disclose or misappropriate any trade secret of any third party. In the event of a claim by any third party against the State of Alabama, the State of Alabama shall promptly notify the

Contractor in writing and the Contractor shall defend such claim in the State of Alabama's name, but at the Contractor's expense, and shall indemnify and hold harmless the State of Alabama against any loss, expense, or liability arising out of such claim, whether or not such claim is successful. The State shall provide reasonable assistance in defense of claims. Any proposed settlement will be subject to review and approval by the State.

7.7.6 SYSTEM CODE OWNERSHIP

All system interface code and documentation provided under this Contract will become the property of the State of Alabama. Ownership rights will recognize and provide that such agencies reserve royalty-free, non-exclusive and irrevocable license to provide, publish or otherwise use and to authorize others to use for State of Alabama purposes such system interface code and documentation which is required or produced as a result of this RFP.

7.7.7 RIGHT TO PUBLISH

Throughout the term of the Contract, the Contractor shall secure the State of Alabama's written approval prior to the release of any information whatsoever which pertains to work or activities covered by the Contract.

7.7.8 CONFIDENTIALITY

The Contractor will acknowledge that much of the material and information which shall come into its possession or knowledge in connection with the Contract or its performance, consists of information confidential to DHR or third parties, which disclosure to or use by third parties may be damaging.

Accordingly, all materials and information provided to the Contractor by DHR, or acquired by the Contractor on behalf of DHR, whether verbal, written, magnetic form or otherwise and which have been identified by DHR as confidential, shall be regarded as confidential. Personal data of clients and others associated with the ASDU system shall be confidential, without the necessity of being identified as confidential. Any business or technical information which DHR considers confidential must be identified as such to the Contractor in writing.

Confidential information shall be protected from disclosure in accordance with Alabama and Federal law. No obligation of confidentiality applies to the Contractor for any ideas, concepts, know-how or techniques contained in confidential information.

Technical or business confidential information shall be held in confidence for a period of **three (3) years** following disclosure. The Contractor will be required to include in any subcontract, language conforming to the confidentiality agreement.

No obligation of confidentiality applies to any information that the Contractor: already possesses without obligation of confidentiality; develops independently; or rightfully receives without obligation of confidentiality from a third party. No obligation of confidentiality applies to any information that is, or becomes, publicly available without breach of the Contract.

Contractor shall return all confidential information to DHR when it is no longer needed, or on termination of the Contract, whichever occurs first.

All Contractor and subcontractor (regardless of tier) personnel who have access to the State's computer equipment and/or information are subject to the Alabama Computer Crime Act (No. 85-383), will be required to sign a confidentiality agreement. Department policy requires physical barriers limiting access to the computer equipment by unauthorized personnel to the extent possible.

7.8 CERTIFICATIONS

The Vendor's Proposal shall include a statement certifying that they and any proposed subcontractor comply with all parts of Section 7.8 "Certifications".

7.8.1 EQUAL EMPLOYMENT OPPORTUNITY

The Contractor will agree that in the performance of the contract there shall be no discrimination against any applicant for or receipt of aid, benefits, or services, or any employee or any other person on the basis of race, color, religion, sex, age, or national origin, including but not limited to discrimination prohibited by Title VI of the Civil Rights Act of 1964, as amended, or by the Age Discrimination Act of 1975, as amended or by any applicable Department of Health and Human Services regulations.

The Contractor will agree that in the performance of the contract there shall be no discrimination against any otherwise qualified handicapped applicant for or recipient of aid, benefits, or services, or any employee or other person on the basis of physical or mental handicap, in accordance with the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act or any applicable Department of Health and Human Services regulations.

7.8.2 COMPLIANCE WITH IMMIGRATION REFORM ACT

The Contractor will verify the identity and work authorization of employees assigned to the project and of any persons newly hired and assigned to the project within three (3) days of hire. For each Contractor, and subcontractor, employee who works on the Contract, the Contractor will provide to the State Project Manager the Social Security Number and evidence that the employee is authorized to work in the United States.

7.8.3 COMPLIANCE WITH CLEAN AIR AND WATER ACT

The Contractor shall comply with all provisions of the Clean Air Act, as amended (62 USC 1857, et. Seq.) and the Federal Water Pollution Control Act, as amended (33 USC 1251), and all regulations and guideline issued there under prior to the execution of the Contract.

No portion of the work required by the Contract will be performed in a facility listed on the Environmental Protection Agency's list of violating facilities.

7.8.4 COMPLIANCE WITH DRUG-FREE WORKPLACE

The Contractor will certify that all Contractor employees, and all Subcontractor employees, will be required to comply with the requirements of a drug-free workplace. The Contractor and each Subcontractor will deliver a statement of their respective drug enforcement policies to the State CSES Project Manager.

7.8.5 EMPLOYMENT OF STATE PERSONNEL

The Contractor team that performs services under the Contract shall not knowingly recruit for employment on a full-time, part-time, or other basis during or for one year following the completion of services under the Contract, any professional or technical personnel who have worked on the ASDU project, or who had any influence on decisions affecting the ASDU. This prohibition shall not affect the right of the other parts of the Contractor's organization to recruit employees for projects unrelated to the Contract, provided such recruiting does not create a conflict of interest. Further, the Contractor shall not knowingly engage on this project on a full-time, part-time, or other basis, any former employee of the State who has not been retired for at least one year without advance written approval of the State. Any employee of the State of Alabama must comply with the provisions of the State of Alabama Ethics Law.

7.8.6 COVENANT AGAINST CONTINGENCY FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract: upon any contract or understanding for a commission, percentage, brokerage, or contingency fee;

excepting bona fide employees or a bona fide established commercial or selling agency of the Contractor. DHR shall have the right, in the event of breach by the Contractor, of the above stated provision, to: annul the Contract without liability; or in its discretion, deduct from the Contract price or consideration or otherwise recover the full amount of such commission, percentage, brokerage, or contingency fee.

7.8.7 PROHIBITION AGAINST GRATUITIES

By submission of a proposal, the Vendor certifies that neither a member of Congress nor any elected or appointed official or employee of the State, the General Accounting Office, the United States Department of Health and Human Services, or any other Federal agency has or will financially or materially benefit from this procurement. Any contract arising from this procurement 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 Contractor, his agent, or employee.

7.8.8 AGREEMENT WITH RFP PROCESS

By submission of a proposal, the Vendor certifies agreement to the methods and procedures of this Vendor selection.

7.8.9 PROHIBITION AGAINST COLLUSION

A proposal shall not be considered for selection if the price in the proposal was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to such prices with any other proposed prime Contractor or with any competitor.

By its signature on the certifications and assurances form, a Vendor certifies that its proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a proposal for the same materials, supplies or equipment, and is in all respects fair and without collusion or fraud. The Vendor certifies that it understands collusion is a violation of Federal law and can result in fines, prison sentences, and civil damage awards.

Should any such action stated above be detected at any time during the Contract, the Contract shall be null and void, and the Vendor shall assume all costs of this project until such time as the new Vendor arrives at the same point in the Project Work Plan as the previous Vendor when dismissed. All work, material, software or any product delivered to the State shall remain the property of the State.

SECTION 8: DEFINITIONS

ACDD – Alabama Central Disbursement Division. This is the non-IV-D disbursement facility. They also provide a toll free hotline, on-line payment inquiry, customer service and prepare ACDD inquiry form for the ACDU.

ACDD Inquiry Form – A manually generated document prepared by the ACDD to the ASDU requesting research and verification of possible mispostings. Also used as an adjustment request by CSA when a misposting has occurred.

Adjustment Request Form – A manually generated document to notify CSA of the need to make certain adjustments to child support accounts or post money to a different account.

ALECS – Alabama Locate and Enforcement of Child Support system. This is the Statewide Child Support System for IV-D cases.

Allocation – This is the term that refers to the federally mandated system of equitably distributing IV-D child support payments being paid through an Income Withholding Order when a payor has multiple payees.

AOC – Administrative Office of Courts. This organization, as a function within the Supreme Court of Alabama, is responsible for the administrative oversight of Clerks of Court and the Jefferson County Family Court.

ASDU – Alabama State Disbursement Unit. This organization will receipt all child support payments (except Non IV-D obligor payments) in the State, transfer IV-D payments to the DHR for allocation, distribution and disbursement to payees, and transfer Non IV-D income withholding payments to the AOC for disbursement to payees. Disbursement services are provided by the State Comptroller.

ASDU Database – This is the database that contains all the IV-D and Non IV-D obligor information for every child support case in the State of Alabama.

ASDU Receipt Number – Associated with each payment posted to the ASDU Database will be a number that identifies the date, batch, instrument, and line item within a Payment-related Document (in cases where one employer check includes multiple obligors) from which that payment came. This number will be included in the record for posting a IV-D payment on ALECS in a field named XREF_NOPAY. This number will allow someone researching the payment to return to an image or a copy of the payment instrument and an associated Payment-related Document.

ASDU State Treasurer's Account – This is the account into which the ASDU will deposit all child support payments it receives. This account will be owned by and under the control of the State of Alabama. It will be separate from the State Treasurer's Accounts managed by the DHR or the AOC and may have several sub accounts, depending on necessity, for items such as "unidentified payments."

ASDU System – The ASDU System encompasses all the manual and automated activities performed within the ASDU in support of payment receipting, posting and file transfer. (A description of ASDU functionality is provided later in this document.)

ACH – Automated Clearing House. An electronic funds-transfer system run by the National Automated Clearing House Association. This payment system deals with payroll, direct deposit, tax refunds, consumer bills, tax payment, and many more payment services.

Bank Return Item – Checks that are returned not paid by the bank for various reasons, which include but are not limited to insufficient funds, account closed, and payment stopped.

Business Day – The twenty-four hour period that circumscribes payment-processing activities and is the basis for deadlines. The definition of the business day is at the discretion of the Contractor as long as posted payments are sent to ALECS and SJIS by 5:00 PM CT

Calendar Day – The twenty-four hour period that begins at midnight.

Clerks of Court – There are 68 county Clerks of Court in Alabama.

Comptroller – The State Comptroller is responsible for creating child support payment warrants from disbursement files created by ALECS. Disbursement information is transferred to the Comptroller by the DHR. (The Comptroller does not currently disburse Non IV-D payments.)

Collection Source – This identifies the source of the payment, i.e. military allotment, genetic testing fee, lien, bond, income withholding, personal payment. This will be important in the development of the system interface with ALECS since various pay sources have different allocation logic.

Collection Type – This identifies the method of the payment. For example, employer check, employer EFT, obligor check, obligor money order, state check, state EFT, etc.

Correspondence – Documents, letters and requests that are included with payment instruments, which have no bearing on payment processing.

Cost Recovery Fee – Allowable fees collected by some states, but not Alabama at this time, to recoup the costs of providing child support services.

County Identifier – a unique number assigned to each county within the State. In ALECS and the SJIS different numbers are assigned for each county but there is a one-to-one correspondence between the two numbering schemes. The combination of the county identifier and the Court Order Number are unique. Neither identifier is the county FIPS Code.

Court Order – This is the legal document, which establishes the amount of child support to be paid, by whom it is to be paid, to whom it is to be paid and the payment frequency. It may be accompanied by an Income Withholding Order (IWO) that directs an employer to withhold the child support payment and remit it to the ASDU.

Court Order Number – Each court order is assigned a sequential number within the jurisdiction of a County Court. County Courts can assign a Court Order Number that is also used by another county.

Court Order Type – This is an indicator in the ASDU Database of the type of Court Order. Possible types include: IV-D, Non IV-D, and Mixed IV-D/Non IV-D.

CSA – Child Support Accounting. This is the accounting group within the DHR, which has, among other things, responsibility for processing adjustments to account balances.

CSED – Child Support Enforcement Division. This is the division than handles central operation of the of the Child Support Enforcement Program.

Current Support – The amount that the obligor is to pay on a routine and ongoing basis to meet the requirements of the court order, and does not include payment on arrearages.

Custodial Parent (CP) Receivable – An account established to receive money from a CP who was previously sent a payment in error.

DHR – Alabama Department of Human Resources. This organization contains the Alabama Child Support Enforcement Program (the State IV-D Agency). There are DHR offices in each of the 67 counties in Alabama.

Direct Pay Credit – This is a credit that must be entered as a result of cost recovery in order to give the non-custodial parent credit for paying this fee.

EDI – Electronic Data Interchange. This is the exchange of structured data messages to enable automated transactions between application systems.

EFT – Electronic Funds Transfer. This is a means of sending/receiving payments electronically.

FTP – File Transfer Protocol. This is a communications protocol that governs the transfer of files from one computer to another over a network.

IV-D – The section title within the Social Security Act, which establishes the mechanism for a State to provide establishment, enforcement and collection services for custodial parents seeking child support from non-custodial parents.

Mandated Non IV-D Payments – These Non IV-D payments result from income withholding orders issued on or after January 1, 1994. They are remitted by employers and are mandated to be receipted through the ASDU.

MPI – Miscellaneous Payment Instructions typically arise when a judge requires that a payment from an obligor be posted in a manner different from the normal ALECS posting rules. For example, a judge might order that the next $500 in payments go toward arrears in one specific case and not allocate. MPIs are unique to the IV-D payment posting system; no similar capability is available for Non IV-D payments.

NACHA – National Automated Clearinghouse Association. This organization develops operating rules and business practices for the Automated Clearinghouse Network and for electronic payments in the areas of internet commerce, electronic bill and invoice presentment and payment (EBPP, EIPP), e-checks, financial electronic data interchange (EDI), international payments, and electronic benefit transfer (EBT).

Non IV-D – These are child support cases which do not come under the auspices of the Social Security Act but for which the State, typically through the courts, has collection and disbursement responsibility, usually as the result of an income withholding order issued by a judge in a divorce proceeding.

NSF Status – This is a flag to be set in ASDU Database, which instructs the ASDU not to accept a check from a particular payer.

Obligee – This is the person to whom a court order directs child support payments be made and can be the father or mother, some other person or entity.

Obligor – This is the person who is obligated to make child support payments as the result of a court order and can be the father and/or the mother.

Participant – This can be the obligor, obligee, or children associated with a particular case. It is only used in the context of the ALECS (IV-D) system.

Payee – This is the collective entity to which a child support payment is made and can include the obligee, the State of Alabama, or other states.

Payor – This is the collective entity that remits a child support payment and can include obligors, employers, and other states.

Payment Instruments – Negotiable monetary instruments for satisfying financial obligations, such as checks, cashier checks, money orders, and cash or electronic funds transfers (EFT) through the Automated Clearing House (ACH).

Payment-related Document – A document that accompanies a payment instrument and contains information on how to assign the payment to a participant and/or a court order.

PID # – Participant Identification Number. This is a number assigned by ALECS to each individual associated with a IV-D child support case. The same PID # will be used in all cases with which an obligor, obligee or child is associated. The PID # is used to allocate payments among multiple cases within ALECS.

SJIS – State Judicial Information System. This is the system used by the Clerks of Court, but not by the Jefferson County Family Court. It contains information on, among other things, all Non IV-D cases.

Transactions – This refers to the number of postings required. Some payment instruments will be for one individual payee and will require only one posting. Others may be for several individuals and may require numerous postings.

Unidentified Payment – Any payment received where the appropriate PID# cannot be identified by the end of the day. The payment must be posted as unidentified so it can be deposited.

APPENDIX A: STANDARD TERMS AND CONDITIONS

By submitting a response to request for proposal or acceptance of a contract, the vendor agrees to acceptance of the following Standard Terms and Conditions and any other provisions that are specific to this solicitation or contract.

ACCEPTANCE/REJECTION OF PROPOSALS: The Department reserves the right to accept or reject any or all proposals, wholly or in part, and to make awards in any manner deemed in the best interest of the Department. Proposals will be firm for 180 days, unless stated otherwise in the text of the request for proposal.

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the Department, Legislative Auditor, or authorized agents, access to any records necessary to determine contract compliance. The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the Department or third party.

ALTERATION OF SOLICITATION DOCUMENT: In the event of inconsistencies or contradictions between language contained in the Department's solicitation document and a vendor's response, the language contained in the Department's original solicitation document will prevail. Intentional manipulation and/or alteration of solicitation document language will result in the vendor's disqualification and possible debarment.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the Department.

AUTHORITY: The following request for proposal, limited solicitation, or contract is issued under authority of Section 41-16-72 of the Alabama Code (Act 2001-956, 2001 3rd Sp. Sess., p 817, §1.)

CHARGE BACKS: The Alabama Department of Human Resources and Medicaid will deduct federal charge backs from future payments.

COMPLIANCE WITH LAWS: The contractor must, in performance of work under the contract, fully comply with all applicable federal, department, or local laws, rules and regulations, including the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the contractor subjects subcontractors to the same provision. The contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

DEBARMENT: The contractor certifies, by submitting this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the contractor cannot certify this statement, attach a written explanation for review by the Department.

DISABILITY ACCOMMODATIONS: The Department does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals, who need aids, alternative document formats, or services for effective communications or other disability-related accommodations in the programs and services offered, are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

FACSIMILE RESPONSES: Facsimile responses will not be accepted for requested for proposals or limited solicitations.

FAILURE TO HONOR PROPOSAL: If a vendor to whom a contract is awarded refuses to accept the award (contract) or, fails to deliver in accordance with the contract terms and conditions, the Department may, in its discretion, suspend the vendor for a period of time from entering into any contracts with the Department.

FORCE MAJEURE: Neither party shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the non-performing party, so long as such party is using its best efforts to remedy such failure or delays.

FOREIGN CORPORATIONS (OUT-OF-STATE FIRMS): Alabama law provides that a foreign corporation (out-of-state company/firm) may not transact business in the state until it obtains a certificate of authority from the Secretary of State, Section 10-2B-15.01, Code of Alabama 1975. To obtain form for a certificate of authority, contact the Secretary of State, Corporation Division, (334) 242-5324. Not having this certificate does not keep the vendor from registering.

HOLD HARMLESS/INDEMNIFICATION: The contractor agrees to hold the Department, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except for acts of omission resulting from the sole negligence of the Department, under this agreement.

LATE PROPOSALS: Regardless of cause, late proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the vendor's risk to assure delivery at the designated office by the designated time. Late proposals will not be opened and may be returned to the vendor at the expense of the vendor or destroyed if requested.

REGISTRATION WITH THE PURCHASING DIVISION: Any business intending to transact business in Alabama must register with the Alabama Purchasing Division by completing the Vendor Disclosure Statement. A copy of the Vendor Disclosure Statement can be downloaded from the Purchasing website at www.purchasing.alabama.gov.

SEVERABILITY CLAUSE: A declaration by any court, or any other binding legal source, that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually dependent.

SOLICITATION DOCUMENT EXAMINATION: Vendors must promptly notify the Department of any ambiguity, inconsistency, or error, which they may discover upon examination of a solicitation document.

TERMINATION OF CONTRACT: Unless otherwise stated, the Department may, by written notice to the contractor, terminate the contract in whole or in part at any time the contractor fails to perform the contract.

UNAVAILABILITY OF FUNDING: The Department, at its sole discretion, may terminate or reduce the scope of the contract if available funding is reduced for any reason.

U.S. FUNDS: All prices and payments must be in U.S. dollars.

APPENDIX B: TAXPAYER IDENTIFICATION NUMBER FORM

STATE OF ALABAMA
REQUEST FOR TAXPAYER IDENTIFICATION NUMBER
STATE COMPTROLLER'S OFFICE

INSTRUCTIONS. In order to receive payment by the State of Alabama, a correct tax identification number, name and address must be on our files. To insure that accurate tax information is reported on Form 1099 for federal income tax purposes, please:

1. In PART 1 below provide your Tax Identification Number and check FEIN or SSN. Also provide the name and address to which payments should be sent. In addition, provide the name of the legal signatory authority for your organization (the individual authorized in your Constitution and/or By-laws to legally obligate the organization, for example, sign a contract on behalf of the organization).

2. Circle the business designation that identifies your type of trade or business in PART 2.
3. Sign and return this form as part of the response to the RFP:

PART 1 – TAXPAYER IDENTIFICATION NUMBER, NAME AND ADDRESS.

IDENTIFICATION NUMBER _____
Check one _____ Federal Employer Identification Number (FEIN)
_____ Social Security Number (SSN)

NAME OF ORGANIZATION: _____ PHONE: _____

LEGAL BUSINESS ADDRESS: _____

FAX: _____ EMAIL: _____

NAME & TITLE OF LEGAL SIGNATORY AUTHORITY: _____

PART 2 – BUSINESS DESIGNATION. Circle the designation that identifies your type of trade or business.

1 - CORPORATION, PROFESSIONAL ASSOCIATION OR PROFESSIONAL CORPORATION (A corporation formed under the laws of any state within the United States)
2 - NOT FOR PROFIT CORPORATION (Section 501 (c) (3))
3 - PARTNERSHIP, JOINT VENTURE, ESTATE OR TRUST
4 - SOLE PROPRIETORSHIP OR SELF-EMPLOYED (Identification number must be Social Security Number)
5 - NONCORPORATE RENTAL AGENT
6 - GOVERNMENTAL ENTITY (City, County, State or U.S. Government)
7 - FOREIGN CORPORATION OR FOREIGN NATIONAL OR OTHER FOREIGN ENTITY
(A corporation or other foreign entity formed under the laws of a country other than the United States or an individual temporarily in the United States who pays taxes as a citizen of a country other than the United States.)

NOTE: Failure to complete and return this form may subject you to backup withholding in the amount of 20% of future payments pursuant to Section 3406, Internal Revenue Code.

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE EXAMINED THIS REQUEST AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS TRUE, CORRECT AND COMPLETE.

_____ _____ (_____)_____
SIGNATURE DATE TELEPHONE NUMBER
(If different from above)

_____
TITLE

PLEASE INCLUDE FEDERAL IDENTIFICATION NUMBER ON ALL INVOICES

APPENDIX C: TRADE SECRET AFFIDAVIT

Alabama Department of Human Resources

AFFIDAVIT FOR TRADE SECRET CONFIDENTIALITY

DEPARTMENT OF _____)

)ss.

County of _____)

_____ (Affiant), being first duly sworn under oath, and representing _____ (hereafter "Vendor"), hereby deposes and says that:

1. I am an attorney licensed to practice in the State of _____, representing the Vendor referenced in this matter, and have full authority from the Vendor to submit this affidavit and accept the responsibilities stated herein.

2. I am aware that the Vendor is submitting a proposal to the Alabama Department of Human Resources for RFP # _____. Public agencies in Alabama are required by Alabama law to permit the public to examine documents that are kept or maintained by the public agencies, other than those legitimately meeting the provisions of the Alabama Trade Secrets Act, Alabama Code Section 8-27-1, and that the Department is required to review claims of trade secret confidentiality.

3. I have read and am familiar with the provisions of the Alabama Trade Secrets Act, am familiar with the case law interpreting it, and understand that all information received in response to this RFP will be available for public examination except for:

(a) trade secrets meeting the requirements of the Act; and

(b) information requested by the Department to establish vendor responsibility unless prior written consent has been given by the vendor.

4. I am aware that in order for the Vendor to claim confidential material, this affidavit must be fully completed and submitted to the Department, and the following conditions must be met by the Vendor:

(a) information to be withheld under a claim of confidentiality must be clearly marked and separated from the rest of the proposal;

(b) the proposal may not contain trade secret matter in the cost or price; and

(c) the Vendor's explanation of the validity of this trade secret claim is attached to this affidavit.

5. I and the Vendor accept that, should the Department determine that the explanation is incomplete, inadequate or invalid, the submitted materials will be treated as any other document in the department's possession, insofar as its examination as a public record is concerned. I and the Vendor are

solely responsible for the adequacy and sufficiency of the explanation. Once a proposal is opened, its contents cannot be returned to the Vendor if the Vendor disagrees with the Department's determination of the issue of trade secret confidentiality.

6. I, on behalf of the Vendor, warrant that the Vendor will be solely responsible for all legal costs and fees associated with any defense by the Department of the Vendor's claim for trade secret protection in the event of an open records request from another party which the Vendor chooses to oppose. The Vendor will either totally assume all responsibility for the opposition of the request, and all liability and costs of any such defense, thereby defending, protecting, indemnifying and saving harmless the Department, or the Vendor will immediately withdraw its opposition to the open records request and permit the Department to release the documents for examination. The Department will inform the Vendor in writing of any open records request that is made, and the Vendor will have five working days from receipt of the notice to notify the Department in writing whether the Vendor opposes the request or not. Failure to provide that notice in writing will waive the claim of trade secret confidentiality, and allow the Department to treat the documents as a public record.

Documents that, in the opinion of the Department, do not meet all the requirements of the above will be available for public inspection, including any copyrighted materials.

_____
Affiant's Signature

Signed and sworn to before me on _____ (date) by _____

_____ (Affiant's name).

Name of Notary Public:_____ for the

Department of: _____

My Commission Expires: _____

Place seal here.

APPENDIX D: IMMIGRATION AFFIDAVIT

FORM FOR SECTIONS 9 (a) and (b) BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT; CODE OF ALABAMA, SECTIONS 31-13-9 (a) and (b)

AFFIDAVIT FOR BUSINESS ENTITY/EMPLOYER /CONTRACTOR
(To be completed as a condition for the award of any contract, grant, or incentive by the State of Alabama, any political subdivision thereof, or any state-funded entity to a business entity or employer that employs one or more employees)

State of _____

County of _____

Before me, a notary public, personally appeared _____ (print name) who, being duly sworn, says as follows:

As a condition for the award of any contract, grant, or incentive by the State of Alabama, any political subdivision thereof, or any state-funded entity to a business entity or employer that employs one or more employees, I hereby attest that in my capacity as _____(state position) for _____ (state business entity/employer/contractor name) that said business entity/employer/contractor shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien.

I further attest that said business entity/employer/contractor is enrolled in the E-Verify program.
(ATTACH DOCUMENTATION ESTABLISHING THAT BUSINESS ENTITY/EMPLOYER/CONTRACTOR IS ENROLLED IN THE E-VERIFY PROGRAM)

_____Signature of Affiant

Sworn to and subscribed before me this _____day of _____, 2_____.

I certify that the affiant is known (or made known) to me to be the identical party he or she claims to be.

_____Signature and Seal of Notary Public

APPENDIX E: CHILD SUPPORT BILLING STATEMENT

Alabama Child Support Enforcement Division
Child Support Statement

JANUARY AMOUNT DUE **$100.00**
Total Owed: **$869.69**

Statement Date: 01/01/2003

DECEMBER'S PAYMENTS AND OBLIGATIONS

Account Type	Beginning Balance	Payment Applied	New Interest &/or Adjustments (+/-)	Current Obligation	Ending Balance
CHLD SUPT	528.43	0.00	0.00	100.00	628.43
FEES	195.00	0.00	0.00	0.00	195.00
INTEREST	40.98	0.00	5.28	0.00	46.26

COURT ORDER BALANCES

Court Order Numbers	Court Order Totals
51CS20000819	869.69

MESSAGES

ASSURE CORRECT POSTING BY ENCLOSING COUPON AND MAILING TO CS PAYMENT CENTER, PO BOX 244015, MONTGOMERY, AL 36124-4015.

The children named in your support order(s) are listed below. Current support may not be owed for all of them.
DERMISHA HUFFMAN

FORMS=CSSTMT
(Form is Legal Size)
SAMPLE FORM (w/variable data) IS NOT TO SCALE

For current payment information, call the automated DHR Hotline 1-800-284-4347
*Includes current support due this month if payment was not received before the date of this statement.

INCLUDE THIS COUPON WITH PAYMENT

NAME DERRICK MCDADE
AMOUNT DUE $100.00
DATE DUE JANUARY 2003

ID 1506902

AMOUNT PAID

CHANGE OF ADDRESS:

BALANCES ARE AS OF END OF LAST MONTH.
PLEASE MAKE YOUR PAYMENTS AS SPECIFIED IN YOUR COURT ORDER.

INCLUDE THIS COUPON WITH PAYMENT

NAME
AMOUNT DUE
DATE DUE

ID

AMOUNT PAID

CHANGE OF ADDRESS:

INCLUDE THIS COUPON WITH PAYMENT

NAME
AMOUNT DUE
DATE DUE

ID

AMOUNT PAID

CHANGE OF ADDRESS:

INCLUDE THIS COUPON WITH PAYMENT

NAME
AMOUNT DUE
DATE DUE

ID

AMOUNT PAID

CHANGE OF ADDRESS:

form continues with one additional coupon

MONTGOMERY COUNTY DEPT OF HUMAN RESOURCE
PO BOX 250407
MONTGOMERY, AL 36125-0407

Presorted
First Class Mail
U.S. Postage Paid
Montgomery Alabama
Permit #440

DERRICK MCDADE
1728 GAUSE BOULEVARD
SLIDELL, LA 00007

FORMS=CSSB2
(Form is Legal Size)
SAMPLE FORM (w/variable data) IS NOT TO SCALE

This is a statement of your child support account(s)**. Child support owed on all your cases has been combined as shown on the reverse side. The payment specified in your court order should be mailed to the Alabama Child Support Payment Center, P.O. Box 244015, Montgomery, Alabama 36124-4015. Money orders, certified checks and personal checks will be accepted. To insure proper credit to your account, do not mail cash.

Enclose the coupons attached to this statement with your payment. This will insure proper credit to your court orders. Your obligation was distributed on the coupons to match your court order terms. You may pay more than the amount shown on each payment coupon if it is more convenient for you.

If child support payments are being deducted from your paycheck or if you are paying support on behalf of your children through another state's child support agency, this bill is sent to you for information purposes only. If child support is being deducted from your paycheck and does not appear below, contact your employer's payroll department before contacting the Department of Human Resources. Payments through your employer may have been delayed in reaching us.

If your arrears, interest and fees from all of your court orders total **$1000 or more,** this information will be reported to credit reporting agencies. If you believe that your bill contains an error, you have three options, which must be taken within 30 days of this notice:

(1) You may request a conference with the child support worker who has been handling your case.
(2) You may request a review of your case at the county level without a conference with the worker. You will be notified in writing of the results of the review.
(3) You may request an administrative hearing at the State Office level of Child Support Enforcement. An administrative hearing will be allowed only for the purpose of contesting the amount of arrears.

Your request for any of these three options must be submitted in writing to the County Department of Human Resources that is handling your child support case or to the State Office of Child Support Enforcement. Information will be sent to the consumer credit report agencies 30 days from the date of this letter unless appropriate payments are received or a written request for review is made.

Monthly updates will be made to the consumer credit report agencies until your child support case is closed.

For information or questions regarding this statement, contact the local DHR county office.

**If you have more cases than can be summarized on one statement, you will receive a second statement.

CSSB2 (02-28-2005)

APPENDIX F: KEY INDICATORS

Key Indicators*:	2000			
	SEPT	OCT	NOV	DEC
Collections (Includes EFT)	3,825	5,752	46,541	74,307
EFT Collections	0	0	0	0
EFT %	0.00%	0.00%	0.00%	0.00%

	2001											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes EFT)	85,945	87,940	105,143	105,050	130,978	145,160	144,811	150,177	152,121	169,451	164,993	170,575
EFT Collections	410	835	1,539	2,635	5,969	6,651	3,300	4,119	5,517	5,752	6,507	5,994
EFT %	0.48%	0.95%	1.46%	2.51%	4.56%	4.58%	2.28%	2.74%	3.63%	3.39%	3.94%	3.51%

	2002											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes EFT)	167,668	165,010	178,398	177,481	179,251	179,349	188,410	192,994	183,377	191,375	193,132	192,422
EFT Collections	7,149	6,036	8,203	8,133	15,863	14,051	16,976	17,623	16,068	19,847	16,242	19,828
EFT %	4.26%	3.66%	4.60%	4.58%	8.85%	7.83%	9.01%	9.13%	8.76%	10.37%	8.41%	10.30%

	2003											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes EFT)	194,630	184,708	206,373	194,923	210,479	199,280	200,447	205,142	176,401	209,709	198,297	214,472
EFT Collections	20,561	17,791	18,153	22,204	30,599	26,215	30,671	26,995	26,975	32,077	26,292	31,687
EFT %	10.56%	9.63%	8.80%	11.39%	14.54%	13.15%	15.30%	13.16%	15.29%	15.30%	13.26%	14.77%

	2004											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes	209,287	182,470	227,526	210,422	207,236	221,836	219,642	208,744	207,345	203,589	220,748	217,540

EFT)												
EFT Collections	30,177	28,487	33,047	34,406	21,619	36,192	38,772	33,903	39,687	37,076	39,368	42,330
EFT %	14.42%	15.61%	14.52%	16.35%	10.43%	16.31%	17.65%	16.24%	19.14%	18.21%	17.83%	19.46%

	2005											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes EFT)	217,626	205,666	221,476	219,720	212,761	219,540	206,281	230,551	215,497	216,254	214,715	222,484
EFT Collections	36,591	38,054	46,647	43,092	39,865	47,853	42,919	46,150	48,098	41,820	49,159	52,934
EFT %	16.81%	18.50%	21.06%	19.61%	18.74%	21.80%	20.81%	20.02%	22.32%	19.34%	22.90%	23.79%

	2006											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes EFT)	220,201	208,803	231,955	203,093	239,072	230,636	222,963	229,747	219,645	235,935	225,915	223,552
EFT Collections	46,873	48,379	59,046	46,611	53,650	58,130	48,430	60,858	55,273	53,493	62,697	60,992
EFT %	21.29%	23.17%	25.46%	22.95%	22.44%	25.20%	21.72%	26.49%	25.16%	22.67%	27.75%	27.28%

	2007											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes EFT)	238,958	215,993	234,661	232,665	237,142	229,484	237,503	243,799	212,211	250,536	234,426	233,544
EFT Collections	60,801	57,497	66,974	57,774	69,180	63,818	59,516	74,118	61,166	71,829	74,074	66,879
EFT %	25.44%	26.62%	28.54%	24.83%	29.17%	27.81%	25.06%	30.40%	28.82%	28.67%	31.60%	28.64%

	2008											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes EFT)	233,827	226,802	233,144	231,617	234,597	234,243	237,525	225,262	236,533	241,360	194,383	260,039
EFT Collections	66,879	69,881	65,785	72,930	78,658	67,806	81,574	73,717	71,326	83,245	60,137	88,570
EFT %	28.60%	30.81%	28.22%	31.49%	33.53%	28.95%	34.34%	32.73%	30.15%	34.49%	30.94%	34.06%

	2009											
	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEPT	OCT	NOV	DEC
Collections (Includes	216,953	208,545	228,190	221,516	212,741	227,450	0	0	0	0	0	0

EFT)												
EFT Collections	72,328	67,856	70,490	80,852	75,536	77,104	0	0	0	0	0	0
EFT %	33.34%	32.54%	30.89%	36.50%	35.51%	33.90%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

APPENDIX G: ALECS PAYMENT FILE

ALECS Payment File (Transmitted daily from ASDU to ALECS)

Payment file layout (PSCEKCC2)

```
************************** Top of Data *************************
*****************************************************************
* DESCRIPTION:   THIS COPYBOOK WILL BE USED FOR THE CENTRALIZED  *
*          COLLECTIONS INPUT FILE.  PAYMENTS WILL BE             *
*          POSTED BASED ON THE INFORMATION RECEIVED.             *
*                                                                *
* AUTHOR :  LEE BULLOCK, TECHPROVIDERS, INC.                     *
* DATE    :  03/24/00                                            *
* CHANGED  BY            DATE        REMARKS                     *
* SANTHOSH PILLAI    08/04/00      DETAIL DESIGN CHANGES         *
*****************************************************************
*
01  CENT-COLL-PAYMENT-FILE.
*
     02  CC-ALECS-PAYOR-ID          PIC X(10).
     02  CC-PR-NAME                 PIC X(20).
     02  CC-PR-SSN                  PIC X(9).
     02  CC-TRANS-NO                PIC X(19).
     02  CC-PMT-SRC-CD              pic X(3)
     02  CC-FILLER                  PIC 9.
     02  CC-PMT-AMT                 PIC 9(05)V99.
     02  CC-PMT-FORM                PIC X(03).
     02  CC-DATE-RECEIVED.
         05  CC-DT-RCVD-CC          PIC 9(02).
         05  CC-DT-RCVD-YY          PIC 9(02).
         05  CC-DT-RCVD-MM          PIC 9(02).
         05  CC-DT-RCVD-DD          PIC 9(02).
     02  CC-DATE-COLLECTED.
         05  CC-DT-CLCT-CC          PIC 9(02).
         05  CC-DT-CLCT-YY          PIC 9(02).
         05  CC-DT-CLCT-MM          PIC 9(02).
         05  CC-DT-CLCT-DD          PIC 9(02).
     02  CC-FILLER                  PIC X(45).
************************** Bottom of Data ************************
```

APPENDIX H: SJIS PAYMENT FILE

SJIS Payment File (transmitted daily from ASDU to SJIS)

EXPSJIS Daily Payment File Sent to SJIS

Naming standard - ccyymmdd.EXS

DOCKET	C	16	Court order number
NAME	C	20	Reference only, last name trimmed +", "+first name
SSN	C	9	social security number for NCP (if available)
DATE	C	8	Batch date "Transaction Number"
BATCHNO	C	4	Batch number
CHECKSEQ	C	3	Check sequence number
STUBSEQ	C	4	Stub sequence number
STSOURCE	C	2	Payment source for stub
AMOUNT	C	8	Dollar amount
FORM	C	3	Payment form (xref from cktype)
MAILDATE	C	8	Date payment was received in the mail
CREDITDATE	C	8	Withholding date or mail date
CHECKNO	C	8	Check number received
CHECKAMT	C	10	Dollar amount for the check received

APPENDIX I: JOURNAL FILE

Journal File (transmitted daily from ASDU)

```
                                   Alabama CSPC                    12/11/04
                                                                   Page  1
                    P A Y M E N T   J O U R N A L
                      Process Date = 12/11/04


12/11/04    1   1  Ck   St   Child Support    XXXXX XXXXX        1    343  Ck $        St $ 85,859.57
                        12/11/04  08:01:57  12/11/04  08:32:20
            1        FI Info:  XXX XXXX X  XXXXXXXXXX      1  1       85,859.57
        1 XXXXXXX, XXX    XXXXXXXXXXXXXXXXXX N4   XXXXXXX IW                    300.00
        2 XXXXXX, XXXXXX X XXXXXXXXXXXXXXXXXX N4   XXXXXXX RP                    203.66
        3 XXXXXX, XXXXXX X XXXXXXXXXXXXXXXXXX 4D   XXXXXXX IW                    277.50
```

Must include the following data elements:

- **Date**
- **Stub Number**
- **Payor Name (Last, First, Middle Init)**
- **Court Order Number**
- **IV-D/Non-IV-D**
- **Partic ID**
- **Payment Source**
- **Payment Amount**
- **Check/EFT Total**

APPENDIX J: ALECS COURT ORDER AND PAYOR INFORMATION FILE

ALECS Court order and payor information file (Transmitted weekly from ALECS to ASDU)

Positive (Initial load) file layout (PSCEKCC1)

```
************************** Top of Data **************************
 01  BDCC-CENTCOLL-CASELOAD-REC.
    05  BDCC-CASE-INFO.
       10  BDCC-NO-DCKT-CRT                PIC  X(16).
       10  FILLER                          PIC  X(01) VALUE SPACES.
    05  BDCC-CASE-PAYOR-INFO.
       10  BDCC-PR-ID-PARTIC               PIC  X(10).
       10  BDCC-IV-D-FL                    PIC  X(01).
       10  BDCC-PR-SSN                     PIC  X(09).
       10  BDCC-CP-NAME                    PIC  X(20).
       10  BDCC-NCP-NAME                   PIC  X(20).
       10  BDCC-NO-CASE                    PIC  9(9).
    05  FILLER                             PIC  X(34) VALUE SPACES.
************************** Bottom of Data ************************
```

APPENDIX K: SJIS CASE DATA FILE

SJIS Case Data File (transmitted to ASDU weekly)
Records are 77 bytes long….

```
01  FTPDHRD.
    05  DHR-COUNTY              PIC 9(02).
    05  DHR-CASE                PIC X(14).
    05  DHR-CHECK-DIGIT         PIC X(01).
    05  DHR-ACCOUNT-NO          PIC 9(10).
    05  DHR-4D-IND              PIC X(01).
    05  DHR-PAYOR-SSN           PIC 9(09).
    05  DHR-CUSTODIAL-NAME      PIC X(20).
    05  DHR-PAYOR               PIC X(20).
```

APPENDIX L: EXCEPTIONS FILE

Exceptions File (Transmitted daily from ALECS to ASDU)

The report format is what is actually sent to TIER

BROWSE PS.CE.PSCEBDC3.REPORT.PROD.SEND Line 00000000 Col 001 080
Command ===> Scroll ===> CSR
********** Top of Data **********

RUN DATE: 12/10/04 S T A T E O F A L A B A M A PAGE NO: 1

RUN TIME: 19:43 DEPARTMENT OF HUMAN RESOURCES RPT NO: PSCEBDC3

CHILD SUPPORT DIVISION ALECS SYSTEM

ASDU PAYMENTS ON EXCEPTIONS

OFFICE NAME ALABAMA CHILD SUPPORT PAYMENT CENTER OFFICE NUMBER 180

RECEIVED DATE	COLLECT DATE	SUS TYP	SUS RSN	JOURNAL AMOUNT	ALECS PAYMENT NUMBER	ASDU PAYMENT NUMBER	PMT SRC	PAYOR ID	PAYOR NAME
04/12/09	04/12/09	SUS	MPIU	66.67	R18004344042640000	2004120901010020101	BC	25242	TAYLOR, LATONYA
04/12/09	04/12/09	SUS	MPIU	42.67	R18004344042650000	2004120901010020102	BC	25242	TAYLOR, LATONYA
04/12/10	04/12/10	SUS	MPIU	36.92	R18004345001190000	2004121000040020001	IW	661410	JEFFERSON, CURTIS
04/12/10	04/12/10	SUS	MPIU	124.33	R18004345007950000	2004121000130010171	IW	422188	KNOTT, MICHAEL
04/12/10	04/12/10	SUS	MPIU	64.62	R18004345007960000	2004121000130010172	IW	422188	KNOTT, MICHAEL
04/12/10	04/12/10	SUS	MPIU	126.92	R18004345009620000	2004121000210310004	IW	670699	WILLIAMS, RENOLD

APPENDIX M: NOTICE TO COLLECT

STATE OF ALABAMA
DEPARTMENT OF HUMAN RESOURCES
NOTICE TO COLLECT

To: ☐ Alabama Child Support Payment Center (ACSPC)
☐ Alabama Central Disbursement Division (ACDD)
☐ Clerk of the Court
☐ Mobile County Accounts Department

From: , County Child Support Unit
Telephone No.:

Effective Date:

NON-CUSTODIAL PARENT DATA:
Non-custodial Parent Name:
Non-custodial Parent Participant ID:
Address:

Employer Name:
Court Order No.: (12 digit number used by DHR)
☐ IWO in place and payments are being disbursed by ACDD
ACDD court order remittance number: (17 digits including decimal point)
☐ Amended IWO has been sent to employer to change remittance number

CUSTODIAL PARENT DATA:
Custodial Parent Name:
Address:

Children:

NAME	DATE OF BIRTH

An assignment of rights to child support for the above child(ren) is in effect. All collections should be made to the Alabama Child Support Payment Center P.O. Box 244015 Montgomery, AL 36124-4015 and be disbursed by the Department of Human Resources.

DHR-CSD-1304
Rev. 3/2009

APPENDIX N: NOTICE TO TERMINATE COLLECTION

STATE OF ALABAMA
DEPARTMENT OF HUMAN RESOURCES
NOTICE TO TERMINATE COLLECTION

TO: ☐ Alabama Child Support Payment Center (ACSPC)
☐ Mobile County Accounts Department

FROM: , County Child Support Unit
Telephone No.:

Effective Date:

NON-CUSTODIAL PARENT DATA:

Non-custodial Parent Name:
Non-custodial Parent Participant ID:
Address:

Employer Name:
Court Order No.: (12 digit number used by DHR)

Payments have been court ordered to be disbursed through ACDD.

☐ IWO is in place and amended IWO has been sent to employer to change remittance number to (17 digits including decimal point).

CUSTODIAL PARENT DATA:

Custodial Parent Name:
Address:

The assignment of support is terminated; therefore, effective on the above date, child support payments should be disbursed through ACDD.

DHR-CSD-586
Rev. 3/2009