NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES

**ROY COOPER** • Governor
**KODY H. KINSLEY** • Secretary
**CHARLES E. INGOLD** • Assistant Secretary
**KEN DAHLIN** • Director

# Solicitation Addendum

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| **Solicitation Number:** | 30-22391-DSS |
| **Solicitation Description:** | Centralized Collections Operation |
| **Solicitation Opening Date and Time:** | September 27, 2023 at 2:00 PM EST |
| **Addendum Number:** | 2 |
| **Addendum Date:** | September 14, 2023 |
| **Purchasing Agent:** | Eve Hens, Acquisition Support Specialist, Monterey Consultants<br>Eve.hens@dhhs.nc.gov \| (585)297-4954 |

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1. **THIS ADDENDUM MUST BE RETURNED WITH THE VENDOR'S SUBMISSION.**
2. **The Bid Deadline is extended to September 27, 2023 at 2:00PM EST.**
3. **Section 1.0 ANTICIPATED PROCUREMENT SCHEDULE is revised in its entirety as follows:**

The Agency Procurement Agent will make every effort to adhere to the following schedule:

| Action | Responsibility | Date |
|---|---|---|
| RFP Issued | Agency | 8/4/23 |
| Written Questions Deadline | Potential Vendors | 8/15/23 by 2:00PM ET |
| Agency's Response to Written Questions/<br>RFP Addendum Issued | Agency | 9/13/23 |
| Offer Opening Deadline<br>Public Bid Opening Teams Call Link (copy and paste into your browser to attend)<br><br>https://teams.microsoft.com/l/meetup-join/19%3ameeting_NTIzNWUwYjQtNDFjNi00NmQxLWJlYzMtNTc4MmY4ZTE2Yjcw%40thread.v2/0?context=%7b%22Tid%22%3a%227a7681dc-b9d0-449a-85c3-ecc26cd7ed19%22%2c%22Oid%22%3a%229aa55bf2-2618-4499-8df5-f78349b3ed9e%22%7d | Vendor(s) | 9/27/23 at 2:00PM ET |
| Offer Evaluation | Agency | 9/27/23-10/27/23 |
| Selection of Finalists | Agency | 10/30/23 |
| Negotiations with Finalists | Agency designees and selected Vendor(s) | 11/15/23 |
| Best and Final Offers Deadline from Finalists | Selected Vendors | 11/20/23 |

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| Contract Award | Agency | 1/15/24 |
| Protest Deadline | Responding Vendors | 15 days after award |

**4. Section 6.3.3 OFFER SUBMITTAL is revised in its entirety as follows:**

### 6.3.3 OFFER SUBMITTAL

Due Date: September 27, 2023
Time: 2:00PM Eastern Time

**5. FOLLOWING ARE QUESTIONS RECEIVED FOR THE SOLICITATION AND THE STATE'S RESPONSE TO THE QUESTIONS.**

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
|---|---|---|---|
| 1. | 1.0 ANTICIPATED PROCUREMENT SCHEDULE, page 3 | Would the State consider extending the due date of proposal submission by two weeks to allow vendors adequate time to incorporate the State's answers to questions into our solution, pricing, and written proposals? | The opening date is now extended to September 27, 2023 at 2:00PM ET. |
| 2. | 1.0 ANTICIPATED PROCUREMENT SCHEDULE, page 3 and Ariba | There is a conflict between Ariba and the RFP regarding the target contract award date, September 15, 2023, versus January 19, 2024. Please confirm the targeted award date. | Use the information within the RFP (or subsequent Addenda that become part of the RFP when issued) if there is a conflict between what it stated in the RFP vs. Ariba. The RFP is the binding document. |
| 3. | 3.2.1a, page 8<br><br>6.3.2e, page 32 | Please clarify if the Security Vendor Readiness Assessment Report (VRAR) is to be included as Section E or as part of Vendor's response to RFP Section 3.2.1.a. | Follow the instructions provided in Section 6.3.2.<br><br>Letter e) VRAR is the response to Section 3.2.1.a. and should be submitted in the order provided within the list in section 6.3.2. |
| 4. | 3.3.2, page 9<br><br>6.3.2f, page 32 | Please clarify if Architecture Diagrams are to be included as Section F or as part of the Vendor's response to RFP Section 3.3.2. | Follow the instructions provided in Section 6.3.2.<br><br>Letter f) Architecture Diagrams is the response to Section 3.3.2. and should be submitted in the order provided within the list in section 6.3.2. |
| 5. | 3.4.11, page 14 | In RFP Section 3.4.11, the fourth sub-section is labeled as "a." Please confirm this was mislabeled and should be "d;" otherwise, please provide vendors with any missing requirements language. | The fourth section of Section 3.4.11 was mislabeled and should be "d" and all references within the document should be updated to be consistent with this numbering. |
| 6. | 3.4.1c, page 10 | RFP Section 3.4.1.c – Please confirm that the reference to Section 3.4.16 should be 3.4.17. | Section 3.4.1.c should reference 3.4.17 E-Commerce. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 7. | 3.4.4, page 11<br><br>Attachment C<br><br>Attachment H | Is the State requiring the Vendor to carry a Fidelity Bond (also known as Crime Liability Insurance coverage) against employee theft in the amount of thirteen million dollars with a deductible of fifty thousand dollars for the project? Or is the State referring to another type of bond in RFP Section 3.4.4, Bonding? If so, what type of bond is the State referencing and what amount is sufficient for the project? | Please follow the guidance provided in Attachment C: Department of Health and Human Services Terms and Conditions and Attachment H: Bonding of Employees. |
| 8. | 3.4.9.a.iv., page 12 | If the money for unidentified payments is deposited into a Vendor's bank account, would the State please describe the process of moving the funds to a State-owned account?<br><br>If there is no process, would the State please confirm that the vendor would own these unidentified funds and be responsible for any escheatment? | Refer to Section 3.4.14 Deposits.<br><br>Unidentified funds are owned by the State. The Vendor does not perform escheatment for the Agency. |
| 9. | 3.4.16.f, page 16 | Will the State please confirm that the information for receipting transactions is sourced from ACTS? | Refer to Section 3.5.1.1 The CCO Receipting System. |
| 10. | 3.5.1.6, page 19 | There are two 3.5.1.6 sections listed in the RFP, please confirm that the second section Workflow, should be numbered 3.5.1.7? | The second listed 3.5.1.6 Workflow should be renumbered as 3.5.1.7 Workflow and all references within the document should be updated to be consistent with this numbering. |
| 11. | 3.5.2.1.8, page 20 | There appears to be missing requirements between RFP Section 3.5.2.1.4 and 3.5.2.1.8. Please clarify if these sections were misnumbered or provide vendors with the missing requirements language. | Section 3.5.2.1.8 Identified Payments should be renumbered 3.5.2.1.5 Identified Payments and all references within the document should be updated to be consistent with this numbering. |
| 12. | 3.5.2.1.8 thru 3.5.2.13, pages 21-22 | On RFP pages 21-22, the section numbering goes from 3.5.2.4 to 3.5.2.1.8, 3.5.2.1.9, then to 3.5.2.5. Please clarify if these sections were misnumbered, belong elsewhere in the RFP, or if there is missing information please provide vendors those missing requirements language. | Within Section 3.5.2, the subsections are misnumbered. Please relabel subsections 3.5.2.1.8 Applicable Fees Disclosure and 3.5.2.1.9 Third Party Payment Sites so that the new numbers read: "3.5.2.1.8 (3.5.2.2) Applicable Fees Disclosure" and "3.5.2.1.9 (3.5.2.2) Third Party Payment Sites", and all references within the document should be updated to be consistent with this numbering. |
| 13. | 3.5.2.13, pages 24-25 | There are two RFP sections numbered 3.5.2.13. Please confirm that the second section, Vendor reimbursement for Errors should be numbered 3.5.2.14? | The second reference to 3.5.2.13 should be renumbered "3.5.2.14 Vendor Reimbursement for Errors" and all references within the document should be updated to be consistent with this numbering. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 14. | 3.5.2.4, page 21 | Are the monthly account statements for both employers and obligors? | Obligors Only. |
| 15. | 3.5.2.4, page 21 | How many account statements for weekly payments are there per month? | Please refer to Section 3.5.2.4. for current monthly volume. |
| 16. | 3.5.2.4, page 21 | Are the return envelopes postage paid? | No. |
| 17. | 3.5.2.4, page 21 | What is the average number of statement pages per envelope? | The State does not track nor maintain this data. |
| 18. | 3.5.2.4, page 21 | Is the Vendor required to consolidate daily “bill files” in order to print the monthly account statements? | Refer to Section 3.5.2.4. Please provide your proposed approach. |
| 19. | 3.5.2.4, page 21 | What day of the month are monthly account statements printed? | Refer to Section 3.5.2.4. Please provide your proposed approach. |
| 20. | 3.5.2.4, page 21 | Is it required for the Vendor to perform address validation on addresses provided by the State for monthly account statements? If yes, does the Vendor update the provided addresses before mailing? | Refer to Section 3.5.2.4. Please provide your proposed approach. |
| 21. | 3.5.2.4, page 21 | Does the CCO Vendor handle monthly statements returned as undeliverable? If yes, please describe the process of handling returned monthly statements. | Refer to Section 3.5.2.4. Please provide your proposed approach. |
| 22. | 3.5.2.11, page 23 | Please provide additional program metrics for the single use and reloadable retail card programs for 2021 and 2022 including:<br>• Active Cards<br>• Number of deposits to cards<br>• Dollar amount of deposits<br>• POS Debit (PIN) Transactions<br>• POS Debit (PIN) Transactions $'s<br>• Number of POS Debit (Signature) Transactions<br>• POS Debit (Signature) Transactions $'s<br>• Number of ATM Cash Withdrawal Transactions<br>• ATM Cash Withdrawal Transactions $ amount<br>• Number of ATM Cash Withdrawal Transactions in-network<br>• Number of Teller Cash Withdrawals<br>• Teller Cash Withdrawals amount<br>• Number of new cards issued<br>• Number of replacement cards issued<br>• Number of expedited delivery cards issued<br>• Number of mailed paper statements<br>• Number of live operator customer service calls<br>• Number of IVR customer service calls<br>• Number of direct deposit transfers from debit card | If the information is not listed below, the State does not maintain this data.<br><br>Number of mailed paper statements:<br>2021: 804,352<br>2022: 754,763<br><br>Number of CCO Customer Service Unit Calls<br>2021: 15,296<br>2022: 28,063 |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 23. | 5.2 EVALUATION CRITERIA, page 27 | We understand that the State's evaluation criteria is "best value." We have the following questions to understand the State's priorities better:<br><br>Can the State provide any other evaluation breakdown for "1. How well the vendor's offer conforms with the specifications in Sections 3.5 and 3.6.?"<br><br>Also, please provide evaluation weights for the evaluation criteria listed for items 1 through 8. | Please refer to Section 5.1 Source Selection and Section 5.2 Evaluation Criteria.<br><br>The criteria are listed in order of importance. No weights are assigned. |
| 24. | 4.1 OFFER COSTS, page 26 | Will the State confirm cost items other than those shown on Attachment L may be bid by vendors per the instructions in section 4.0 COST OF VENDOR'S OFFER? Should these costs be itemized and submitted on Attachment L? | Yes. As stated in Attachment L:<br><br>"Offerors must complete the Cost Proposal as instructed and include as a separate section on their proposal. Do not enter any technical information on the Cost Page. All other cost proposal information must be set apart from these cost with explanation in the same section with the cost page." |
| 25. | 4.1 OFFER COSTS, page 26 | Is a response required for Section 4.1 other than the completion of Attachment L? If so, where should bidders include the response to Section 4.1? | Offerors must use the cost form in Attachment L. If additional information is needed to address all items within Section 4.1, Vendor should follow the instructions within Attachment L to include that information. |
| 26. | 6.2.3, page 29 | Please confirm that the State does NOT plan to hold a pre-offer conference? | Confirmed. |
| 27. | 6.3.1 a, page 31 | Would the State consider excluding pre-existing documents, signed forms, and attachments from the numbering requirement? | No. |
| 28. | 6.3.2c & q, page 32 | Please confirm the reference to Attachment K for RFP 6.3.2, subsection c Firm's Tax Identification Info (Attachment K), should be deleted since that attachment does not request tax identification information. | Confirmed. |
| 29. | 6.3.2.r., page 33 | Please confirm that Attachments A, B, and C are for informational purposes only and not to be included in the Vendor's response. | That is not correct.<br><br>Please refer to Section 6.3.2, item r). |
| 30. | 6.3.2.r, page 33 | Please clarify what the State expects vendors to provide for RFP Section 6.3.2, subsection r? | As stated in Section 6.3.2, item r): "All Pages of this solicitation document (including Attachments A, B, and C)." |
| 31. | 7.2 FINANCIAL STATEMENTS, page 34 | Please confirm that the Attachment I reference to the Financial Review Form in RFP Section 7.2 should be Attachment P. | Confirmed. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 32. | 7.2 FINANCIAL STATEMENTS, page 34<br><br>ATTACHMENT P<br><br>6.3.1 g, page 32 | Please clarify how Vendors are to provide financial statements in their response?<br><br>RFP Section 7.2 requires copies of financial statements, and Attachment P requires financial statements supplied via a link. However, RFP Section 6.3.1 states that website addresses are not to be used in responses. | Vendors should provide copies of their financial statements. Attachment P should be corrected to request copies of financial statements rather than links. |
| 33. | ATTACHMENT C | The link for the DHHS Child Support Services security rules does not work. Please provide Vendors with the correct link or document.<br><br>Also, the reference to Attachment K is incorrect in this section as Attachment K in the RFP is Description of Offeror. Please provide bidders with appropriate attachment. | Corrected links:<br>https://policies.ncdhhs.gov/departmental/policies-manuals/section-viii-privacy-and-security/manuals/security-manual<br><br>ncdhhs.gov/about/administrative-divisions-offices/office-privacy-security<br><br>https://it.nc.gov/statewide-information-security-policies<br><br>http://www.ncleg.net/EnactedLegislation/Statutes/HTML/ByChapter/Chapter_143B.html<br><br>“Attachment K” should be “Attachment J” |
| 34. | ATTACHMENT P | The instructions in Attachment P are “provide responses in the gray-shaded boxes and submit the completed Form as an Excel file with its offer.” However, this attachment was not provided in Excel (only as a PDF). Please clarify if bidders are to provide their responses on the PDF form in the unshaded boxes provided. If not, please provide Vendors with the form in Excel format. | Vendors may use the Attachment P as provided in the RFP. |
| 35. | GENERAL | Would the State please provide the total number of current staff supporting the CCO by function? | The state does not employ staff specifically to support the CCO function. |
| 36. | GENERAL | Would the State please provide the number of current staff supporting the CCO working remotely or at a location other than the CCO? | The state does not employ staff specifically to support the CCO function. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
|---|---|---|---|
| 37. | 1.0 ANTICIPATED PROCUREMENT SCHEDULE | This section identifies the Offer Opening Deadline as 9/6/23 at 2:00 PM ET. The Ariba sourcing tool lists the Due Date as 9/6/2023 at 1:00 PM. This section lists the Contract Award date as 1/19/24. Within the Ariba sourcing tool, the Target Contract Award Date is identified as 9/15/2023.<br><br>Can the State please clarify the offer due date time and the expected contract award date? | Use the information within the RFP (or subsequent Addenda that become part of the RFP when issued) if there is a conflict between what it stated in the RFP vs. Ariba. The RFP is the binding document.<br><br>The opening date is now extended to September 27, 2023 at 2:00PM ET. |
| 38. | 2.0 PURPOSE OF RFP<br><br>Subsection – 2.4 c) and e), page 5 and 6 | "If an employer starts remitting EFT income withholding payments to the CCO Vendor then outsources the income withholding function to a payroll service and that payroll service has been remitting EFT income withholding payments for other employers directly to CSS prior to and after September 17, 2003, then that employer's EFT income withholding payment process will continue to be remitted through CSS."<br><br>"The current CCO Vendor processes an average of approximately 4.2 million transactions for IV-D and non IV-D equating to an average receipt total of approximately $700 million annually."<br><br>Can the State identify the volume of transactions that are remitted through CSS?<br><br>Will the State consider allowing the successful Vendor to process these transactions? | That first paragraph within the quotation marks should be stricken as it will not be applicable.<br>The Vendor will process all payments sources; excluding federal/state tax offsets and unemployment compensation garnishments received from the NC Department of Commerce, Division of Employment Security.<br><br>The second paragraph with quotation marks should be amended to reflect average receipt total of approximately $650 million annually.<br><br>Not applicable. Please see response above.<br><br>Not applicable. Please see above. |
| 39. | 3.0 RFP REQUIREMENTS AND SPECIFICATIONS<br><br>Subsection - 3.4.9 iv., page 12 | "All unidentified money must be deposited on the day of receipt in the Vendor's bank account."<br><br>Please confirm if unidentified money is to be deposited to the State's bank account or the Vendor's bank account. | Refer to Section 3.4.14 Deposits.<br><br>Please provide your proposed approach. |
| 40. | 3.0 RFP REQUIREMENTS AND SPECIFICATIONS<br><br>Subsection - 3.5.1.6, page 19 | The section numbering duplicates numbering on page 18. For proposal responses, should the Workflow section be renumbered to 3.5.1.7? | The second listed 3.5.1.6 Workflow should be renumbered as 3.5.1.7 Workflow and all references within the document should be updated to be consistent with this numbering. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 41. | 3.0 RFP REQUIREMENTS AND SPECIFICATIONS<br><br>Subsection - 3.5.2, pages 19-24 | Requirements within this section are not all numbered sequentially. For proposal responses, should the requirements be renumbered sequentially? | Section 3.5.2.1.8 Identified Payments should be renumbered 3.5.2.1.5 Identified Payments and all references within the document should be updated to be consistent with this numbering.<br><br>Within Section 3.5.2, the subsections are misnumbered. Please add “(3.5.2)” after the subsections 3.5.2.1.8 Applicable Fees Disclosure and 3.5.2.1.9 Third Pary Payment Sites so that the new numbers read: “3.5.2.1.8 (3.5.2.2) Applicable Fees Disclosure” and “3.5.2.1.9 (3.5.2.2) Third Pary Payment Sites”, and all references within the document should be updated to be consistent with this numbering.<br><br>The second reference to 3.5.2.13 should be renumbered “3.5.2.14 Vendor Reimbursement for Errors” and all references within the document should be updated to be consistent with this numbering. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
|---|---|---|---|
| 42. | 4.0 COST OF VENDOR'S OFFER<br><br>ATTACHMENT L: COST FORM<br><br>6.0 INSTRUCTIONS FOR OFFER SUBMISSION<br><br>Subsection - 4.1, 6.3.2, and Attachment L, pages 26, 32, and 82 | "The Vendor must list, itemize, and describe any applicable offer costs which may include the following (See Attachment L:Cost Form ):..."<br><br>"Forms or attachments or exhibits, if any provided in the RFP, must be completed and included in the appropriate section of the offer. All discussion of offered costs, rates, or expenses must be presented in Section 4.0. Cost of Vendor’s Offer."<br><br>"Offerors must complete the Cost Proposal as instructed and include as a separate section on their proposal. Do not enter any technical information on the Cost Page. All other cost proposal information must be set apart from these cost with explanation in the same section with the cost page."<br><br>Please confirm applicable costs listed in Section 4.1 are to be included **in addition to** the Vendor's Attachment L costs.<br>May Vendors propose costs not specifically mentioned in Section 4.1?<br><br>Should the Vendor's proposed Cardholder Fee Schedule be included in Section 4?<br><br>Please confirm that all cost information, including Attachment L, is to be included in Vendors' Section 4.0 Cost of Vendor's Offer. | Offerors must use the cost form in Attachment L. If additional information is needed to address all items within Section 4.1, Vendor should follow the instructions within Attachment L to include that information. |
| 43. | 6.0 INSTRUCTIONS FOR OFFER SUBMISSION<br><br>Subsection - 6.3.1 d) and 6.3.2, pages 32 and 33 | "Supply all relevant and material information relating to the Vendor’s organization, personnel, and experience that substantiates its qualifications and capabilities to perform the Services and/or provide the goods described in this RFP. If relevant and material information is not provided, the offer may be rejected from consideration and evaluation."<br><br>Within the Offer Organization provided in Section 6.3.2, where should Vendors include information about their organization, experience, and qualifications? | The instructions in item 6.3.1 d) apply to the entire RFP submission. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 44. | 6.0 INSTRUCTIONS FOR OFFER SUBMISSION<br><br>Subsection - 6.3.2 a) and r), page 32 and 33 | Item a) lists the Signed Execution Page. Should the signed Execution Page be provided both as the first document of the offer as well as with item r) All pages of the solicitation document?<br><br>For item r), the Ariba sourcing tool indicates the "Vendor shall upload a completed version of the solicitation document found in Section 3 of the Sourcing Event here. Vendor is advised to confirm that it has reviewed and provided all requested information as applicable."<br><br>Can the State confirm the sections of the solicitation document to be completed and returned with the solicitation document versus responses to be returned as separate files/attachments? Are these sections limited to the Signed Execution Page and Section 6.2.12? | Please follow the instructions provided in Section 6.3.2.<br><br>“r) All pages of this solicitation document (including Attachments A, B, and C)” should be a full copy, including the pages and attachments that were submitted in response to the other items within this list. |
| 45. | 6.0 INSTRUCTIONS FOR OFFER SUBMISSION<br><br>Subsection - 6.2.2 c) and q), page 32 | Items c) and q) both list Attachment K. Should Vendors include a completed Attachment K twice within their offer? Where within Attachment K should Vendors include the Firm's Tax Identification Info? | For 6.2.2 item c)- please delete the reference to Section K. |
| 46. | 6.0 INSTRUCTIONS FOR OFFER SUBMISSION<br><br>Subsection – 6.3.3, page 33 | "Offers must be submitted via the Ariba Sourcing Module with the Execution page signed and dated by an official authorized to bind the Vendor’s firm."<br><br>Instructions for using the sourcing tool indicate the file size limit is 100MB. Can the State confirm this is the file limit per file and not for all files submitted?<br><br>Is it necessary to submit the file as a compressed file if the file size does not exceed 100 MB? Note, the help desk suggested this question be submitted to the Purchasing Agent. | The State has no preference on file size or whether the file is compressed.<br><br>Refer to the Ariba Help Desk for technical assistance in uploading the necessary files. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 47. | ATTACHMENT O<br><br>Subsection – References, page 85 | “The Vendor shall provide three (3) references of customers utilizing the proposed solution fully implemented in a setting similar to this solicitation’s scope of work. References within like North Carolina communities / industries are encouraged.<br><br>The Vendor should have implemented the respective proposed service within the last three (3) years. Customer references whose business processes and data needs are similar to those performed by the Agency needing this solution in terms of functionality, complexity, and transaction volume are encouraged.”<br><br>May Vendors include references for services initially implemented more than three years ago if the Vendor has continued to provide services to the customer within the last three years? Does the State desire only three references? | The State will allow for references within the last five (5) years. |
| 48. | ATTACHMENT P: FINANCIAL REVIEW FORM<br><br>Subsection - Attachment P, page 86 and 87 | "Vendor shall review the Financial Review Form, provide responses in the gray-shaded boxes, and submit the completed Form as an Excel file with its offer. Vendor shall not add or delete rows or columns in the Form, or change the order of the rows or column in the file."<br><br>Can the State provide this Attachment in the referenced Excel format? | Vendors may use the Attachment P as provided in the RFP. |
| 49. | GENERAL<br><br>Subsection – General | Since this RFP is 1) of critical size, nature and scope, and 2) the agency has no identified critical timelines and 3) the agency has specified no required implementation timeline, and 4) it has been made clear the current vendor will continue to process payments until a new vendor is ready to take over – it would be justified to extend the proposal timeline for additional 90 days.  Without adequate information provided ahead of time on mail and transaction volumes, call volumes, disbursement volumes, cards issued, etc., for vendors to do their analysis and right sizing of the SDU, puts all competitors at a disadvantage to the incumbent. To ensure the State receives the most competitive proposals from all vendors, would the State extend the proposal timeline for an additional 90 days. | The opening date is now extended to September 27, 2023 at 2:00PM ET. |
| 50. | GENERAL<br><br>Subsection – General | Could the State provide a copy of the current service contract including all extensions and corresponding pricing? | This information may be obtained via a Public Records Request.<br><br>Public.records@dhhs.nc.gov |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 51. | GENERAL<br><br>Subsection – General | Could the State provide a copy of the last six (6) months of service invoices? | This information may be obtained via a Public Records Request.<br><br>Public.records@dhhs.nc.gov |
| 52. | GENERAL<br><br>Subsection – General | Please provide the current organizational structure of the SDU operations including the Customer Service Unit, including position title, number of FTEs. | The state does not employ staff specifically to support the SDU function. Reference section 3.5.1.6 Establish Centralized Collections Operations |
| 53. | 2.4 AGENCY BACKGROUND<br><br>Subsection – c, page 5 | Please clarify paragraph 2 of this subsection. Is the agency saying that some percentage of CCO IWO payments continue to be processed directly into CSS/ACTS if a payroll service provider was using that method prior to 9/17/2003? Please provide all payment transaction volumes by month for past 3 years receieved by CCO and those through CSS. | All CCO IWO payments will be processed by the vendor. |
| 54. | 2.4 AGENCY BACKGROUND<br><br>Subsection – d, page 6 | What is the current monthly cost the State pays for the dedicated data line charges? | The cost isn't assessed to the Vendor. Use of the State's dedicated data line is required. |
| 55. | 2.4 AGENCY BACKGROUND<br><br>Subsection – e, page 6 | Please provide<br>1) monthly collection volumes for past three years, identified by Payment Source, Method and Type.<br><br>2) The volume of special enforcement methods that require to be posted to a case.<br><br>3) the volume of employer remittance forms downloaded from employer website<br><br>4) Current schedule including typical size in MB, timing and transfer method of the files in this section .<br><br>Last sentence implies the incumbent vendor will stop processing payments once a new vendor is awarded. Is this meant to say that current vendor will continue CCC operations until new vendor is prepared to go live? | Refer to Exhibit 1 for Addendum 2 for Payment Source. Refer to Exhibit 2 for Addendum 2 for payment and type performed by CCO function.<br><br>The State does not have a way to determine this information.<br><br>The State does not maintain this data<br><br>Reference 3.4 Business and Technical Requirements and Attachment F: Receipts, Receipts Rejects, Payor Feed, Employer, Third Party and Bill Files. Provide your proposed approach.<br><br>Yes |
| 56. | 2.4 AGENCY BACKGROUND<br>3.5.1.6<br><br>Subsection – e, page 6<br>a, page 4 | For projection purposes could the State provide the last thirty-six (36) months of ACTUAL volumes by transaction type (paper receipts, electronic receipts, debit card disbursements, telephone, e-wallet and retail site payments)? | Reference Exhibit 2 to Addendum 2 for prior 3 state fiscal years. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 57. | 2.4 AGENCY BACKGROUND<br><br>Subsection – e, page 6 | Please provide the print specifications (i.e., paper size, type of paper, print font size and color, print quality), envelope size and specifications and samples of the monthly printed account statements and coupons. | The state would prefer that statements be printed on an 8 ½ x 11 sheet of paper. |
| 58. | ATTACHMENT L | Please reconcile the discrepancy that 70% of transactions are received via paper and 30% via electronic, when the OCSS EFT statistics show NC in 66% range?<br><br>Also, please clarify why the total costs lists 100K statements per month when it states in section 3.5.2.4 that there are only 55K statements per month? | Please reference Exhibit 1 and Exhibit 2 to Addendum 2 for actual values.<br><br>Please use the numbers provided in Attachment L to complete the cost form.<br><br>The percentages provided are approximate percentages and have been rounded to the nearest 10th percentage.<br><br>The Total Monthly Cost provided a round number to be used for cost comparisons among the proposals received. |
| 59. | 3.4.1<br><br>Subsection – b, page 10 | Can ACTS receive multiple files per day? | The Subsection requirement cited prescribes how many and how files must be transmitted. |
| 60. | 3.4.14, page 15 | Please provide a list of the states e-commerce depository banks that must be used. | This information will be provided to the awarded Vendor. |
| 61. | 3.4.16, page 15 | Please provide the call volumes for past three years by hour received, by type, length of call, and resolution. | The State does not maintain this data in this form for the Vendor's call center. |
| 62. | 3.4.3<br><br>Subsection – a, page 10 | Please provide copies of the mail logs for past 12 months | The State does not maintain this data. |
| 63. | 3.4.5, page 11 | Please provide the volume of cash transactions and amount by day for the past year. | Reference Exhibit 2 to Addendum 2. Information is provided by the month. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 64. | 3.4.7<br><br>Subsection – a-e, page 11 | a. What is the current schedule of pick-ups from the post office, including days of week and times and times of days<br>b. Could you provide the average number of envelopes picked up each day of the week, Monday through Saturday?<br>c. What is the largest number of envelopes received and processed in a single day in the last 2 years?<br>d. What is the average number of envelopes received for processing from the post office on a high-volume day (e.g., day after a holiday, beginning of a month)?<br>e. How many Saturdays per month require pick-ups on average, currently?<br>f. Is a bonded courier required for mail pick-up at the post office and delivery to the operations site?<br>g. Is this the correct address for the Westgate Drive Postal Distribution Center? 1 Floretta Pl RM 208, Raleigh, NC 27676<br>h. What is the current size of the 5 PO boxes.<br>i. What is the current annual cost to maintain the 5 PO boxes? | a. Refer to section 3.4.7 Mail Collection<br><br>b.-e. The State does not maintain this data<br><br>f. Reference Section 3.4.4 Bonding.<br><br>g. Yes<br><br>h. The State does not maintain this information.<br><br>i. The State does not maintain this information. |
| 65. | 3.4.9, page 12 | Since the vendor is required to manage unidentied payments forever, would the state consider allowing unidentified payments to be researched at the CCC for 5 days before transmitting to ACTS?<br><br>Will the agency be taking over the responsibility of identifying the current vendors balance of unidentified payments remaining at the point of transition? | No<br><br>The awarded Vendor will take over this responsibility upon transition to the new contract. |
| 66. | 3.4.9<br><br>Subsection – f, page 13 | a. Could the State provide the last thirty-six (36) months of statistics on Vendor errors due to the Vendor misapplying a payment (“misapplieds”) including the number of payments, average amount of misapplied payments, total dollar amount Vendor made whole, and the total dollar amount recovered by CSS and refunded to Vendor?<br><br>b. Who is responsible for misapplied payment errors made by the previous Vendor that are discovered after transitioning to the new SDU Vendor?<br><br>c. Could the State provide the last thirty-six (36) months of the statistics including the number of transactions by type (credit/debit), average amount of transaction and the total amount owed by the Vendor for fraudulent credit/payment payments? | a. Reference Exhibit 2 for Addendum 2 for information regarding the number of misapplied payments. The remaining information is not available.<br><br>b. The awarded vendor will not be responsible for payment errors made by previous vendor.<br><br>c. Reference Exhibit 2 for the number of transactions by type. The State does not maintain the remaining data. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 67. | 3.4.10<br><br>Subsection – b, page 14 | Could the State provide statistics on the last thirty-six (36) months of the statistics including the number of foreign payment instruments returned from the bank as "unpayable", average amount of the payment instrument and the total amount the Vendor was financially liable for? | The State does not maintain this data. |
| 68. | 3.4.11<br><br>Subsection – b, page 14 | Since the vendor is financially liable for 2nd NSFs and credit/debit card chargebacks, can the agency reword this requirement to only allow for certified/cashiers check or money order as the method payors must use once notified of an NSF payment? | No. |
| 69. | 3.4.14, page 15 | Could the State provide a proforma monthly bank statement including average monthly volumes for each of the bank accounts the Vendor will be responsible for maintaining? | No. Reference Exhibit 1 and Exhibit 2 to Addendum 2 for payment volume and payment total information by month for last 36 months. |
| 70. | 3.4.16<br><br>Subsection – a-j, page 15-17 | a. Please provide the number of FTEs currently assigned to handle the customer service calls.<br><br>b. Please provide a copy of the existing IV-R call tree and workflows, depicting caller options and IVR services available today.<br><br>c. Could the State provide the call volumes and average length per call for each of the past three years? | The State does not employ individuals specifically to support CCO Operations. Please provide your proposed approach.<br><br>Please provide your proposed approach.<br><br>Information for the Vendor Customer Support Unit is not maintained by the State. |
| 71. | 3.4.17, page 17 | Is vendor required to use the OSC's MSA for both EFT and Card payments? | No for Card Payments<br>Yes for EFT Payments |
| 72. | 3.5.1.6<br><br>Subsection – a, page 18 | Would the State clarify the accurate volume of payment transactions? Section 2.4e states 4.2 million per year (350,000/month). Section 3.5.1.6a states 301,000/month (3.612 million/year). That is a discrepancy of 588,000 payments/year (49,000/month). | Refer to both Exhibits 1 and 2 for Addendum 2 for actual values. |
| 73. | 3.5.2.1.2<br><br>Subsection – d, page 20 | Is there the ability for employer to print their remittance document to be mailed with a check? | Yes. |
| 74. | 3.5.2.1.4<br><br>Subsection – a, page 20 | Please provide an example of an AOC transmital form. | The State does not maintain or own this document. |
| 75. | 3.5.2.1.4<br><br>Subsection – d, page 20 | Has the current Vendor been assessed any IRS penalties in relation to this requirement? If so, please advise as to the total amount paid? | No. |
| 76. | 3.5.2.1.8<br><br>Subsection – ii, page 20 | Please elaborate on the agencies expectation on how to deal with checks/remittance out of balance conditions in an automated fashion? All other SDU operations require vendor to contact the remitter to determine how to process the payment and upon request to return payment to be reissued correctly. | Please provide your proposed approach. |
| 77. | 3.5.2.2, page 21 | Please provide examples of the FIDM bar codes or scan lines currently being received by the CCO. | Please provide your proposed approach. |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
|---|---|---|---|
| 78. | 3.5.2.3, page 21 | Is this Employer Remittance Form the same form /process referenced in section 3.5.2.1.2? | Yes. |
| 79. | 3.5.2.4, page 21 | Please provide existing coupon examples and if the barcode /scanline will be included and not open for any changes.<br><br>Where would the pricing for an alternative website process be included as the cost proposal does not provide place for this cost? | Please provide your proposed approach<br><br>Offerors must use the cost form in Attachment L. If additional information is needed to address all items within Section 4.1, Vendor should follow the instructions within Attachment L to include that information. |
| 80. | 3.5.2.4, page 21 | a. Of the average 55,000 statements per month, how many are considered weekly payments and contain an extra page of perforated coupons?<br><br>b. Is the postage for the outgoing envelope and enclosed return envelopes reimbursable by the State<br><br>c. Could the State provide the past thirty-six (36) months of actual volumes of statements mailed?<br><br>d. Is the Current vendor delivering monthly account statements by mail or electronically? | The State does not track nor maintain this data.<br><br>Postage is reimbursed for outgoing envelopes. Return envelopes do not contain postage.<br><br>Reference question 22 for 2021 & 2022 paper statement volume. For Jan-July 2023: 397,458<br><br>Please provide your proposed approach. |
| 81. | 3.5.2.8<br><br>Subsection – j & k, page 22 | Please provide example of current daily over/under reconciliation report.<br><br>Does the agency employer database have complete record of employer names, add, tel. number and FEIN for all employers and is that provided to vendor in the nightly IWO file? | Please provide your proposed approach.<br><br>Reference Attachment F: Receipts, Receipts Rejects, Payor Feed, Employer Third Party and Bill Files. |
| 82. | 3.5.2.1.8, page 21 | Please provide a copy of the current fee schedule charged to payors? | Please provide your proposed fee schedule for customers. The State does not charge fees. |
| 83. | 5.2 EVALUATION CRITERIA, page 27 | Could the agency publish its evaluation scoring methodology and points so vendors understand what they will be judged on? | Please refer to Section 5.1 Source Selection and Section 5.2 Evaluation Criteria. |
| 84. | 7.2 FINANCIAL STATEMENTS, page 34 | As a privately held company, we consider our financial statements as proprietary and confidential information, to both external and internal party(s), as release of such information could be detrimental to our financial viability. In addition to following the Solicitation's instructions regarding designating materials as confidential, may we provide our response to this section as a separate password-protected PDF file attachment with the password provided to the appropriate State contact? | Please refer to Section 6.3.3 d) and e).<br><br>Please also refer to Section 7.10 CONFIDENTIALITY OF OFFERS, Attachment B: Department of Information Technology Terms and Conditions, Item 18), Attachment B, Section 2: Terms and Conditions Applicable to Software as a Service Solutions, Item 2). |

| Q # | DOCUMENT SECTION | VENDOR QUESTION | RESPONSE |
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| 85. | Attachment P | a. As a privately held company, we consider our financial statements as proprietary and confidential information, to both external and internal party(s), as release of such information could be detrimental to our financial viability. In addition to following the Solicitation's instructions regarding designating materials as confidential, may we provide our response to this section as a separate password-protected PDF file attachment with the password provided to the appropriate State contact?<br><br>b. Will the State provide this form in the Excel format for which it requests to be submitted? | Please refer to Section 6.3.3 d) and e).<br><br>Please also refer to Section 7.10 CONFIDENTIALITY OF OFFERS, Attachment B: Department of Information Technology Terms and Conditions, Item 18), Attachment B, Section 2: Terms and Conditions Applicable to Software as a Service Solutions, Item 2).<br><br>Vendors may use the Attachment P as provided in the RFP. |
| 86. | Attachment O | The reference requirement currently specifies "the vendor should have implemented the respective proposed service within the last three (3) years". Given the very limited number of SDU procurement opportunities available to bid on during the pandemic it would be challenging for vendors to comply with identifying 3 customer references for implementing the respective proposed service within the "last three (3) years". Would the State consider removing this sentence as a pre-requisite to the customer reference? | The State will allow for references from the last five (5) years. |

**Failure to acknowledge receipt of this addendum shall result in rejection of the response.**

**Check the following boxes to acknowledge receipt of the attached exhibits (both boxes must be checked for Addendum execution to be valid):**

☐ Exhibit 1 to Addendum 2 has been received and acknowledged.

☐ Exhibit 2 to Addendum 2 has been received and acknowledged.

**Check ONE of the following options:**

☐ Bid has not been mailed. Any changes resulting from this addendum are included in our bid response.

☐ Bid has been mailed. No changes resulted from this addendum.

☐ Bid has been mailed. Changes resulting from this addendum are as follows:

**Execute Addendum:**

**Offeror:** ______________________________

**Authorized Signature:** ______________________________

**Name and Title (Typed):** ______________________________

**Date:** ______________________________

**Attachments:**

Exhibit 1 to Addendum 2
Exhibit 2 to Addendum 2