



# **STATE OF NORTH CAROLINA**

**University of North Carolina**

**Request for Proposal #: 68-SEAAESA0524**

**ESA+ Digital Wallet Technology**

**Date of Issue: May 2, 2024**

**Proposal Opening Date: May 28, 2024**

**At 3:00 PM EDT**

**Direct all inquiries concerning this RFP to:**

**Bob Myers**

**Purchasing and Contract Analyst**

**<https://forms.gle/bPcM6Gjiho3yxyh16>**



## STATE OF NORTH CAROLINA

### Request for Proposal #

**68-SEAAESA0524**

For internal State agency processing, including tabulation of proposals, provide your company's eVP (Electronic Vendor Portal) Number. Pursuant to G.S. 132-1.10(b) this identification number shall not be released to the public. **This page will be removed and shredded, or otherwise kept confidential**, before the procurement file is made available for public inspection.

**This page shall be filled out and returned with your proposal.  
Failure to do so may subject your proposal to rejection.**

\_\_\_\_\_  
Vendor Name

\_\_\_\_\_  
Vendor eVP#

**Note:** For a contract to be awarded to you, your company (you) must be a North Carolina registered vendor in good standing. You must enter the vendor number assigned through eVP (Electronic Vendor Portal). If you do not have a vendor number, register at <https://vendor.ncgov.com/vendor/login>

***Electronic responses ONLY will be accepted for this solicitation.***

<b>STATE OF NORTH CAROLINA</b> <i>University of North Carolina</i>	
Refer <u>ALL</u> Inquiries regarding this RFP to: <b>Bob Myers</b> Purchasing and Contract Analyst <a href="https://forms.gle/bPcM6Gjiho3yxyh16">https://forms.gle/bPcM6Gjiho3yxyh16</a> <a href="mailto:rbmyers@northcarolina.edu">rbmyers@northcarolina.edu</a>	Request for Proposal #: <b>68-SEAAESA0524</b>
	Proposals will be publicly opened: <b>May 28, 2024, at 3 p.m. EDT</b>
Using Agency: <b>State Education Assistance Authority</b>	Commodity No. and Description: <b>64102001 – Education Savings Accounts</b>
Requisition No.:	

**EXECUTION**

In compliance with this Request for Proposals (RFP), and subject to all the conditions herein, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein.

By executing this proposal, the undersigned Vendor understands that false certification is a Class I felony and certifies that:

- this proposal is submitted competitively and without collusion (G.S. 143-54),
- none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and
- it is not an ineligible Vendor as set forth in G.S. 143-59.1.

Furthermore, by executing this proposal, the undersigned certifies to the best of Vendor’s knowledge and belief, that:

- it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency.

As required by G.S. 143-48.5, the undersigned Vendor certifies that it, and each of its sub-Contractors for any Contract awarded as a result of this RFP, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

As required by Executive Order 24 (2017), the undersigned vendor certifies will comply with all Federal and State requirements concerning fair employment and that it does not and will not discriminate, harass, or retaliate against any employee in connection with performance of any Contract arising from this solicitation.

G.S. 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public contracts; or awarding or administering public contracts; or inspecting or supervising delivery of the public contract of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of this response to the RFP, the undersigned certifies, for Vendor’s entire organization and its employees or agents, that Vendor is not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

By executing this proposal, Vendor certifies that it has read and agreed to the **INSTRUCTION TO VENDORS** and the **NORTH CAROLINA GENERAL TERMS AND CONDITIONS incorporated herein**. These documents can be accessed from the ATTACHMENTS page within this document.

**Failure to execute/sign proposal prior to submittal may render proposal invalid and it MAY BE REJECTED. Late proposals shall not be accepted.**

COMPLETE/FORMAL NAME OF VENDOR:		
STREET ADDRESS:	P.O. BOX:	ZIP:
CITY & STATE & ZIP:	TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21):		

Proposal Number: 68-SEAAESA0524

Vendor: \_\_\_\_\_

PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:		FAX NUMBER:
VENDOR'S AUTHORIZED SIGNATURE*:	DATE:	EMAIL:

**VALIDITY PERIOD**

Offer shall be valid for at least sixty 60 days from date of bid opening, unless otherwise stated here: \_\_\_\_\_ days, or if extended by mutual agreement of the parties in writing. Any withdrawal of this offer shall be made in writing, effective upon receipt by the agency issuing this RFP.

**ACCEPTANCE OF PROPOSAL**

If your proposal is accepted, all provisions of this RFP, along with the written results of any negotiations, shall constitute the written agreement between the parties ("Contract"). The NORTH CAROLINA GENERAL TERMS AND CONDITIONS are incorporated herein and shall apply. Depending upon the Goods or Services being offered, other terms and conditions may apply, as mutually agreed.

<p><b>FOR STATE USE ONLY:</b> Offer accepted and Contract awarded this _____ day of _____, 20____, as indicated on</p> <p>The attached certification, by _____.</p> <p style="text-align: center;"><b>(Authorized Representative of the State Education Assistance Authority)</b></p>
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**1.0 PURPOSE AND BACKGROUND**

Beginning with the 2022-2023 school year, the North Carolina General Assembly consolidated its scholarship programs for eligible elementary and secondary school students with disabilities into one program pursuant to Article 41 of Chapter 115C of the North Carolina General Statutes, the Personal Education Student Accounts for Children with Disabilities, also known as the Education Student Accounts (“ESA+”) Program. The ESA+ Program provides scholarship funds to eligible students with disabilities to attend certain nonpublic schools and to pay for certain qualifying educational expenses for those students.

*The ESA+ Program currently utilizes digital wallet technology to provide electronic accounts for eligible students to use scholarship funds for certain qualifying educational expenses. Pursuant to G.S. 115C-597, the State Education Assistance Authority (“Authority”) may contract, in its administration of the ESA+ Program, with a private financial management firm or institution to manage a scholarship recipient’s personal education student account (“PESA”), which is an electronic account provided to a parent for the purpose of holding scholarship funds awarded by the Authority to be used for qualifying education expenses of the eligible student in accordance with the ESA+ Program. See: [https://www.ncleg.gov/EnactedLegislation/Statutes/HTML/ByArticle/Chapter\\_115C/Article\\_41.html](https://www.ncleg.gov/EnactedLegislation/Statutes/HTML/ByArticle/Chapter_115C/Article_41.html). Payment of tuition and fees*

to nonpublic schools on behalf of eligible students is primarily administered directly by the Authority so the digital wallet technology is not used for this purpose when providing scholarship funds to students and families. The digital wallet technology is only utilized for the fiscal management and payment of scholarship funds for eligible qualifying educational products and services under the ESA+ Program. For the 2023-24 school year, there were approximately 2,000 personal education student accounts with annual deposits totaling approximately \$\$16,000,000. The Authority is seeking a digital wallet technology software with the capability to work in conjunction with other technology systems used by the Authority for the ESA+ Program and the Opportunity Scholarship Program (collectively the “K12 Programs”).

The intent of this solicitation is to award an Agency Contract to a vendor that can meet the software and technological needs of the ESA+ Program with a user-friendly solution to streamline the use, management, reporting and accountability of a student’s Personal Education Student Account, as well as making it easy for parents/guardians to purchase qualifying goods and services through one easy-to navigate platform.

### **1.1 CONTRACT TERM**

The Contract shall have an initial term of two (2) years, beginning on the date of final Contract execution (the “Effective Date”).

At the end of the Contract’s initial term, the Authority shall have the option, in its sole discretion, to renew the Contract on the same terms and conditions for up to a total of four (4) additional two-year terms. The Authority will give the Vendor written notice of its intent to exercise each option no later than thirty (30) days before the end of the Contract’s then-current term. In addition to any optional renewal terms, and with the Vendor’s concurrence, the State reserves the right to extend the Contract after the last active term.

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

## **2.0 GENERAL INFORMATION**

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### **2.1 REQUEST FOR PROPOSAL DOCUMENT**

This RFP is comprised of the base RFP document, any attachments, and any addenda released before Contract award, which are incorporated herein by reference.

### **2.2 E-PROCUREMENT FEE**

**ATTENTION: The E-Procurement fee may apply to this solicitation. See the paragraph entitled ELECTRONIC PROCUREMENT of the North Carolina General Terms and Conditions.**

General information on the E-Procurement Services can be found at: <http://eprocurement.nc.gov/>.

### **2.3 NOTICE TO VENDORS REGARDING RFP TERMS AND CONDITIONS**

It shall be the Vendor’s responsibility to read the Instructions to Vendors, the North Carolina General Terms and Conditions, all relevant exhibits and attachments, and any other components made a part of this RFP and comply with all requirements and specifications herein. Vendors are also responsible for obtaining and complying with all Addenda and other changes that may be issued in connection with this RFP.

If Vendors have questions or issues regarding any component of this RFP, those must be submitted as questions in accordance with the instructions in the PROPOSAL QUESTIONS Section. If the Authority determines that any changes will be made as a result of the questions asked, then such decisions will be communicated in the form of an RFP addendum. The Authority may also elect to leave open the possibility for later negotiation of specific provisions of the Contract that have been addressed during the question-and-answer period, prior to contract award.

Other than through the process of negotiation under 01 NCAC 05B.0503, the Authority rejects and will not be required to evaluate or consider any additional or modified terms and conditions submitted with Vendor’s proposal or otherwise. This applies to any language appearing in or attached to the document as part of the Vendor’s proposal that purports to vary any terms and conditions or Vendors’ instructions herein or to render the proposal non-binding or subject to further negotiation. Vendor shall include the

full text of any proposed modifications of the Authority’s terms and conditions or any supplemental terms and conditions to be considered by the Authority in Vendor’s proposal (i.e., Vendor shall not attempt to include Vendor’s modifications via hyperlink or reference to documents outside of Vendor’s proposal). Proposed terms and conditions must be attached as an Exhibit to Vendor’s proposal otherwise they will not be considered by the Authority and will be void as to the terms of the Parties’ contract. The Authority may negotiate with one or more responsive Vendors prior to issuing its award, or may conditionally issue its award subject to the Parties negotiation of the proposed modifications of the Authority’s terms and conditions or supplemental terms and conditions. Vendor’s proposal shall constitute a firm offer that shall be held open for the period required herein (“Validity Period” above).

**The Authority *may* exercise its discretion to consider Vendor proposed modifications. By execution and delivery of this RFP Response, the Vendor agrees that any additional or modified terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect, and will be disregarded unless expressly agreed upon through negotiation and incorporated by way of a Best and Final Offer (BAFO). Noncompliance with, or any attempt to alter or delete, this paragraph shall constitute sufficient grounds to reject Vendor’s proposal as nonresponsive.**

## 2.4 RFP SCHEDULE

The table below shows the *intended* schedule for this RFP. The State will make every effort to adhere to this schedule.

Event	Responsibility	Date and Time
Issue RFP	Authority	May 2, 2024
Submit Written Questions	Vendor	May 9, 2024, by noon EDT
Provide Response to Questions	Authority	May 17, 2024
Submit Proposals	Vendor	May 28, 2024, by 3:00 PM EDT
Contract Award	Authority	July 8, 2024
Contract Effective Date	Authority	September 1, 2024

## 2.5 PROPOSAL QUESTIONS

Upon review of the RFP documents, Vendors may have questions to clarify or interpret the RFP in order to submit the best proposal possible. To accommodate the Proposal Questions process, Vendors shall submit any such questions by the “Submit Written Questions” date and time provided in the RFP SCHEDULE Section above, unless modified by Addendum.

Written questions shall be submitted via <https://forms.gle/bPcM6Gjiho3yxyh16> by the date and time specified above. Questions received prior to the submission deadline date, the Authority’s response, and any additional terms deemed necessary by the State will be posted in the form of an addendum to *the electronic Vendor Portal (eVP)*, <https://evp.nc.gov>, and shall become an Addendum to this RFP. No information, instruction or advice provided orally or informally by any Authority personnel, whether made in response to a question or otherwise in connection with this RFP, shall be considered authoritative or binding. Vendors shall rely *only* on written material contained in the RFP and an addendum to this RFP.

## 2.6 PROPOSAL SUBMITTAL

**IMPORTANT NOTE: This is an absolute requirement.** Late bids, regardless of cause, will not be opened or considered, and will be automatically disqualified from further consideration. Vendor shall bear the sole risk of late submission due to unintended or unanticipated delay. It is the Vendor’s sole responsibility to ensure its proposal has been received as described in this RFP by the specified time and date of opening. The time and date of receipt will be marked on each proposal when received. Any proposal or portion thereof received after the proposal deadline will be rejected.

All proposal responses shall be submitted electronically via the electronic Vendor Portal (eVP). Additional information can be found at the eVP updates for Vendors link: <https://eprocurement.nc.gov/news-events/evp-updates-vendors>.

If confidential and proprietary information is included in the proposal, also submit one (1) signed, REDACTED copy of the proposal. Such information may include trade secrets defined by N.C. Gen. Stat. § 66-152 and other information exempted from the Public Records Act pursuant to N.C. Gen. Stat. §132- 1.2. Vendor may designate information, Products, Services or appropriate portions

of its response as confidential, consistent with and to the extent permitted under the statutes and rules set forth above. By so redacting any page, or portion of a page, the Vendor warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors, that the portions determined to be confidential and proprietary and redacted as such, meet the requirements of the Rules and Statutes set forth above. However, under no circumstances shall price information be designated as confidential.

**PUBLIC RECORDS: The State Education Assistance Authority is a state agency of the State of North Carolina, accordingly, it receives public records requests for Vendor proposals and contracts. In order to respond to such requests as promptly as possible, Vendor is strongly encouraged to submit a redacted (Proprietary and Confidential Information Excluded) copy of Vendor’s proposal(s) along with its proposal(s). Please note: pursuant to 01 NCAC 05B .0103(d), COST INFORMATION SHALL NOT BE CONFIDENTIAL. The Authority will provide Vendor notice of any public records request it receives for Vendor’s redacted proposal. At all times Vendor shall be responsible for its redactions.**

If the Vendor does not provide a redacted version of the proposal with its proposal submission, the Authority may release an unredacted version if a record request is received.

Failure to submit a proposal in strict accordance with these instructions shall constitute sufficient cause to reject a Vendor’s proposal(s). Vendors are strongly encouraged to allow sufficient time to upload proposals.

Critical updated information may be included in Addenda to this RFP. It is important that all Vendors responding to this RFP periodically check the State’s eVP website for any Addenda that may be issued prior to the bid opening date. All Vendors shall be deemed to have read and understood all information in this RFP and all Addenda thereto.

## 2.7 PROPOSAL CONTENTS

Vendors shall populate all attachments of this RFP that require the Vendor to provide information and include an authorized signature where requested. Failure to provide all required items, or Vendor’s submission of incomplete items, may result in the Authority rejecting Vendor’s proposal, in the Authority’s sole discretion.

Vendor RFP responses shall include the following items and attachments, which shall be arranged in the following order:

- a) Cover Letter, which must contain the following: (i) a statement that confirms that the proposer has read the RFP in its entirety, including all links, and all Addenda released in conjunction with the RFP, (ii) a statement that the Vendor agrees to perform in accordance with the scope of work, requirements, and specifications contained herein; and (iii) Vendor’s agreement to comply with all instructions, terms and conditions, and attachments.
- b) Title Page: Include the company name, address, phone number and authorized representative along with the Proposal Number.
- c) Table of Contents: A cross reference of the location of all the required information contained within the proposal.
- d) Executive Summary: A summary of the features of the proposal.
- e) Completed and signed version of all EXECUTION PAGES, along with the body of the RFP.
- f) Signed receipt pages of any addenda released in conjunction with this RFP, if required to be returned.
- g) Completed version of ATTACHMENT A: PRICING
- h) Completed and signed version of ATTACHMENT D: CONFIDENTIALITY AGREEMENT WITH EXHIBIT A.
- i) Completed version of ATTACHMENT E: HUB SUPPLEMENTAL VENDOR INFORMATION
- j) Completed version of ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR
- k) Completed and signed version of ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION, along with two years of audited financial statements.
- l) Completed version of ATTACHMENT I: VENDOR PROFILE.
- m) Completed ATTACHMENT J, System Requirements Workbook

## 2.8 DEFINITIONS, ACRONYMS, AND ABBREVIATIONS

Relevant definitions for this RFP are provided in 01 NCAC 05A .0112 and in the Instructions to Vendors found below which are incorporated herein by this reference.

The following definitions, acronyms, and abbreviations are also relevant to this RFP:

- a) **AUTHORITY:** The State Education Assistance Authority, a political subdivision of the State, created under Article 23 of Chapter 116 of North Carolina General Statutes.
- b) **CONTRACT MANAGER:** Representative of the Authority who corresponds with potential Vendors in order to identify and contract with that Vendor providing the greatest benefit to the Authority and who will administer this contract for the Authority.
- c) **ESA+ PROGRAM:** The scholarship program for eligible North Carolina elementary and secondary school students to provide State funds to attend certain nonpublic schools and for qualifying educational expenses administered by the Authority pursuant to Article 41 of Chapter 115C of the North Carolina General Statutes.
- d) **K12 PROGRAMS:** The scholarship programs for eligible North Carolina elementary and secondary school students to attend certain nonpublic schools administered by the Authority pursuant to Part 2A of Article 39 or Article 41 of Chapter 115C of the North Carolina General Statutes.
- e) **SEAA:** State Education Assistance Authority.
- f) **SERVICES:** The tasks and duties undertaken by the Vendor to fulfill the requirements and specifications of this solicitation.

## 3.0 METHOD OF AWARD AND PROPOSAL EVALUATION PROCESS

### 3.1 METHOD OF AWARD

North Carolina G.S. 143-52 provides a general list of criteria the State shall use to award contracts, as supplemented by the additional criteria herein. The Goods or Services being procured shall dictate the application and order of criteria; however, all award decisions shall be in the State’s best interest. All qualified proposals will be evaluated, and awards will be made to the Vendor(s) meeting the specific RFP Specifications and achieving the highest and best final evaluation, based on the criteria described below.

While the intent of this RFP is to award a Contract(s) to a single Vendor, the Authority reserves the right to make separate awards to different Vendors for one or more line items, to not award one or more line items or to cancel this RFP in its entirety without awarding a Contract, if it is considered to be most advantageous to the Authority to do so.

The Authority reserves the right to waive any minor informality or technicality in proposals received.

### 3.2 CONFIDENTIALITY AND PROHIBITED COMMUNICATIONS DURING EVALUATION

While this RFP is under evaluation, the responding Vendor, including any subcontractors and suppliers, is prohibited from engaging in conversations intended to influence the outcome of the evaluation. See the Paragraph 29 of the Instructions to Vendors entitled COMMUNICATIONS BY VENDORS.

Each Vendor submitting a proposal to this RFP, including its employees, agents, subcontractors, suppliers, subsidiaries and affiliates, is prohibited from having any communications with any person inside or outside the using agency; issuing agency; other government agency office or body (including the purchaser named above, any department secretary, agency head, members of the General Assembly and Governor’s office); or private entity, if the communication refers to the content of Vendor’s proposal or qualifications, the content of another Vendor’s proposal, another Vendor’s qualifications or ability to perform a resulting contract, and/or the transmittal of any other communication of information that could be reasonably considered to have the effect of directly or indirectly influencing the evaluation of proposals, the award of a contract, including the award of a renewal term of the contract, or both.

Any Vendor not in compliance with this provision shall be disqualified from evaluation and award. A Vendor’s proposal may be disqualified if its subcontractor and/or supplier engage in any of the foregoing communications during the time that the procurement is active (i.e., the issuance date of the procurement until the date of contract award or cancellation of the

procurement). Only those discussions, communications or transmittals of information authorized or initiated by the issuing agency for this RFP or inquiries directed to the purchaser named in this RFP regarding requirements of the RFP (prior to proposal submission) or the status of the award (after submission) are excepted from this provision.

### 3.3 PROPOSAL EVALUATION PROCESS

Only responsive submissions will be evaluated.

#### The State will conduct a One-Step evaluation of Proposals:

Proposals will be received according to the method stated in the Proposal Submittal Section above.

All proposals must be received by the issuing agency not later than the date and time specified in the RFP SCHEDULE Section above, unless modified by Addendum. Vendors are cautioned that this is a request for offers, not an offer or request to contract, and the Authority reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the Authority.

At the date and time provided in the RFP SCHEDULE Section above, unless modified by Addendum, the proposal from each responding Vendor will be opened publicly and all offers (except those that have been previously withdrawn, or voided bids) will be tabulated. The tabulation shall be made public at the time it is created. When negotiations after receipt of bids is authorized pursuant to G.S. 143-49 and 01 NCAC 05B.0503, only the names of offerors and the Goods and Services offered shall be tabulated at the time of opening. If negotiation is anticipated, cost and price shall become available for public inspection at the time of the award. Interested parties are cautioned that these costs and their components are subject to further evaluation for completeness and correctness and therefore may not be an exact indicator of a Vendor's pricing position.

At their option, the evaluators may request oral presentations or discussions with any or all Vendors for clarification or to amplify the materials presented in any part of the proposal. Vendors are cautioned, however, that the evaluators are not required to request presentations or other clarification—and often do not. Therefore, all proposals should be complete and reflect the most favorable terms available from the Vendor.

Upon completion of the evaluation process, the State will make award(s) based on the evaluation and post the award(s) to the State's eVP website under the RFP number for this solicitation. Award of a Contract to one Vendor does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed most advantageous and represented the best value to the State.

The Authority reserves the right to negotiate with one or more vendors, or to reject all original offers and negotiate with one or more sources of supply that may be capable of satisfying the requirement, and in either case to require Vendor to submit a Best and Final Offer (BAFO) based on discussions and negotiations with the State.

### 3.4 EVALUATION CRITERIA

In addition to the general criteria in G.S. 143-52 which may or may not be relevant to this RFP, all qualified proposals will be evaluated, and award made based on considering the following criteria, to result in an award most advantageous to the Authority:

**BEST VALUE:** "Best Value" procurement methods are authorized by N.C.G.S. §§143-135.9 and 143B-1350(h). The award decision is made based on multiple factors, including: total cost of ownership, meaning the cost of acquiring, operating, maintaining, and supporting a product or service over its projected lifetime; the evaluated technical merit of the Vendor's offer; the Vendor's past performance; and the evaluated probability of performing the specifications stated in the solicitation on time, with high quality, and in a manner that accomplishes the stated business objectives and maintains industry standards compliance. The intent of "Best Value" procurement is to enable Vendors to offer and the Agency to select the most appropriate solution to meet the business objectives defined in the solicitation and to keep all parties focused on the desired outcome of a procurement.

**EVALUTION METHOD:** The Authority shall establish an evaluation committee to conduct a comprehensive, fair, and impartial evaluation of the proposals received in response to this RFP. The Authority reserves the right to reject any and all proposals.

Narrative and by consensus of the evaluating committee, explaining the strengths and weaknesses of each proposal and why the recommended awardee(s) provide the best value to the Authority.

A trade-off/ranking method of source selection will be utilized in this procurement to allow the Authority to award the contract to the Vendor providing the overall Best Value, and recognizing that Best Value may result in award other than the lowest price or highest technically qualified offer. By using this method, the overall ranking may be adjusted up or down when considered with, or traded-off against, other non-price factors. The Vendors' bids will be ranked 1, 2, 3, based on the strengths and weaknesses of each bid regarding the listed criteria and by considering the relative importance of those criteria.

Evaluation Process Explanation: Authority employees on the evaluation committee will review all offers. All offers will be initially classified as being responsive or non-responsive. If an offer is found non-responsive, it will not be considered further. All responsive offers will be evaluated based on stated evaluation criteria. Any references in an answer to another location in the RFP materials or Offer shall include specific page numbers and sections stated in such reference.

To be eligible for consideration, a Vendor's offer must substantially conform to the intent of all specifications. Compliance with the intent of all specifications will be determined by the Authority. Offers that do not meet the full intent of all specifications listed in this RFP may be deemed deficient. Further, a serious deficiency in the offer to any one factor may be grounds for rejection regardless of overall merit.

- **Overall cost (Attachment A).**

Financial Stability and Resources: Vendor's proposal must demonstrate superior financial stability and resources. The two years of audited financial statements required by this RFP must support this requirement. See 4.3 FINANCIAL STABILITY. Pricing details must include:

- Software solution/licensing and any required hardware costs
- Implementation costs
- Professional service and training costs, including any travel and on-site costs
- Maintenance and support costs for 5 years
- Customization or enhancements of the software solution
- Data conversion costs

- **Vendors experience and qualifications. Sections 4.5. and 4.6.**

Professional Competence and Experience: Vendor's proposal must demonstrate significant, direct experience with digital wallet technology, preferably in the area of educational products and services. Years in business including mergers/acquisitions (prefer 5 years minimum). For services under the Contract, the Vendor must employ sufficient staff who have demonstrated a capacity to meet the RFP specifications and technical requirements.

- **Ability to meet the Technical Requirements. Reference sections 5.1 through 5.4**

- Information Technology Requirements (See ATTACHMENT I, System Requirements Workbook)
  - Operations
  - Development
  - Security/Safeguarding Data Files and Documents: Vendor's proposal must demonstrate excellent policies and procedures for safeguarding the confidentiality of data files and documents, including access to those files by Vendor's employees. See ATTACHMENT D: CONFIDENTIALITY AGREEMENT.
- Functional Requirements (See ATTACHMENT I, Systems Requirement Workbook)
  - Electronic Account Requirements
  - Program Rules, Flagging Records, Processes, and Applications

- User Profiles
  - Dashboards/Workflows/Task Scheduler
  - Communications and Comments/Notes
  - Documentation and Reports & Letters
  - Data Elements/Audit Trails
  - User Experience
  - Demonstrated understanding of the magnitude and importance of the responsibilities of providing electronic accounts for families to procure educational products and services and the technical capability is available to provide a digital wallet solution in accordance with State law requirements.
- **Implementation Approach**
    - Details on available resources and stated ability to successfully complete the project meeting milestones outlined in Section 5.1.
    - Software Development Life Cycle
    - Migration & Conversion
    - Product & System Documentation

### 3.5 PERFORMANCE OUTSIDE THE UNITED STATES

Vendor shall complete ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR. In addition to any other evaluation criteria identified in this RFP, the Authority may also consider, for purposes of evaluating proposed or actual contract performance outside of the United States, how that performance may affect the following factors to ensure that any award will be in the best interest of the State:

- a) Total cost to the State
- b) Level of quality provided by the Vendor
- c) Process and performance capability across multiple jurisdictions
- d) Protection of the State’s information and intellectual property
- e) Availability of pertinent skills
- f) Ability to understand the State’s business requirements and internal operational culture
- g) Particular risk factors such as the security of the State’s information technology
- h) Relations with citizens and employees
- i) Contract enforcement jurisdictional issues

### 3.6 INTERPRETATION OF TERMS AND PHRASES

This RFP serves two functions: (1) to advise potential Vendors of the parameters of the solution being sought by the Authority; and (2) to provide (together with other specified documents) the terms of the Contract resulting from this procurement. The use of phrases such as “shall,” “must,” and “requirements” are intended to create enforceable contract conditions. In determining whether proposals should be evaluated or rejected, the Authority will take into consideration the degree to which Vendors have proposed or failed to propose solutions that will satisfy the State’s needs as described in the RFP. Except as specifically stated in the RFP, no one requirement shall automatically disqualify a Vendor from consideration. However, failure to comply with any single requirement may result in the Authority exercising its discretion to reject a proposal in its entirety.

## 4.0 REQUIREMENTS

This Section lists the requirements related to this RFP. By submitting a proposal, the Vendor agrees to meet all stated requirements in this Section as well as any other specifications, requirements, and terms and conditions stated in this RFP. If a Vendor is unclear about a requirement or specification, or believes a change to a requirement would allow for the Authority to receive a better proposal, the Vendor is urged to submit these items in the form of a question during the question and answer period in accordance with the Proposal Questions Section above.

## 4.1 PRICING

Vendor should propose a pricing model to accomplish the Scope of Work set forth in Section 5 of the RFP, including the cost of implementation and a cost proposal for ongoing costs relating to the ESA+ Platform. Proposal price shall constitute the total cost to the Authority for complete performance in accordance with the requirements and specifications herein, including all applicable charges for handling, transportation, administrative and other similar fees. Complete ATTACHMENT A: PRICING FORM and include in Vendor's proposal. The pricing provided in ATTACHMENT A, or resulting from any negotiations, is incorporated herein and shall become part of any resulting Contract. Vendors shall not invoice for any amount not specifically allowed for in this RFP.

## 4.2 INVOICES

The Vendor must submit invoices as required by the Authority . Invoices must be e-mailed to the following address: [AccountsPayable@ncseaa.edu](mailto:AccountsPayable@ncseaa.edu). Invoices must bear the correct contract number and purchase order number to ensure prompt payment. The Vendor's failure to include the correct purchase order number may cause delay in payment.

Invoices must include an accurate description of the work for which the invoice is being submitted, the invoice date, the period of time covered, the amount of fees due to the Vendor and the original signature of the Vendor's project manager.

***INVOICES MAY NOT BE PAID UNTIL AN INSPECTION HAS OCCURRED AND THE GOODS OR SERVICES ACCEPTED.***

## 4.3 PAYMENT TERMS

The Vendor will be paid thirty (30) calendar days after the Vendor's invoice is approved by the Authority.

## 4.4 FINANCIAL STABILITY

As a condition of contract award, the Vendor must certify that it has the financial capacity to perform and to continue to perform its obligations under the Contract; that Vendor has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Vendor that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

Each Vendor shall certify it is financially stable by completing ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION and submitting financial statements audited by a certified public accountant, consistent with generally accepted accounting principles for at least the last two years. The Authority is requiring this certification and documentation to minimize potential issues from contracting with a Vendor that is financially unstable. From the date of the Certification to the expiration of the Contract, the Vendor shall notify the Authority within thirty (30) days of any occurrence or condition that materially alters the truth of any statement made in this Certification. The Contract Manager may require annual recertification of the Vendor's financial stability.

## 4.5 HUB PARTICIPATION

Pursuant to North Carolina General Statute G.S. 143-48, it is State policy to encourage and promote the use of small, minority, physically handicapped, and women contractors in purchasing Goods and Services. As such, this RFP will serve to identify those Vendors that are minority owned or have a strategic plan to support the State's Historically Underutilized Business program by meeting or exceeding the goal of 10% utilization of diverse firms as 1st or 2nd tier subcontractors. Vendor shall complete ATTACHMENT F: HUB SUPPLEMENTAL VENDOR INFORMATION.

## 4.6 VENDOR EXPERIENCE

In its Proposal, Vendor shall demonstrate experience with public and/or private sector clients with similar or greater size and complexity to the Authority and the ESA+ Program. Vendor shall provide information as to the qualifications and experience of all executive, managerial, legal, and professional personnel to be assigned to this project.

### 4.7 REFERENCES

Vendors shall provide at least three (3) references related to the Vendor’s experience and quality of work below regarding similar activities and scope of work to that proposed herein. The Authority may contact the references listed. The Vendor may also include a letter from each reference detailing the Vendor’s past performance.

REFERENCE NAME/COMPANY	EMAIL ADDRESS	TELEPHONE NUMBER

### 4.8 BACKGROUND CHECKS

Any personnel or agent of Vendor performing Services under any Contract arising from this RFP may be required to undergo a background check at the expense of the Vendor, if so requested by the State.

### 4.9 PERSONNEL

Vendor warrants that qualified personnel shall provide Services under this Contract in a professional manner. “Professional manner” means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the industry. An organizational chart of the proposed staff to be used on this Contract is also required.

Should the Vendor’s proposal result in an award, the Vendor shall be required to agree that it will not substitute key personnel assigned to the performance of the Contract without prior written approval by the Contract Manager. Vendor shall further agree that it will notify the Contract Manager of any desired substitution, including the name(s) and references of Vendor’s recommended substitute personnel. The Authority will approve or disapprove the requested substitution in a timely manner. The Authority may, in its sole discretion, terminate the Services of any person providing Services under this Contract. Upon such termination, the Authority may request acceptable substitute personnel or terminate the Services provided by such personnel.

### 4.10 VENDOR’S REPRESENTATIONS

If Vendor’s Proposal results in an award, Vendor agrees that it will not enter any agreement with a third party that may abridge any rights of the Authority under the Contract. If any Services, deliverables, functions, or responsibilities not specifically described in this solicitation are required for Vendor’s proper performance, provision and delivery of the Service and deliverables under a resulting Contract, or are an inherent part of or necessary sub-task included within such Service, they will be deemed to be implied by and included within the scope of the Contract to the same extent and in the same manner as if specifically described in the Contract. Unless otherwise expressly provided herein, Vendor will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the Vendor to provide and deliver the Services and/or other Deliverables.

### 4.11 AGENCY INSURANCE REQUIREMENTS MODIFICATION

The Authority has conducted a risk assessment and determined that certain default coverage provisions in the North Carolina General Terms and Conditions, paragraph entitled *Insurance*, should be supplemented as stated. The premiums for additional insurance coverage amounts for this Solicitation are at the expense of the Vendor. Coverages not specified here remain as stated in the General Terms and Conditions.

Criminal Activity Insurance Coverage, including theft incurred by the Vendor resulting in loss of or damage to money, securities, and other property, forgery, and fraud, which names the Authority as a loss payee of the insurance policy.

## 5.0 SPECIFICATIONS AND SCOPE OF WORK

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### 5.1 GENERAL

The Personal Education Student Accounts for Children with Disabilities Program, also known as the Education Student Accounts (“ESA+”) Program, provides eligible students, who apply for and are awarded an ESA+ scholarship, with State scholarship funds to pay for: (i) tuition and fees to attend certain North Carolina nonpublic schools and (ii) certain qualifying educational products and services. State funds for educational products and services are placed into an online account that can be directed by ESA+ parents to pay for allowable expenses as set forth in the ESA+ Program statute, G.S. 115C-595, such as tutoring and teaching services, educational therapies, curricula and certain education technology from approved vendors and approved service and product providers. Payment of tuition and fees to nonpublic schools on behalf of eligible students is primarily administered directly by the Authority so the digital wallet technology is not used for this purpose when providing scholarship funds to students and families. The digital wallet technology is only utilized for the fiscal management and payment of scholarship funds for eligible qualifying educational products and services under the ESA+ Program.

The Vendor shall provide goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.

5.1.1. Definitions. For purposes of this Contract, definitions shall be as follows and as set forth in the Contract:

- a) “Curricula Provider” means a company that provides curricula and has completed the registration process with the Authority.
- b) “Marketplace products” means textbooks, curricula, and approved education technology that can be purchased from a company’s website but passes through the ESA+ platform for approval as an allowable expense prior to the completion of the purchase.
- c) “Program End Users” means scholarship recipients under the ESA+ Program.
- d) “Service Provider” means a provider of tutoring and teaching services, education therapies, or transportation that has completed the registration process with the Authority.
- e) “SOP” means the manual provided by the Authority to the Vendor that provides the standard operating procedures for, among other things, approving or denying expenses, categorizing expenses, and escalation protocol.

5.1.2. Fiscal Management and Payment System - Generally. The Vendor shall create and supply a user-friendly online digital wallet technology platform (hereafter the “ESA+ Platform”) for use by ESA+ scholarship recipients. The Contractor shall create, maintain, and operate a fiscal management and payment system which shall provide at least the following:

- a) Ability to create virtual electronic wallet accounts for Program End Users to access their scholarship funds in their individual online account.
- b) Ability for Program End Users to direct funds for allowable education expenses and pay for allowable expenses.
- c) Ability to establish an account for each Program End User and bundle families while keeping each student account separate.
- d) Deliver a successful set-up and implementation of funding of all accounts as accounts are established.
- e) Ability to direct scholarship funds to pay multiple Service Providers and Curricula Providers who provide products and services for students with disabilities.
- f) Ability for SEAA and Program End Users to check balances, request payment, and upload receipts.
- g) Ensure that only approved Service Providers and Curricula Providers receive the ESA+ scholarship funds.
- h) Provide customer-friendly support and customer training, as set forth more fully below.
- i) Deliver a comprehensive reporting system, as set forth more fully below.
- j) Use commercially reasonable efforts to make the ESA+ Platform available 24 hours per day, 7 days per week (99.9% uptime), except for circumstances beyond the control of the Vendor or scheduled downtime or maintenance.
- k) Provide the Authority with basic support for the Vendor’s goods and services ordered from the Authority during regular business hours, Monday through Friday, excluding the federal bank holidays. Basic support includes phone support for application usage and email correspondence.

- l) Ability to integrate through an Application Programming Interface (“API”) with other software technologies used to administer the K12 Programs. Specifically, the software shall provide the following critical capabilities:
  - 1. Data Exchange: The API shall enable bidirectional data exchange, allowing for the transmission of information, including Vendors and Service providers information, product details, and approval of purchases.
  - 2. Real-time Updates: The API shall support real-time updates to ensure that both the Authority and Vendor systems have access to the most current information.
  - 3. Security: The API integration must comply with industry-standard security protocols to ensure the confidentiality, integrity, and availability of data during transmission and storage.
  - 4. Documentation: The Vendor shall provide comprehensive documentation for the API, including endpoints, data formats, authentication methods, and error handling procedures.
  - 5. Support and Maintenance: The Vendor shall offer ongoing support and maintenance for the API integration, including troubleshooting, updates, and scalability enhancements.
  
- m) Capability for the Authority to shut-down the ESA+ platform at the end of the calendar year and the end of the fiscal year in order to reconcile accounts or reporting purposes and for other program administration purposes.

5.1.3. ESA+ Platform Marketplace and Available Vendors. The ESA+ Platform built by the Vendor should meet the following requirements:

- a) Allow parents of scholarship recipients to shop as normal on a company’s regular website but route all requested purchases through the ESA+ Platform before the purchase is completed.
- b) Include major vendors, such as Amazon, Staples and others, as well as significant numbers of companies that sell curriculum or technology, including companies that specialize in materials for students with disabilities.
- c) Ability to efficiently enroll individuals or companies as vendors separately from the Marketplace, such that parents can pay these Services Providers and Curricula Providers directly for their products or services from their ESA+ electronic account.
- d) Permit the Authority’s staff to determine which companies appear on the Marketplace, as well as the individual Service Providers and Curricula Providers, such that those which do not sell allowable products or services are not visible to North Carolina ESA+ parents.
- e) Facilitate parents’ return of products to Marketplace vendors, ensuring that the funds for the returned items are credited back to the ESA+ account.
- f) Provide the Capability to create automated communications directly to families to notify them regularly of their account balances, refunds, and other types of messages requested by the Authority.

5.1.4. Funding.

- a) The Vendor must have the capability to fund parent accounts on the ESA+ platform in parts while keeping a minimal amount of cash on hand. That is, the agency will not fully fund parent accounts, but will regularly replenish the established minimum amount of cash the platform will have at any one time.
- b) Vendor shall provide the Authority with online access to view the ESA+ Platform, and the Vendor account that funds the North Carolina Program End Users’ accounts. The online access shall allow the Authority to review all electronic transactions and/or monthly bank statements associated with the segregated bank account that holds North Carolina funds.
- c) The Vendor should provide a surety bond acceptable to the Client in the amount of \$1,000,000 issued by an A rated surety carrier as rated by A.M. Best. The Authority will need to be listed as the Obligee on the bond.

5.1.5. Functionality for Vendor Staff to Pre-Approve or Deny Requested Purchases in Accordance with ESA+ Program statutory and regulatory requirements.

- a) Facilitate purchases or payments where ESA+ parents can submit orders on the Marketplace, or invoices to pay a Curricula Service Provider directly, and categorize the purchases per the Authority's standard operating procedures ("SOP").
- b) Provide a mechanism for facilitating reimbursement directly to a parent when authorized by ESA+ policies and SOP; ensuring that only parents permitted to be reimbursed are given the option to request reimbursement.
- c) Generate automated emails that inform parents of specific actions such as approval or rejection of a requested purchase or inform the parent of funding balances.
- d) Offer the option for Vendor staff to work on a contract basis for the Authority to pre-approve the purchase or payment requests from ESA+ parents, according to the Authority's SOP.
- e) Facilitate an approval process where Vendor and/or Authority staff can review documentation or prospective orders submitted for a particular purchase, approve or reject the purchase, change the category of the expense if necessary, and add comments. If possible, the platform should have efficiencies such as creating a North Carolina specific library of common comments.
- f) The ability to create messaging specific to North Carolina families on the parent dashboard and allow Authority staff to create text that is required reading by ESA+ families prior to specific user actions.
- g) Provide the ESA+ parent with a secure login according to security specifications.
- h) Provide a dashboard for parents which displays the funds available in each of the parents' individual student's ESA+ account and allows the parent to see the available options where purchases may be made (Marketplace, Service Providers, Curricula Providers).
- i) Provide the ability for an ESA+ parent with more than one student with ESA+ funds to be able to keep the accounts separate, while viewing both with one login.
- j) Implement a verification and validation of a subset of certain prospective transactions requested by Program End Users against the requirements of ESA+ Program and the Authority's Standard Operating Procedures for Approving Expenses.

5.1.6. Customer Service, Support and Training System: The Vendor shall create and deliver separate training for all identified Stakeholders (families, providers, the Authority's staff) for the ESA+ Program and provide a portal which houses all resources related to the ESA+ Program. The Support and Training System shall meet the following requirements:

- a) Offer customer service by phone and email for parents who have questions or issues related to logging in to the platform, or other technical functionality questions.
- b) Present a plan detailing trainings that will be provided (in-person, virtual, and static recordings) for ESA+ families. Specify the frequency, location, and medium of those trainings.
- c) Develop on-demand training options (i.e., video modules) that can be accessed through the Platform, on topics determined by the Authority.
- d) Provide a repository to house user manuals, forms, guidance documents, training modules, videos, etc., related to the programs.
- e) Provide oral and written customer support in both English and Spanish. The plan should detail the hours during which support would be available and the mediums they would intend to utilize. Customers must be able to reach out for support both by writing and by telephone during advertised hours.
- f) Trainings offered should include ADA-compliant training that is accessible to people with disabilities.

5.1.7. Reporting System: The Vendor shall provide a Reporting System which meets the following requirements:

- a) Generate the following reports at a frequency determined by the Authority and transmit those to the Authority, including but not limited to:
  1. Provide a variety of standardized, interactive reports which are accessible and downloadable at the Authority level. The following reports shall be included:
    - a. Listing of current user accounts
    - b. Summaries of purchases and amounts
    - c. Aggregate account balance
    - d. Summaries of closed or active accounts
    - e. Summaries of closed or open accounts
    - f. Summaries of refunds from products or services as required by the Authority to assist in reconciliation
    - g. Year-end close-out of accounts and balances forwarded to the Authority by July 31 of each fiscal year

2. Provide flexible and customizable ability to pull reports such that users can request information for a certain date range. This reporting should encompass everything users can do on the platform; for example, the balance of active parent accounts, purchases pending, completed, or rejected.
3. Contain a query tool that will capture and report data using parameters that are not included in other reports. This tool shall pull both historical and current data and contain all fields from all data tables within the database.
4. Customer service activity, including, but not limited to, call volumes, average speed of answer, average talk time, average wrap time, abandon rates, and service levels.
5. Daily summaries for customer service inquiries and response times. Daily reports to be auto generated and e-mailed to designated contact.
6. Call center and account activity daily reports, to include volume of calls from Program End Users to the Vendor customer service, call wait times, account set up invitations submitted by the Vendor to the Program End Users accounts in process and accounts fully set up by the Program End Users.
7. Other reports requested by the Authority at no additional cost to the State.

5.1.8. Security – Also See Attachment D: Confidentiality Agreement

- a) The ESA+ Platform must adhere to industry best practices in cybersecurity, such as is established by the National Institute of Standards and Technology (NIST / [www.nist.gov](http://www.nist.gov)).
- b) Vendor shall maintain information security practices designed to prevent unauthorized or unlawful access to, use, disclosure or alteration of personally identifiable information. The platform must allow levels of permissions for the Vendor and the Authority’s staff users.
- c) The platform must incorporate North Carolina ESA+ unique identifiers for the students and parents into its functionality.

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## 5.2 SYSTEM REQUIREMENTS

Vendor is specifically requested to address the requirements described in the System Requirements Workbook located in ATTACHMENT J. An electronic version of the Workbook is attached to the solicitation in NC eVP.

Please respond to the open-ended questions on the ‘Questions’ worksheet. To the extent feasible in responding to a question, please synthesize product or vendor specific information to address the question and do not include specifications, marketing data or text taken directly from a manufacturer’s or vendor’s material.

The responses to the System Requirements’ Workbook (“Workbook”) should be completed as follows:

**Yes:** Your system currently provides the functionality

**Enhancement:** Your system could provide this functionality by adding new functionality or modifying existing functionality at a cost.

**No:** Your system does not provide this functionality and an enhancement is not an option.

Additionally, there is a comment column on the Workbook that will provide you the opportunity to clarify your response if you feel that we need additional information.

## 5.3 TASKS/DELIVERABLES/ACCEPTANCE OF WORK

The Vendor shall perform implementation work according to key project phases. The key project phases shall include: a requirements gathering phase, a development phase, a testing phase, and a go-live phase. The deliverables associated with each phase shall be identified by the Vendor and approved by the Authority, in the Project Management Plan in Section 5.4.

The Vendor shall hold its initial work group meetings with the Authority to review the Contract Scope of Services, updates/issues related to implementation, and account set-up (including role designations in the Platform, such as system administrator), within thirty (30) days following Contract Effective Date.

- The Vendor shall work with the Authority to review and define each phase of and all required deliverables, which shall be detailed in the Project Management Plan.
- The Vendor shall make the Program End User portion of the platform (and associated training/customer support) available to the public no later than July 1, 2025.

- Payment milestones shall be contingent upon the Authority’s approval of all phase deliverables. The Authority shall review all deliverables to determine satisfactory acceptance according to the following process:
  - a) As requested by the Authority, the Vendor shall conduct a walkthrough of the deliverable prior to submission with appropriate Authority staff.
  - b) Following submission of a deliverable, the Vendor shall adhere to the following process:
    1. Authority Review. The Authority shall review and either approve or reject each deliverable. A rejection shall be accompanied by a list of deficiencies.
    2. Vendor Update(s). The Vendor shall make any changes identified by the Authority and resubmit the deliverable.
    3. Authority Acceptance. Following submission (or resubmission), acceptance of the Vendor’s deliverable shall be communicated via the approved correspondence process. No deliverable shall be considered final or eligible for payment until it has been formally accepted by the Authority. Acceptance by the Authority shall not be unreasonably withheld; but may be conditioned or delayed as required for reasonable review, evaluation, installation or testing, as applicable of the work or deliverable.
    4. The standard timeframe for review shall be as follows:
      - I. The Authority will complete its review within ten (10) calendar days. The Vendor shall have seven (7) calendar days from receiving Authority review to perform required updates.
      - II. In the event the Authority finds deficiencies in a deliverable, the review timeframe shall be re-started upon the resubmission of a corrected deliverable to the Authority.

Final acceptance is expressly conditioned upon completion of all applicable assessment procedures. Should the work or deliverables fail to meet any requirements, acceptance criteria or otherwise fail to conform to the contract, the Authority may exercise any and all rights hereunder, including, for deliverables, such rights provided by the Uniform Commercial Code as adopted in North Carolina.

### 5.4 PROJECT ORGANIZATION

Vendor shall describe in a Project Management Plan the organizational and operational structure it proposes to utilize for the work described in this RFP and identify the responsibilities to be assigned to each person Vendor proposes to staff the work.

### 5.5 TECHNICAL APPROACH

Vendor’s proposal shall include, in narrative, outline, and/or graph form the Vendor's approach to accomplishing the tasks outlined in the Scope of Work section of this RFP. A description of each task and deliverable and the schedule for accomplishing each shall be included.

## 6.0 CONTRACT ADMINISTRATION

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All Contract Administration requirements are conditioned on an award resulting from this solicitation. This information is provided for the Vendor’s planning purposes.

### 6.1 CONTRACT MANAGER AND CUSTOMER SERVICE

The Vendor shall be required to designate and make available to the State a contract manager. The contract manager shall be the Authority’s point of contact for Contract related issues and issues concerning performance, progress review, scheduling, and service.

<b>Contract Manager Point of Contact</b>	
Name:	
Office Phone #:	
Mobile Phone #:	
Email:	

The Vendor shall be required to designate and make available to the Authority for customer service. The customer service point of contact shall be the Authority’s point of contact for customer service-related issues (define roles and responsibilities).

<b>Customer Service Point of Contact</b>	
Name:	
Office Phone #:	
Mobile Phone #:	
Email:	

**6.2 POST AWARD PROJECT REVIEW MEETINGS**

The Vendor, at the request of the Authority, shall be required to meet periodically weekly with the Authority for Project Review meetings. The purpose of these meetings will be to review project progress reports, discuss Vendor and the Authority performance, address outstanding issues, review problem resolution, provide direction, evaluate continuous improvement and cost saving ideas, and discuss any other pertinent topics.

**6.3 CONTINUOUS IMPROVEMENT**

The Authority encourages the Vendor to identify opportunities to reduce the total cost to the State. A continuous improvement effort consists of various ways to enhance business efficiencies as performance progresses.

**6.4 WEEKLY STATUS REPORTS**

The Vendor shall be required to provide Management Reports to the designated Contract Lead on a weekly basis. This report shall include, at a minimum, information concerning:

- Work accomplished during the past week
- Work to be accomplished during the next week
- Problems, real or anticipated
- Notification of any significant deviation from previously agreed upon work plans and schedules

These reports shall be well organized and easy to read. The Vendor shall submit these reports electronically using the format required by the Purchasing Agency. The Vendor shall submit the reports in a timely manner and on a regular schedule as agreed by the parties.

Within thirty (30) business days of the award of the Contract, the Vendor shall submit a final Project Management Plan and a sample report, both to the designated Contract Lead for approval.

**6.7 TRANSITION ASSISTANCE**

If a Contract results from this solicitation, and the Contract is not renewed at the end of the last active term, or is canceled prior to its expiration, for any reason, Vendor shall provide transition assistance to the Authority, at the option of the Authority, for up to six (6) months to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Services to the Authority or its designees. If the Authority exercises this option, the Parties agree that such transition assistance shall be governed by the terms and conditions of the Contract (notwithstanding this expiration or cancellation), except for those Contract terms or conditions that do not reasonably apply to such transition assistance.

The Authority shall agree to pay Vendor for any resources utilized in performing such transition assistance at the most current rates provided by the Contract for performance of the Services or other resources utilized.

### **6.8 DISPUTE RESOLUTION**

During the performance of the Contract, the parties agree that it is in their mutual interest to resolve disputes informally. Any claims by the Vendor shall be submitted in writing to the Authority’s Contract Manager for resolution. Any claims by the Authority shall be submitted in writing to the Vendor’s Project Manager for resolution. The Parties shall agree to negotiate in good faith and use all reasonable efforts to resolve such dispute(s).

During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Contract. The Parties will agree on a reasonable amount of time to resolve a dispute. If a dispute cannot be resolved between the Parties within the agreed upon period, either Party may elect to exercise any other remedies available under the Contract, or at law. This provision, when agreed in the Contract, shall not constitute an agreement by either party to mediate or arbitrate any dispute.

### **6.9 CONTRACT CHANGES**

Contract changes, if any, over the life of the Contract shall be implemented by contract amendments agreed to in writing by the Authority and Vendor. Amendments to the contract can only be through the contract administrator.

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## 7.0 ATTACHMENTS

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### **\*\*IMPORTANT NOTICE\*\***

#### **RETURN THE REQUIRED ATTACHMENTS WITH YOUR RESPONSE**

FOLLOW THE LINKS OR SEE BELOW TO ACCESS EACH ATTACHMENT

#### **ATTACHMENT A: PRICING**

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Complete and return the Pricing associated with this RFP, based on the Vendor’s proposed pricing model to accomplish the Scope of Work set forth in Section 5 of the RFP, which can be found in the table below:

Each Cost Proposal must contain a complete pricing breakdown that addresses, at minimum, all points below:

- A detailed schedule of all software costs for this project.
- A detailed schedule of all professional service requirements needed to complete this project to meet the System Requirements outlined in Section 5.2.
- Breakdown by phase, including project roles, resource level (e.g. project manager, developer, trainer, etc.) estimated rates and estimated hours.
- If a fixed-price agreement is being proposed for professional services, please provide the scope and timing basis for the arrangement.
- A detailed schedule of all training costs.
- A detailed schedule of all software maintenance and support costs, whether one-time or annual, including any tiered scenarios related to volume.
- A detailed schedule of all customization and enhancement costs.
- A detailed schedule of all hardware costs required for this project. Where applicable, include relevant specifications.
- A detailed cost schedule for all possible solution deliveries (hosted vs. on premise).
- Software license fees, including clear definition of user license type (enterprise, concurrent, etc.), the licensing cost schedule and potential costs over time as use of the system increases.
- Anticipated, subsequent annual costs for a five-year period. include detail on how much technical support is included in these costs and how much additional support will cost.
- Any other miscellaneous costs associated with the installation and/or training, including travel, etc.
- A detailed schedule of costs to convert data from legacy systems.
- Pricing of licensing per environment (Development, Testing, and Production).

Due to the time needed to thoroughly review all of the RFPs, the Authority asks that the proposed costs are held firm for one hundred twenty (120) calendar days from the closing date specified for the receipt of proposals. Please indicate that pricing will be valid until that date.

#### **ATTACHMENT B: INSTRUCTIONS TO VENDORS**

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The Instructions to Vendors, which are incorporated herein by this reference, may be found here:

[https://files.nc.gov/ncdoa/pandc/OnlineForms/Form\\_North-Carolina-Instructions-to-Vendors\\_09.2020.pdf](https://files.nc.gov/ncdoa/pandc/OnlineForms/Form_North-Carolina-Instructions-to-Vendors_09.2020.pdf)  
<https://ncadmin.nc.gov/formnorth-carolina-instructions-vendors032023/download?attachment>

#### **ATTACHMENT C: NORTH CAROLINA GENERAL TERMS & CONDITIONS**

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The North Carolina General Terms and Conditions, which are incorporated herein by this reference, may be found here:

<https://www.doa.nc.gov/form-north-carolina-general-terms-and-conditions-11-2023/open> Any additional terms and conditions set forth herein shall supplement the North Carolina General Terms and Conditions. In the event of a conflict between this RFP’s supplemental terms and those in the North Carolina General Terms and Conditions, or any other document, the order of precedence shall be determined by the Authority.

Proposal Number: 68-SEAEESA0524

Vendor: \_\_\_\_\_

**ATTACHMENT D: CONFIDENTIALITY AGREEMENT/WITH EXHIBIT A**

**CONFIDENTIALITY AGREEMENT**

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THIS CONFIDENTIALITY AGREEMENT (the "Agreement") is made effective as of the 1<sup>st</sup> day of July, 2024, by and between \_\_\_\_\_ (the "Company"), with its principal place of business at \_\_\_\_\_ and the **State Education Assistance Authority**, a political subdivision of North Carolina having its principal place of business at 3120 Poplarwood Court, Raleigh, North Carolina 27604 (the "SEAA"), collectively known as "Parties" or "Party." The Parties agree to the following:

1. As used in this Agreement "Confidential Information" means any and all non-public, confidential information, whether in electronic, paper, oral, or other format, regarding the SEAA, or its customers, which includes student scholarship recipients and their parents or guardians, which is furnished to the Company by or on behalf of the SEAA. "Confidential Information" may include customer data or proprietary information, which may be at an individual student or parent level or aggregated and may include information such as name, date of birth, address, social security number, account number, purchasing history, account balance, or any other financial information. For purposes of this Agreement, the following information will not constitute "Confidential Information": information that (i) is or becomes publicly available (other than as a result of disclosure by the Company or any of its representatives in violation of this Agreement); or (ii) is independently developed, discovered, or arrived at by the Company.
2. The Company agrees that all information which is disclosed by the SEAA, its representatives, or agents shall be presumed to be Confidential Information regardless of the format of the information (i.e., electronic, oral, or in writing) unless otherwise specifically identified as non-Confidential Information in writing.
3. The Company agrees that all Confidential Information (i) will be protected and held confidential by the Company, separate and apart from all other unrelated documents and records, (ii) will not, without the SEAA's express consent or as otherwise provided herein, be disclosed by the Company and (iii) will not be used by the Company other than for the following purpose(s): to review purchases made by families and paid for with scholarship funds from the Education Student Accounts for Children with Disabilities Program ("ESA+ Program") in order to ensure that the purchases qualify as eligible education expenses under the ESA+ Program statutes and ESA+ Program rules.
4. The Company specifically agrees that it is only permitted to disclose such Confidential Information to its own employee(s) that are approved by SEAA to perform the work set forth in Paragraph 3, and any employee or representatives who becomes privy to Confidential Information will be required to abide by the terms of this Agreement and execute a Statement of Confidentiality and Non-Disclosure attached hereto as Exhibit A. SEAA must receive Exhibit A signed by any employee who will have access to Confidential Information, prior to the Company or its employee(s) being permitted access to Confidential Information.

5. The Parties agree to maintain Confidential Information, to the extent applicable, in accordance with the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g), the Gramm-Leach-Bliley Act (GLB) (15 U.S.C. § 6801, *et. seq.*), any federal or state law that protects the integrity and confidentiality of Confidential Information, and any regulations promulgated thereunder, as amended ("Applicable Laws"). The Parties further agree to adhere to Applicable Laws in maintaining the confidential integrity of information viewed or obtained through this Agreement and agree not to use or disclose Confidential Information in any way, for its own account or the account of any third party, except as permitted in this Agreement. To the extent required by any Applicable Law, the Parties agree to maintain appropriate and commercially reasonable administrative, technical, and physical safeguards to protect Confidential Information and will have in place at all times during the term of this Agreement information security policies and procedures that achieve the objectives set forth in 16 C.F.R. Part 314 (Standards for Safeguarding Customer Information).
6. Upon the SEAA's written request, the Company will, subject to Applicable Laws, rule, and regulation and the Company's document retention policies and procedures, promptly deliver to the SEAA or destroy all copies of written Confidential Information in the Company's or its representatives' possession that was delivered to the Company by or on behalf of the SEAA.
7. The Company agrees that any breach or threatened breach of this Agreement would cause not only financial harm, but irreparable harm to the SEAA and that money damages will not provide an adequate remedy. In the event of a breach or threatened breach of this Agreement, the SEAA shall, in addition to any other rights and remedies it may have, be entitled to an injunction (without the necessity of posting any bond or surety) restraining the Company from disclosing or using, in whole or in part, any Confidential Information.
8. This Agreement shall not terminate and the obligations set forth herein shall survive in perpetuity.
9. Each Party to this Agreement represents, warrants and agrees that each of its officers or other persons executing this Agreement on behalf of its respective entity is empowered and authorized by all requisite action to do so and this Agreement thereby constitutes the legally valid and binding obligation of the respective entity and is enforceable in accordance with its terms.
10. The laws of the State of North Carolina shall govern the validity, performance, construction, and effect of this Agreement.
11. This Agreement may be executed in one or more counterparts, any of which may be executed and transmitted electronically, and each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Proposal Number: 68-SEAAESA0524

Vendor: \_\_\_\_\_

IN WITNESS WHEREOF, these Parties hereto have executed this Agreement as of the date first written above.

**STATE EDUCATION ASSISTANCE AUTHORITY**

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By: \_  
Printed Name:  
Title: \_

**COMPANY**

Company Name: \_  
By: \_  
Printed Name:  
Title: \_

**EXHIBIT A**

**STATE EDUCATION ASSISTANT AUTHORITY  
STATEMENT OF CONFIDENTIALITY AND NON-DISCLOSURE**

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I acknowledge that I will have access to student-level information provided by the North Carolina State Education Assistance Authority (“SEAA”) under this Confidentiality Agreement. I understand that the information may be used solely for the purposes of work outlined in the Agreement.

- I have been informed and understand that all information related to this Agreement is confidential and may not be disclosed to unauthorized persons. I agree not to divulge, transfer, sell, or otherwise make known to unauthorized persons any information contained in this SEAA system.
- I also understand that I am not to access or use this information for my own personal information but only to the extent necessary and for the purpose of performing my assigned duties as a Company employee related to this Agreement. I understand that if I participate in any unauthorized disclosure of confidential information, I may be subject to applicable disciplinary, civil, and criminal proceedings and/or penalties.
- I will comply with applicable state and federal student privacy laws, which might include without limitation the Family Education Rights Privacy Act, N.C. Gen. Stat. § 96-4(x) and subpart B of 20 C.F.R. Part 603, 20 U.S.C. 1232(g); the Richard B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq.; the Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name, Title \_\_\_\_\_

### **ATTACHMENT E: HUB SUPPLEMENTAL VENDOR INFORMATION**

Complete and return the Historically Underutilized Businesses (HUB) Vendor Information form, which can be found at the following link:

[https://files.nc.gov/ncdoa/pandc/OnlineForms/Form\\_HUB-Supplemental-Vendor-Information\\_9.2021.pdf](https://files.nc.gov/ncdoa/pandc/OnlineForms/Form_HUB-Supplemental-Vendor-Information_9.2021.pdf)

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### **ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR**

Complete and return the Location of Workers Utilized by Vendor, which can be found at the following link:

[https://files.nc.gov/ncdoa/pandc/OnlineForms/Form\\_Location-of-Workers\\_09.2021.pdf](https://files.nc.gov/ncdoa/pandc/OnlineForms/Form_Location-of-Workers_09.2021.pdf)

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### **ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION**

Complete, sign, and return the Certification of Financial Condition, which can be found at the following link:

[https://files.nc.gov/ncdoa/pandc/OnlineForms/Form\\_Certification-of-Financial-Condition\\_09.2021.pdf](https://files.nc.gov/ncdoa/pandc/OnlineForms/Form_Certification-of-Financial-Condition_09.2021.pdf)

**ATTACHMENT H: SUPPLEMENTAL TERMS AND CONDITIONS (SOFTWARE AS A SERVICE)****1) DEFINITIONS: Supplementing the Definitions appearing in the body of this solicitation, above:**

- a) "Agency" means the Agency purchasing the goods or Services.
- b) "Computer" means a data processing device capable of accepting data, performing prescribed operations on the data, and supplying the results of these operations; for example, a device that operates on discrete data by performing arithmetic and logic processes on the data, or a device that operates on analog data by performing physical processes on the Data.
- c) "Computer Data Base" means a collection of data in a form capable of being processed and operated on a Computer.
- d) "Computer Program" means a series of instructions or statements in a form acceptable to a Computer, processor or controller that is designed to cause the Computer, processor or controller to execute an operation or operations. Computer programs include operating systems, assemblers, compilers, interpreters, data management systems, utility programs, sort-merge programs and maintenance/diagnostics programs, as well as applications programs such as payroll, inventory control and engineering analysis programs. Computer Programs may be either machine dependent or machine-independent, and may be general purpose in nature or be designed to satisfy the requirements of a particular user.
- e) "Computer Software" or "Software" means Computer Programs and Data Bases. Also, see, "Software" below.
- f) "Computer Software Documentation" means technical data and information comprising Computer listings and printouts, in human readable form that:
  - i) Documents the design or details the Computer Software
  - ii) Explains the capabilities of the Software, or
  - iii) Provides operating instructions for using the Software to obtain desired results from a Computer.
- g) "Custom or Modified Software" means Software that may be modified by the State, or by Vendor at the State's request or direction to perform in accordance with specifications.
- h) "Data" means recorded information, regardless of form or method of recording.
- i) "Deliverable"/"Product Warranties" shall mean and include the warranties provided for products or deliverables licensed to the State in Paragraph 2, and as included in Paragraph 7 c), of these Terms and Conditions unless superseded by a Vendor's Warranties pursuant to Vendor's License or Support Agreements.
- j) "Hardware" includes Computers, printers, attached equipment or peripherals or other equipment utilized for the State's intended purposes as expressed in the solicitation documents.
- k) "Products" includes Software, Hardware, equipment, options, documentation, accessories, supplies, spare parts.
- l) "Services" means the obligations and duties undertaken by the Vendor to comply with the specifications and requirements in this solicitation.
- m) "Software" is "Packaged Copyrighted Software Products" (unless otherwise identified) as used in 09 NCAC 06A.0102(13) and means Computer Software that is used regularly for other than governmental purposes and is sold, licensed, or leased in significant quantities to the general public at established market or catalog prices, that is considered "shrink-wrap" or "clickwrap", that is or may be generally licensed by "shrink-wrap" or "clickwrap" licenses, or Computer Software that does not constitute Custom or Modified Software and is regularly sold, licensed or leased by the Vendor to governmental entities to meet governmental requirements.
- n) "State" shall mean the State of North Carolina, or the State Education Assistance Authority as an Agency.
- o) "Support" includes Hardware maintenance and repair (outside any required by any applicable warranty), Software updates maintenance and support Services, consulting, training, and other agreed support Services provided by or through Vendor.
- p) "Use", in the context of Computer Software execution and operation in Section 2 and 3 herein below, means storing, loading, installing, executing or displaying Software on a Computer, processor or controller, or making a copy of Software for archival or backup purposes only.

**2) SOFTWARE LICENSE**

- a) Vendor grants the State a personal non-transferable and non-exclusive right to use, in object code form only, all Software and related documentation furnished to the Agency under this Agreement. This license grant shall be limited to use with the Hardware (if any) or Products (if any) for which the Software was obtained, or on a temporary basis, on back-up equipment when the original Hardware or Product is inoperable. Use of Software on multiple processors is prohibited unless otherwise agreed in writing. If the License Grant and License Fees are based upon the number of Users, the number of Users may be increased at any time, subject to the restrictions on the maximum number of Users specified in the Vendor’s standard agreement.
- b) Software provided pursuant to this Solicitation may, in some circumstances, be accompanied by a clickwrap agreement. The term clickwrap agreement refers to an agreement that requires the end user to manifest his or her assent to terms and conditions by clicking an “ok” or “agree” button on a dialog box or pop-up window as part of the installation process for the Software. The sole purpose of any clickwrap agreement shall be to operate as the mechanism for the installation of the Software. All terms and conditions of any clickwrap agreement provided with any Software solicited herein shall have no force and effect and shall be non-binding on the State, its employees, agents, and other authorized users of the Software.
- c) The State agrees to use its best efforts to see that its employees and users of all Software licensed hereunder comply with the terms and conditions set forth in this Agreement, and any Exhibits or Amendments hereto. The State also agrees to refrain from taking any steps, such as reverse engineering, reverse assembly or reverse compilation to derive a source code equivalent to the Software; or portion thereof.
- d) The State shall have the right to copy the Software, in whole or in part, for use in conducting benchmark or acceptance tests, for business recovery and disaster recovery testing or operations, and consistent with the security, records retainage or other policy of the Agency for archival or emergency purposes, or to replace a worn copy; but not for use in preparing derivative works unless expressly allowed by the Agreement or subsequent Statements of Work. Any copy of the Software or documentation must contain the same copyright notice and proprietary markings that are on the original Software.
- e) The State’s license includes the right to upgrades, updates, maintenance releases or other enhancements or modifications made generally available to Vendor’s licensees without a separate maintenance or support agreement. Vendor’s right to a new license for new version releases of the Software shall not be abridged by the foregoing.
- f) Software bundled with any other Product may be used only with the Product and with the configuration in which the Product is sold by Vendor or subsequently upgraded by Vendor.
- g) The State’s license neither transfers, vests nor infers any title or other ownership right in any intellectual property right of Vendor, or any third party. The State’s license neither transfers, vests nor infers any title or other ownership right in any source code associated with the Software unless otherwise agreed by the parties, and will not be construed as a sale of any ownership rights in the Software, unless Custom or Modified Software is being developed as a Work For Hire in response to the State’s solicitation documents.
- h) The State may use the Software with the Computer for which or with which it was acquired, including use at any government installation to which the Computer may be transferred by the State. The State may use the Software with the backup Computer if the Computer for which or with which it was acquired is inoperative.

**3) USE OF SOFTWARE AND INFORMATION**

- a) The State agrees that any Software or technical and business information owned by Vendor (“Information”) or its suppliers or licensors and furnished to the State under this Agreement shall be and remain the property of the Vendor, or other party, respectively.
- b) All Software and information furnished to the State under this Agreement
  - i. Shall be used by the State only to install, operate or maintain the Product for which they were originally furnished;
  - ii. Shall not be reproduced or copied, in whole or in part, except as necessary for use as authorized under this agreement; and

- iii. Shall, together with any copies except copies for the Agency’s and State’s archival purposes containing the State’s business records, be returned or destroyed when no longer needed or permitted for use with the Product for which they were initially furnished; and
  - c) All Software and information designated as “confidential” or “proprietary” shall be kept in confidence except as may be required by the North Carolina Public Records Act: N.C.G.S. §132-1, *et seq.*
  - d) Transfer of Software or program license:
    - i. Software may be transferred within the United States to any location for the State’s normal operations upon written notice to the Vendor without additional cost(s). Transfers for temporary uses arising as a result of a disaster or disaster recovery test may be effected without notice to the Vendor; provided, however, that the State will employ its best efforts to advise the Vendor of any disaster related transfer requiring more than ten (10) business days. All other transfers may be permitted only with Vendor’s prior written consent, and such consent shall not be unreasonably withheld. Transfers requiring Vendor’s consent may be subject to an additional license fee.
    - ii. The rights granted herein are restricted for use solely by the State. The State may not authorize or allow the use or marketing of the Software/Products by or to a third party, and may not assign or transfer the Software or Products to a third party without the prior written consent of Vendor. Any assignee or transferee must execute a separate agreement with Vendor. Any such assignment or transfer shall terminate the obligations of the State under this Agreement
  - e) Custom or Modified Software, if solicited by the State, is being developed or modified exclusively for the State, and such Custom or Modified Software, all related data, all copyrights in the Custom or Modified Software and derivative works belong exclusively to the State and shall be transferred to the State upon creation.

4) **ACCEPTANCE**

Acceptance testing is required for all Vendor supplied software unless provided otherwise in the solicitation documents or a Statement of Work. The State may define such processes and procedures as may be necessary or proper, in its opinion and discretion, to ensure compliance with the State’s specifications and Vendor’s technical representations. Acceptance of software or Services may be controlled by amendment hereto, or additional terms as agreed by the parties. In the event acceptance of software or Services is not described in additional contract documents, the State shall have the obligation to notify Vendor, in writing and within a reasonable time following installation of any software deliverable described in the contract if it is not acceptable. The notice shall specify in reasonable detail the reason(s) a deliverable is unacceptable. Acceptance by the State shall not be unreasonably withheld; but may be conditioned or delayed as required for installation and/or testing of software.

5) **WARRANTY**

- a) Minimum warranties for Products shall include:
  - i. On the delivery date the Products and the associated Computer operating system Software will be in good working order (operating in conformance with Vendor’s standard specifications and functions). Unless otherwise specified in the solicitation, the warranty for other suppliers’ Software is included in the suppliers’ Software package and is provided directly from the supplier.
  - ii. The warranty shall be as provided or specified in the State’s solicitation documents and shall begin on the day of successful installation. If no warranty period is specified, the warranty period shall be Vendor’s standard warranty period for the Products, commencing the day of successful installation.
  - iii. The State shall notify Vendor if any Product is not in good working order during the warranty period. Vendor shall, at its option, either repair or replace any Product reported as not in good working order during the warranty period without charge to the State. The repair or replacement Products must be new or equivalent to new in performance and fully warranted the same as new. All returned Products will become property of Vendor at the time the Product is either placed in shipment to Vendor, or picked up by Vendor.

- iv. The service provided during the warranty period is dependent upon the acceptable warranty option selected by the State and indicated in the State’s solicitation document. If no warranty option is indicated, Vendor will provide their standard warranty service for the Product, unless otherwise agreed by the parties.
- v. If the State requires warranty service other than under this Agreement, it shall be agreed to in writing by the parties at rates and terms set forth in such writing.
- b) Software warranties shall include the following:
  - i. Vendor warrants the media (comprising diskettes, tapes or other media) to be free of defects in materials or workmanship under normal use from the date of acceptance unless otherwise agreed. Vendor shall replace any media reported as not in good working order during the warranty period without charge to the State. If Vendor is unable to replace the Software, Vendor shall refund the full amount of the Software purchase paid by the State.
  - ii. In addition to the warranty exclusions stated in Paragraph 5, Vendor does not warrant that the operation of the Software will be uninterrupted or error free, or that the Software functions will meet the State’s requirements unless developed as Customized or Modified Software. The State assumes the risk of any damage or loss from its misuse or inability to use the Software.
  - iii. For any Customized or Modified Software provided pursuant to this Agreement, Vendor warrants that for a period of one (1) year after the State accepts said Software, it will operate and perform in accordance with the functions and specifications set forth in the solicitation and error free as the solution for the Agency. This express warranty applies only if the State specifically identifies the Hardware environment in which the Customized or Modified Software will be installed or operated, or if it is used in connection with Hardware acquired under this Agreement.
- c) Unless otherwise required by the State: Vendor warrants that its support and customer service and assistance will be performed in accordance with generally accepted industry standards. This warranty shall be valid for ninety (90) days from the date support is provided or performance of the service. For a period of ninety (90) days after delivery or ninety (90) days after successful installation, Vendor or its suppliers shall provide telephone assistance to the State during the State’s normal business hours.
- d) Vendor warrants to the best of its knowledge that:
  - i. The licensed Software and associated materials do not infringe any intellectual property rights of any third party;
  - ii. There are no actual or threatened actions arising from, or alleged under, any intellectual property rights of any third party;
  - iii. The licensed Software and associated materials do not contain any surreptitious programming codes, viruses, Trojan Horses, “back doors” or other means to facilitate or allow unauthorized access to the State’s information systems.
  - iv. The Software does not contain any timer, counter, lock or similar device (other than security features specifically approved by Customer in the Specifications) that inhibits or in any way limits the State’s ability to use the Software for the term of this Agreement.

**6) WARRANTY EXCLUSIONS**

- a) Except as stated in Paragraph 5 (Warranty), Vendor and its parent, subsidiaries and affiliates, subcontractors and suppliers make no warranties, express or implied, and specifically disclaim warranties of merchantability or fitness for a particular purpose as provided by N.C.G.S. §§25-2-316, 25-2-313 and 25-2-315; and as may be amended.
- b) The warranty provided in Paragraph 5 (Warranty) does not cover repair for damages, malfunctions or service failures caused by:
  - i. Actions of non-Vendor personnel;
  - ii. Failure to follow Vendor’s installation, operation or maintenance instructions and/or Services provided to the State;

- iii. Attachment to the Products of non-Vendor products or failure of Products not maintained by Vendor unless such installation or use is approved in writing by the Vendor; or
- iv. Force Majeure conditions set forth hereinbelow.

**7) EXCLUSIVE REMEDIES AND LIMITATION OF LIABILITY**

- a) For purposes of the exclusive remedies and limitations of liability set forth in this Paragraph, Vendor shall be deemed to include the Vendor and its employees, agents, representatives, contractors, subcontractors, and suppliers and damages shall be deemed to refer collectively to all injuries, damages, losses, liabilities, expenses or costs incurred.
- b) The Vendor’s liability for damages to the State arising under the contract shall be limited to two times the value of the Contract.
- c) The foregoing limitation of liability shall not apply to claims covered by other specific provisions including but not limited to Service Level Agreement or Deliverable/Product Warranty compliance, or to claims for injury to persons or damage to tangible personal property caused by Vendor’s gross negligence or willful or wanton conduct. This limitation of liability does not apply to contributions among joint tortfeasors under N.C.G.S. 1B-1 *et seq.*, the receipt of court costs or attorney’s fees that might be awarded by a court in addition to damages after litigation based on this Contract. For avoidance of doubt, the Parties agree that the Service Level Agreement and Deliverable/Product Warranty Terms in the Contract are intended to provide the sole and exclusive remedies available to the State under the Contract for the Vendor’s failure to comply with the requirements stated therein.
- d) For delays in the delivery or successful Product or Software installation, whichever is applicable, Vendor shall have no liability unless the delivery or successful installation date is delayed by more than thirty (30) days by causes not attributable either to the State or to Force Majeure conditions, in which case the State shall have the right, as its remedies:
  - i. To recover direct costs including replacement Products, if any, attributable to Vendor's delay, and
  - ii. To cancel the order without incurring cancellation charges.
  - iii. Vendor shall have no liability unless the default in delivery of Services is occasioned by causes not attributable either to the State or to Force Majeure conditions.

**8) SUPPORT AND MAINTENANCE**

- a) Except as specifically provided herein or in an approved attachment hereto, and unless otherwise consistently provided by Vendor’s standard agreement for support, and except for the provisions in the Vendor License Agreements paragraph above, an order for support will constitute the State’s acceptance of the terms of the Vendor’s standard agreement for Support in effect on the date of the order, subject to the order of precedence and the limitations in the Vendor’s Standard Agreement(s) paragraph (above) as set forth in the Solicitation. Unless otherwise indicated herein, Support and Maintenance acquired herein will begin at the end of any applicable warranty period.
- b) To be eligible for support, Products or Software must be in good operating condition and at then current specified revision levels, having all enhancements, modifications, updates, or upgrades supplied by Vendor. Vendor may charge its standard rates in effect on the date support service is provided in addition to any other charges if the Product(s) or Software do not conform to the specified revision levels.

**9) SOFTWARE RETIREMENT**

- a. Unless otherwise provided in the Vendor’s standard agreement, Vendor retains the right to retire a version of the Software and stop providing Maintenance, Updates or Services, upon providing one-hundred and eighty (180) days written notice to the State of its intent to do so. The decision to stop maintaining a version of the Software is the sole business discretion of Vendor and shall not be deemed a breach of contract. If Vendor retires the version of the Software provided to the State and if the State has paid all applicable annual Maintenance Fees subsequent to executing this Agreement, the State shall be entitled to receive, at no additional charge, a newer version of the Software m that supports substantially the same functionality as the licensed version of the

Software. Newer versions of the Software containing substantially increased functionality will be made available to the State for an additional fee.

- b. Vendor may, at no additional charge, modify Software to improve operation and reliability or to meet legal requirements.
- c. Relocation of Software is the State’s responsibility and may result in additional support charges and modified service response times. Software moved to another State facility or Agency may continue to be serviced subject to availability of a Vendor authorized support provider.
- d. Vendor is not required to provide support for non-qualified Software, nor Software not supplied under this Agreement. “Non-Qualified Software” is Software not supplied or approved by Vendor, and Software for which the State does not allow Vendor to incorporate modifications. The State is responsible for removing non-qualified Software to allow Vendor to perform Support Services.
- e. Support does not cover any damage or failure cause by:
  - i. Media and supplies or use of items not designed or designated for use with Software; or
  - ii. Site conditions that do not conform to Vendor’s previously established site specifications; or
  - iii. Neglect, improper use, fire or water damage, electrical disturbance, transportation by the State, work or modification by persons other than Vendor personnel, or other authorized parties.

The State is responsible for the security of its proprietary or confidential information, for its data, and for maintaining a procedure and process to reconstruct lost or altered files, data or programs.

**10) INFORMATION SECURITY**

(a) In addition to any provisions related to Confidential Information that are otherwise agreed to by the parties in relation to this RFP, each party is responsible for:

- i. The security of non-public or personally identifiable information on the systems under its control.
- ii. Data security issues arising from its systems, or directly resulting from its use of third party vendors or subcontractors (if any) in connection with the services.

(b) Vendor shall maintain information security practices designed to prevent unauthorized or unlawful access to, use, disclosure or alteration of personally identifiable information. In the event of a security breach, as defined in N.C. G.S. §75-61(14), and in addition to the Vendor’s responsibilities under the North Carolina Identify Theft Protection Act (N.C. G.S. §75-61 *et seq.*), the Vendor shall immediately notify the Authority with the information listed in N.C. G.S. §75-65(d) (1-4) and shall fully cooperate with the State. Vendor shall specifically indemnify the State for any breach of confidentiality or any failure in its responsibilities to safeguard and protect confidential and personally identifiable information. Costs covered by this indemnity include, but are not limited to, the costs associated with notifying persons affected by a security breach or any other unauthorized release of information maintained on a system under the Vendor’s control. The Authority and the Vendor agree that the indemnity provided in this section shall not be applicable if the parties determine that the cause of the security breach is attributable to the unauthorized or negligent action of an Authority employee.

(c) Vendor shall comply with all applicable laws relating to the retention and confidentiality of student information, including but not limited to the Family Educational Rights and Privacy Act, 20 USC 1232g.

(d) Vendor shall ensure that all information systems that hold any personally identifiable information about student or borrowers of loans comply with security and privacy controls for information systems issued by the National Institute of Standards and Technology as identified by the Authority.

## **ATTACHMENT I: VENDOR PROFILE**

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All prospective Vendors must supply the following information as to the background and qualifications of the firm and principals:

Firm Name (Corporate Headquarters): \_\_\_\_\_

Mailing Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Website \_\_\_\_\_

Date Firm Established: \_\_\_\_\_

Type of Organization

(i.e., Corporation, Partnership, Proprietorship): \_\_\_\_\_

Owner(s)/President: \_\_\_\_\_

Project Director For This Contract: \_\_\_\_\_

Title \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Office Phone Number: \_\_\_\_\_

Mobile Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

IT Contact For This Contract: \_\_\_\_\_

Office Phone Number: \_\_\_\_\_

Mobile Phone Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**ATTACHMENT J: SYSTEMS REQUIREMENT WORKBOOK**

#	Requirement	Status	Fit/Gap	Comments
<b>Information Technology</b>				
1	The system shall be built on a "Mobile First" front-end.	Must have		
2	The system shall provide application programming interfaces (API) for ODBC, Java, HTML, etc.	Must have		
3	The Vendor shall provide documentation of how the APIs are used within the proposed system.	Must have		
4	The system shall allow the Authority to run an API on a schedule and/or on-demand.	Must have		
5	The system shall support multiple environments (PROD, DEV, & TEST) for enhanced technical control through segmentation.	Must have		
6	The system shall automate the backup of software configuration files and databases to an alternate environment at least daily.	Must have		
7	The system shall provide role-based (admin, manager, general user, etc.) user authentication access for agency users.	Must have		
8	The system shall provide detailed and automated systems reporting capabilities that include but are not limited to system alerts, account usage, performance metrics, etc. in multiple formats (PDF, XLSX, CSV, etc.).	Nice to have		
9	The Vendor shall provide accurately written operational instructions.	Must have		
10	The system shall provide automated file archiving and purging capabilities that will be configurable to align with the Authority's retention policy.	Must have		
11	The vendor shall have a documented Disaster Recovery Plan (DRP) that is tested annually.	Must have		

12	The system shall encrypt data in transit and at rest.	Must have		
13	The system shall enforce FIPS 140-2 approved ciphers when transmitting and storing data.	Must have		
14	The system shall support TLS 1.2 or higher security protocols for all secure internet browser communications.	Must have		
15	The system shall display a customizable login banner where the Authority can note acceptable use requirements to end users.	Nice to have		
16	The system shall employ anti-virus software.	Must have		
17	The system shall enforce the use of multifactor authentication for vendor administrators.	Must have		
18	The system shall support multifactor authentication for program end users.	Nice to have		
19	The vendor shall have a documented Business Continuity Plan (BCP) that is tested annually.	Must have		
20	The vendor shall have a documented Data Privacy Policy.	Must have		
21	The vendor shall perform security assessments of third-party companies that access Authority data.	Must have		
22	The system shall provide data input validation and error messages.	Must have		
23	The system shall employ a web application firewall (WAF) and protect against OWASP top 10 web threats.	Must have		
24	The system shall support single sign-in protocols (SAML) for users and administer authentication.	Nice to have		
25	The system shall enforce password/passphrase complexity requirements.	Must have		
26	The system shall automatically lock the session or log-out an account after a period of inactivity.	Must have		
27	The system shall adhere to an industry standard security framework (NIST, CIS, ISO, etc.)	Must have		

<b>Portal requirements</b>				
28	The system shall allow the Authority to manage users with security levels and user roles.	Must have		
29	The system shall allow users to create user profile/passwords and security questions. The system shall provide auto password reset functionality.	Must have		
30	The system shall be scalable to allow the Authority to add new programs and requirements via the UI.	Must have		
31	The system shall allow the Authority to add/edit end date program attributes via the UI.	Must have		
32	The system shall allow the Authority to manage/display specific tasks and timelines via a dashboard in each portal.	Must have		
33	The system shall allow users to enter comments/notes at various places within each portal; the comments/notes will be supported by audit trails.	Nice to have		
34	The system shall provide automated clearing house (ACH) functionality.	Must have		
35	The system shall allow communications to one or more entities within and across portals. Communications will include but not be limited to chat, alerts, text messages, reminders and emails as well as allow attachments where appropriate.	Nice to have		
36	The system must be compatible with the Authority's accounting systems (Peoplesoft) and existing portals	Must have		
37	The system shall provide audit trails to be displayed on the UI as well as on the tables. Audit trails may consist of date, time, username and/or add/edit/delete record status.	Must have		
38	The system shall provide robust reporting functionality, including but not limited to canned & ad-hoc reporting, scheduled and on-demand reporting, the ability to report within and across programs, and the ability to auto email reports to one or more users.	Must have		

	Examples: "point and shoot" query and reporting across all data bases (similar functionality, look and feel to user, downloadable in various formats (CSV, Excel, PDF, etc.)			
39	The vendor shall have a process for verifying accessibility conformance	Must have		

**\*\*\* Failure to Return the Required Attachments May Eliminate Your Response from Further Consideration \*\*\***