

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EMPLOYMENT SECURITY (NHES)  
45 SOUTH FRUIT STREET  
CONCORD, NEW HAMPSHIRE 03301

REQUEST FOR PROPOSAL  
RFP# NHES2016-06

To provide Banking Services for Processing State and Federal Unemployment  
Compensation Funds

**STATE OF NEW HAMPSHIRE  
Department of Employment Security**

**I. INTRODUCTION..... 3**

**II. GENERAL REQUIREMENTS ..... 3**

**III. BACKGROUND FOR SCOPE OF SERVICES AND PRICING ..... 5**

**IV. SCOPE OF SERVICES..... 8**

**V. PAYMENT OF BANKING COST ..... 11**

**VI. PRICING OF SERVICES..... 11**

**VII. PROPOSAL FORMAT ..... 13**

**VIII. SELECTION CRITERIA ..... 15**

**IX. APPENDICES ..... 15**

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

**I. INTRODUCTION**

The Unemployment Compensation Program provides income replacement to workers who are temporarily unemployed through no fault of their own. State and/or Federal funds are used to support unemployment benefit payments. This Request for Proposal (RFP) is issued to obtain the services of a Banking Institution which is authorized to do business in New Hampshire and has suitable branch offices throughout the State of New Hampshire, including Concord, New Hampshire. As described in more detail below, the intent of the RFP is to enable the New Hampshire Department of Employment Security, hereinafter referred to as “NHES”, to process State and Federal funds used in the operation of the Unemployment Compensation Program, and to provide for convenient service to the unemployed individuals served by the agency. In furtherance of these objectives, the Banking Institution must have branch offices within reasonable proximity to NHES Local Offices located in the cities and towns of Berlin, Claremont, Colebrook, Concord, Conway, Exeter, Franklin, Keene, Laconia, Lebanon, Littleton, Manchester, Nashua, Plymouth, Portsmouth, Salem, and Somersworth.

**II. GENERAL REQUIREMENTS**

**Deadline for Required Information** – The following are the applicable dates and deadlines related to this RFP:

RFP Release	04/13/2016
Deadline for Respondent Questions	04/19/2016
Department Response to Questions	04/22/2016
Deadline for Submission of Proposals	05/03/2016 @ 2 PM EDT
Proposal Openings	05/03/2016 @ 2:30PM EDT
Commencement of Contract	Upon Governor and Council Approval

**Respondent Questions** – Any prospective respondent who wishes to receive an interpretation of existing specifications or terms and conditions of the proposal, must submit them in writing no later than the date noted above. Questions and requests for clarification of the information contained in this RFP must be submitted in writing, to: NH Employment Security, ATTN: Jill Revels, Business Administrator III, Fiscal Management Section, 45 South Fruit Street, Concord, NH 03301. Email inquiries will be accepted for questions only. The email address is: [jill.d.revels@nhes.nh.gov](mailto:jill.d.revels@nhes.nh.gov).

**Deadline for Submission of Proposals** – The deadline for receipt of the proposals is as noted above – 05/03/2016 at 2:00 p.m. Proposals may be submitted by mail or hand-delivery only and must be received by NHES by the deadline above in order to be considered. Requests for extension will not be granted. Proposals may not be submitted by fax or e-mail and, if they are, they will not be considered.

Vendors are cautioned that it is their responsibility to originate the mailing of proposals in sufficient time to insure receipt by the closing date/time at the address noted below.

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

Proposal Submission - An original and three (3) copies of each proposal is required. All proposals shall be submitted in a sealed package and must be clearly marked as follows: REQUEST FOR PROPOSAL – NHES BANKING SERVICES. Proposals are to be submitted to: NH Employment Security, ATTN: Jill Revels, Business Administrator III, Fiscal Management Section, 45 South Fruit Street, Concord, NH 03301. A transmittal letter signed by the Banking Institution President or other authorized official must accompany the proposal.

Format of Proposal – Proposals must respond to all of the requirements set forth in this RFP. Standard brochures and manuals are accepted only as supplemental material. Proposals that do not specifically address all RFP requirements may not be evaluated.

Proposal Acceptance – All proposal materials will be retained by the Department and not returned to the respondent. The successful respondent will be required to provide the services in accordance with the specifications and for the sum not to exceed to prices quoted and the total contract price.

NHES reserves the right to accept or reject any and all proposals, or parts of proposals. NHES reserves the right to waive technicalities to assure the greatest benefit to the State. Respondents preparing responses will not be compensated for their proposal efforts.

Rejection of Proposals – A proposal may be rejected for one or more of the following reasons or for any other reason deemed to be in the best interest of NHES:

- The failure of the vendor to adhere to one or more provision(s) established in this RFP.
- The failure of the vendor to submit required information in the format specified in this RFP.
- The failure of the vendor to adhere to generally accepted ethical and professional principles during this RFP process.

Confidentiality – The successful proposal will be incorporated into the resulting contract and will become a matter of public record. If the proposal includes material which is considered by the respondent to be proprietary and confidential, the respondent shall clearly designate the material as such, explaining why such material should be considered confidential. The respondent must identify each page or section of the proposal that it believes is proprietary and confidential with sufficient grounds to justify each exemption from release. NHES cannot guarantee that information submitted in the proposal process will not be made public in the contract award process or thereafter.

Clarification of Information – NHES reserves the right to obtain clarification or additional information necessary to properly evaluate a proposal or any part thereof. Failure of a respondent to respond to a request for additional information or clarification could result in rejection of that respondent's proposal.

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

Contract – NHES reserves the right to incorporate standard contract provisions into any contract entered into as a result of any proposal submitted in response to this RFP, including any and all terms and conditions set forth in in the State of New Hampshire Standard Contract Form (State Form P-37). A copy of the terms and conditions are attached hereto as Appendix 3 and incorporated by reference herein. Additional terms and conditions may be incorporated in the final contract including the following:

Term & Extension

This agreement will be for a term beginning upon Governor and Council approval and terminate five (5) years from the date of execution.

Termination

Either party may terminate this agreement at any time. The party requesting termination must give the other party written notice, by certified mail, to so terminate at least sixty (60) calendar days prior to effective date of termination.

Sub-contracting

Contractor will not assign, subcontract or otherwise transfer any duty obligation, or written performance required by this agreement without prior written consent of NH Employment Security.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--  
Primary Covered Transactions

Contractor certifies that the primary participant, and its principals, to the best of its knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency. Contractor will inform NH Employment Security of any changes in the status regarding this statement.

Acceptance or Rejection by NHES – NHES reserves the right to accept or reject any or all proposals submitted for consideration. All proposals will be kept sealed and safe until the date, time and place of opening.

The successful vendor is to be aware that all material submitted in response to this RFP will be incorporated as part of the final contract.

**III. BACKGROUND FOR SCOPE OF SERVICES AND PRICING**

Pursuant to NH RSA 282-A, NHES is responsible for the collection of employer unemployment tax contributions and for the payment of unemployment benefits utilizing two separate accounts: a

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

“Benefit Account” from which benefit payments are issued and a “Clearing Account” through which unemployment tax contribution collections and/or refunds are processed. In addition, NHES requires a third account to be known as a “Revolving Fund Account.”

The funds used to pay most unemployment benefits are provided by the subject employers in the State of New Hampshire (approximately 41,000). Employers pay unemployment tax contributions based on the first \$14,000 (current taxable wage base amount) paid to each individual employee, and those payments are deposited into the Clearing Account. Employer unemployment tax contributions are due four times each year, on or before the last day of the month following the close of the calendar quarter.

Since employers pay unemployment tax contributions only on the first \$14,000 (current taxable wage base) of wages for each employee, the heaviest volume of funds is processed during the first and second quarters of each calendar year. During the twelve-month period ended December 31, 2015, a total of 72,438 items representing checks totaling \$75,354,292 and electronic fund transfers (EFT) totaling \$11,574,489 were processed and deposited into the Clearing Account with an average daily balance of \$276,141.

One requirement of the Unemployment Compensation Program is to have the Clearing Account funds wire transferred from the Clearing Account to the State’s Unemployment Trust Fund Account maintained by United States Treasury Department in Washington, DC not later than two business days from the date of deposit. Daily wire transfers are performed by the State’s Unemployment Trust Fund Treasurer. In addition to the checks deposited, approximately 894 checks per year are written against the Clearing Account. NHES currently receives unemployment tax contributions in the form of paper check and by EFT transaction via the NHES on-line WEBTAX application. NHES currently utilizes EZ Deposit scanners to scan and deposit checks. NHES also receives ACH payments to both accounts from the US Treasury under the Treasury Offset Program. NHES does not currently accept debit/credit card payments but plans to offer the opportunity to employers and claimants to utilize these services at some future date. Pricing for such services should be provided in Section VI, PRICING OF SERVICES - Standardized Pricing Form.

Through the normal process associated with the Clearing Account, the balance in the account will accumulate an earnings credit which shall be applied against the cost of maintaining the Clearing Account. Any cost in excess of balance earnings credit shall be invoiced to NHES – Fiscal Management Section on a monthly basis and will be paid from administrative funds outside of the Clearing Account. See Section V, PAYMENT OF BANKING COST.

Unemployment insurance claimants are paid benefits once during each week of eligibility. Unemployment benefit payments are currently offered by NHES in the form of paper check and EFT against the Benefit Account. During the twelve-month period ended December 31, 2015, a total of 70,596 checks were written to pay \$19,498,285 in unemployment benefits. Approximately 151,101 EFT transactions were processed to pay \$45,841,468 in unemployment benefits for the same period. The average daily balance of the Benefit Account for the same period was \$214,166.

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

The current ratio of paper checks to EFTs is approximately 32/68. The overall volume of activity in the Benefit Account fluctuates depending on the overall unemployment rate in the State. The largest source of deposits into the Benefit Account is withdrawals from the State's Unemployment Trust Fund Account maintained by the US Treasury Department in Washington, DC. The US Treasury wire transfers funds directly to the Benefit Account. Other sources of deposits include Federal program funds drawn in the same manner as trust fund dollars as well as benefit overpayment recoveries received from claimants. NHES does not currently offer but plans to implement electronic access cards (EAC) as a means of unemployment benefit payment at some future date. Pricing for such services should be provided in Section VI, PRICING OF SERVICES - Standardized Pricing Form.

A compensating balance is maintained in the Benefit Account, and the earnings credit on that balance shall be applied against the cost of maintaining the Benefit Account. Any cost in excess of compensating balance earnings credit shall be invoiced to NHES – Fiscal Management Section on a monthly basis and will be paid from administrative funds outside of the Benefit Account. See Section V, PAYMENT OF BANKING COST.

The Banking Institution must agree to enter into a separate collateralization agreement to cover all funds in excess of the FDIC insured limit. The collateralization agreement must include a provision to periodically adjust the collateralized amount to reflect changes in the amount of funds deposited in the Banking Institution.

Because of federal regulations found under the Cash Management Improvement Act (CMIA), NHES draws funds from the Unemployment Trust Fund Account in the US Treasury in accordance with a check clearance pattern established in the Federal CMIA agreement. While this requirement is intended to be interest neutral, it creates the possibility, however slim, that there may not be sufficient funds in the Benefit Account to cover all checks presented for clearance. In such a case, NHES would be able to cover any shortfall once notified by the Banking Institution as part of the regular morning reporting on the account balances. The Banking Institution must agree to provide overdraft protection for the Benefit Account in the event there is a short-term overdraft and never refuse to cash a valid NHES check.

The Banking Institution must be willing to cover the overdraft without imposing the standard per check fee, by proposing a fee system based on the cost for covering the overdraft plus an agreed upon number of basis points over the average Federal Funds Rate for the previous seven days. Any overdraft costs incurred must be included on the monthly invoice to NHES for payment from administrative fund sources.

The Banking Institution must be willing to make electronic access cards (EAC) and debit/credit card payment functionality available if requested by NHES either directly or through a qualified third-party registered to do business in the state of New Hampshire acceptable to NHES which provides, at a minimum, that cards issued be universally accessible and that EAC holders be provided one cash withdrawal access transaction per week without charge to the user or NHES.

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

**IV. SCOPE OF SERVICES**

The respondent is expected to provide the services requested within this RFP, as well as all usual and customary banking services for the Clearing Account, Benefit Account and Revolving Fund Account. In addition to the usual and customary services, respondents must be able to meet the following specification of work:

- A. Banking Institution will provide NHES with on-line access to information contained within its accounts (on-line balances, posted balances and posted activity). Banking Institution will provide on-line access to look up potential stop payments to verify payment status, and to obtain check copies on file for 180 calendar days.
- B. Banking Institution will provide on-line ability to initiate stop payments of checks, initiate wire transfers, and initiate EFT batches.
- C. Banking Institution will provide necessary software/training to process EFTs.
- D. Banking Institution will wire transfer funds from the Clearing Account to the US Treasury Department as instructed by NHES. Banking Institution will take all reasonable steps to assure that checks deposited into the Clearing Account are available for transfer within one deposit day.
- E. Banking Institution will post funds transferred from the US Treasury Department to the Benefit Account on the same day they are transferred.
- F. Banking Institution will post EFT credits the same day as received.
- G. Banking Institution will prepare the ETA-8413, Income-Expense Analysis, UC Fund, Benefit Account (see Appendix 1 for sample form), and the ETA-8414, Income-Expense Analysis, UC Fund, Clearing Account according to instructions provided by NHES (see Appendix 2 for sample form), and forward both reports to NHES not later than 10 calendar days after the close of each month.
- H. Banking Institution will provide a semi-monthly reconciliation of the Clearing Account, Benefit Account and Revolving Fund Account within 10 calendar days after the end of the reconciliation period. Images of cashed checks (front and back) must be provided semi-monthly for all three accounts. Data containing check information must be provided in a machine readable format that is suitable for import into third-party database systems (e.g. Oracle). Software must also be provided for independent query, review and printing of single or multiple check images. Data may be provided either through secure electronic data transfer (e.g. SFTP, HTTPS) or physical media (e.g. CD/DVD).



**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

- I. Banking Institution will provide Positive Pay services on the Benefit and Clearing Accounts including same-day Positive Pay and teller-line Positive Pay plus the ability to initiate voids.
- J. Banking Institution will provide on-line access to daily summary activity reports, daily detail activity reports, and daily check return files of the Benefit Account, Clearing Account, and Revolving Fund Account as noted below.
  - i. Daily Summary Report: Daily reports to include the following summarized information for each NHES account: date of report, opening ledger amount, closing ledger amount, opening available amount, closing available amount, sweep closing balance, total float amount, 1 day float amount, 2 or more days float amount, number of credits, total credit amount, number of debits, total debit amount, grand total credit less grant total debit amount, total debit less wire transfer and charge-backs; total debit (without return items) amount, and total checks paid amount.
  - ii. Daily Detail Reports: Daily reports to include details of all transactions. Details separated by NHES account shall include but are not limited to those found under Daily Check Return file below plus dishonored checks and failed EFTs. EFT (ACH/FedWire) transaction details such as originator, amount, effective date, sender, sender's Banking Institution, sender's address, reference number, recipient name, etc. shall also be included.
  - iii. Daily Check Return File: Data for each check includes the bank account number, check number, check amount and clear date. Data containing check information must be provided in a machine readable format that is suitable for import into third-party database systems (e.g. Oracle).
- K. Banking Institution will notify Department immediately if it finds an error in the daily deposit to NHES accounts.
- L. Banking Institution must debit the correct checking account when a check and/or EFT is returned for insufficient funds. If the wrong account is debited, the Banking Institution will be responsible for making the necessary corrections to the account when notified by NHES.
- M. Following receipt of signed forgery affidavits from NHES; the Banking Institution will credit the appropriate NHES account for the amount of the forged check. It will be the Banking Institution's responsibility to investigate and collect the amount of the forged check.
- N. Upon receipt of a stop payment order, the Banking Institution will notify NHES if the check has already been cashed.

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

- O. Banking Institution will credit the appropriate account for the amount of any check cashed for which a Stop Payment Order had been previously issued. It will be the Banking Institution's responsibility to collect these funds.
- P. Banking Institution will accept on-line cancellations of stop payments and lift the stop payment from the check number the same day the cancellation is received. Banking Institution will resolve any issues if the cancellation is not lifted.
- Q. Banking Institution will not honor NHES checks that are older than 6 months (stale-dated). If a stale-dated check is cashed, the Banking Institution will credit the appropriate account. It will be the Banking Institution's responsibility to collect these funds.
- R. Banking Institution will provide all carbonless deposit slips and check stock at no charge (approximately 100 checks per year for Benefit Account, 900 checks per year for Clearing Account and 50 checks per year for Revolving Account).
- S. Banking Institution will enter into a separate collateralization agreement to cover all funds in excess of the FDIC insured limit.
- T. Banking Institution will process Wires to the Internal Revenue Service and EFT debit/credit batches as needed. Banking Institution will process EFT batches to / from employers and claimants.
- U. Banking Institution will research discrepancies and provide timely documentation if changes are made to any account.
- V. To enable NHES to transfer check and EFT files daily (electronically and manually) to the Banking Institution and the ability to retrieve electronically a daily checks paid and EFTs paid file, a daily void check file and a daily rejected check/EFT file for the purpose of uploading data to our UI benefit and tax systems. Data containing check information must be provided in a machine readable format that is suitable for import into third-party database systems (e.g. Oracle).
- W. Banking Institution will provide check scanners for electronic check processing/deposits.
- X. Banking Institution will not charge any fees for a non-account holder presenting an NHES check for payment or EAC for cash withdrawal at any branch location.
- Y. Banking Institution will provide NHES the ability to block unauthorized debit/credit transactions on its accounts.

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

Z. Banking Institution will notify NHES immediately of a security breach.

**V. PAYMENT OF BANKING COST**

The Banking Institution will be compensated for the services provided to NHES for any costs in excess of compensating balance earnings credit for the Clearing Account and Benefit Account. The balance maintained in the Revolving Fund Account should be sufficient to cover the service charges.

In the event that Clearing Account and Benefit Account compensating balance earnings credit exceeds the costs in any given month, the excess earnings credit is to be carried forward as a credit against the future month's service charges in the respective account. Costs in excess of compensating balance earnings credit will be kept separate by account and invoiced to NHES – Fiscal Management Section on a monthly basis and will be paid from administrative funds outside of the Clearing Account and Benefit Account.

**VI. PRICING OF SERVICES**

As stated previously, a compensating balance is maintained in the Benefit Account, and the earnings credit on that balance shall be applied against the cost of maintaining the Benefit Account. In the event that Benefit Account compensating balance earnings credit exceeds the costs in any given month, the excess earnings credit is to be carried forward as a credit against the future month's service charges. Any cost in excess of compensating balance earnings credit shall be invoiced to NHES – Fiscal Management Section on a monthly basis and will be paid from administrative funds outside of the Benefit Account. Additionally, costs in excess of Clearing Account balance earnings shall be invoiced to NHES – Fiscal Management Section on a monthly basis and will be paid from administrative funds outside of the Clearing Account. The balance maintained in the Revolving Fund Account should be sufficient to cover the service charges.

The proposal must include a detailed listing of each cost to be charged for services delineated in this RFP as well as the current earnings rate, what that rate is based on, and the frequency with which the rate is customarily changed. Additional costs not listed above must be detailed.

In its proposal, the Banking Institution shall state the proposed cost to NHES for the following services:

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

<b>RFP # NHES-2016-06</b>						
<b>Standardized Pricing Form</b>						
<b>FINANCIAL INSTITUTION:</b>						
<b>Item Description</b>	<b>Cost Per Item</b>	<b>Estimated Annual Volume</b>	<b>Estimated Annual Variable Cost</b>	<b>Additional Monthly Fixed Cost</b>	<b>Additional Annual Fixed Cost</b>	<b>Total Estimated Annual Cost</b>
Paid Items		115,000	\$ -			\$ -
Check Scanner for Deposits		2	\$ -			\$ -
Deposits (via scanner)		1,000	\$ -			\$ -
Deposited Items (via scanner)		75,000	\$ -			\$ -
Stop Payments		5	\$ -			\$ -
Wires Incoming		350	\$ -			\$ -
Wires Outgoing		300	\$ -			\$ -
Imaging		115,000	\$ -			\$ -
ACH Items		175,000	\$ -			\$ -
ACH File Transmission		625	\$ -			\$ -
ACH Failed		450	\$ -			\$ -
ACH NOC		400	\$ -			\$ -
ACH Reversal		4	\$ -			\$ -
Other ACH Fees			\$ -			\$ -
Deposited Check Return		100	\$ -			\$ -
Positive Pay Services		115,000	\$ -			\$ -
Positive Pay Voids		300	\$ -			\$ -
Electronic Banking			\$ -			\$ -
Account Maintenance			\$ -			\$ -
Full Account Reconciliation		115,000	\$ -			\$ -
Overdraft Protection			\$ -			\$ -
Earnings Credit Rate			\$ -			\$ -
Electronic Access Card Functionality			\$ -			\$ -
Debit/Credit Payment Acceptance Functionality			\$ -			\$ -
<b>Additional costs to be charged not included above:</b>						
			\$ -			\$ -
			\$ -			\$ -
<b>Total Estimated Annual Cost</b>				<b>\$ -</b>		
<i>Return completed form to:</i>	<i>NH Employment Security  ATTN: Jill Revels, Fiscal Management Section  45 South Fruit Street  Concord, NH 03301</i>					

An Excel formatted version of the above standard pricing form above will be available at [www.nhes.nh.gov](http://www.nhes.nh.gov).

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

**VII. PROPOSAL FORMAT**

The actual proposal submitted by the Banking Institution should be concise. Respondents should be able to clearly address the required items in 15 pages or less. Please be sure to follow this format when developing a proposal. A transmittal letter signed by the Banking Institution President or other authorized official must accompany the proposal.

- A. Overview of Financial Institution – Please provide a brief description of the Banking Institution, including size, asset base, and the location of the branch which will service the accounts as well as branch locations throughout the State. Please include a list of Banking Institution personnel who will be assigned to the accounts and the specific areas for which they will be responsible. Include management, technical support and fraud investigation staff.
- B. Electronic Access Cards/Debit and Credit Card Processing – Please outline how the Banking Institution will provide electronic access card and debit/credit card processing services to NHES. Indicate whether the services are performed by the Banking Institution itself or by a third-party administrator.
- C. Payment of Banking Costs – Please describe exactly how NHES will earn credits on funds deposited in the Benefit, Clearing and Revolving Fund accounts, including what the credits are based on and how they are calculated. Please provide a prior 12-month history of the earnings credit rate. What is the Banking Institution’s expectation for the rate in the next 24 months? What are the payment terms if the costs exceed the earnings credit? Understanding any costs which exceed earnings credit cannot be paid from the Benefit and/or Clearing Accounts, how does the Banking Institution propose to charge NHES for the costs, if any?
- D. Collateralization of Excess Deposits – Please outline how the Banking Institution will collateralize the Department’s deposits in excess of the FDIC insured amount.
- E. Overdraft Protection Agreement – Please outline how the Banking Institution will provide overdraft protection for NHES accounts.
- F. Banking Institution Policies and Procedures – Please explain Banking Institution policies and procedures regarding wire transfers, posting of deposits, float, overnight deposit of funds, hours of operation, account reconciliation, dishonored checks, check clearance, stop payment orders and forged checks, and all deadlines which will impact the delivery of services, such as deposit deadlines and ACH/wire transfer deadlines.
- G. Assurances – Banking Institution must provide written assurance that 1) it will comply with the requirements found in Section V, SCOPE OF SERVICES, and all other requirements outlined in this RFP; 2) the Banking Institution is in compliance with

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

requirements found in Section III, GENERAL REQUIREMENTS; 3) the Banking Institution is willing to enter into a separate agreement to collateralize deposits in excess of FDIC insured limits; 4) the Banking Institution is willing to provide overdraft protection for NHES accounts.

- H. Scope of Services – Banking Institution must respond to each item in the RFP, in the order listed in the RFP and explain how it intends to meet each requirement. It will not be sufficient to simply indicate that the Banking Institution will comply. Proposals that do not adequately address the items listed in Section V, SCOPE OF SERVICES, may be rejected.
- I. Pricing of Services – Please follow the format found in Section VI, PRICING OF SERVICES, being sure to include any detail and other necessary service costs not already listed in Section VI.
- J. Disaster Recovery / Fail Safe Operations – Banking Institution must provide a Disaster Recovery Plan to ensure a sufficient level of fail-safe and disaster recovery operations so that disruptions to services are transparent to claimants and employers. Banking Institution must ensure uninterrupted banking services for all electronic services.

**VIII. SELECTION CRITERIA**

All proposals will be reviewed by the Deputy Commissioner, Director of the Unemployment Compensation Bureau, Fiscal Business Administrator, Trust Fund Treasurer and other appropriate technical and/or legal staff. The Department reserves the right to call on other technical staff as may be required for this review.

Proposals will be evaluated on “best value” based on the evaluation criteria as stated below.

<b>Factor</b>	<b>Weight</b>
Best meets NHES and our customers’ needs (including suitable statewide branch locations and no fee charged to non-account holder to cash NHES checks)	20%
Demonstrate capacity to perform all services required by the RFP	15%
Adequate staff resources, experience, qualifications, knowledge and competence to provide requested level of services	15%
Cost	50%

The successful proposal will be the proposal, which in the consensus opinion of the NHES selection committee, as ratified by the Commissioner, best meets our needs. NHES reserves the right to reject any and all proposals, or cancel this request altogether.

**STATE OF NEW HAMPSHIRE**  
**Department of Employment Security**

**IX. APPENDICES**

The following pages include Appendix 1, 2 and 3 as referenced in the main body of the RFP.

Appendix 1 – Copy of ETA 8413 form

Appendix 2 – Copy of ETA 8414 form

Appendix 3 – Copy of State Contract Form P-37 - Standard Terms and Conditions

FORM ETA 8413

U.S DEPARTMENT OF LABOR  
 EMPLOYMENT & TRAINING ADMINISTRATION  
 INCOME-EXPENSE ANALYSIS, UC FUND  
 BENEFIT PAYMENT ACCOUNT  
 (AS SHOWN BY THE BOOKS OF THE DEPOSITORY INSTITUTION)

FROM:  
 TO:  
 DAY#  
 ACCT#

DAY OF MONTH	DAILY LEDGER BALANCE	DEPOSITS		WITHDRAWALS					
		#	AMOUNT	#	AMOUNT				

Beg Bal									
1						AVERAGE BALANCE			0.00
2									
3						LESS: AVERAGE FLOAT			
4									
5						AVERAGE COLLECTED BALANCE			0.00
6									
7						LESS RESERVE REQUIREMENT @ ___%			0.00
8									
9						AVERAGE AVAILABLE BALANCE			0.00
10									
11						EARNINGS CREDIT ALLOWANCE @ ___%			0.00
12									

EXPENSE ANALYSIS

13									
14						Paid Items	@ \$		0.00
15						Check Scanner for Deposits	@ \$		0.00
16						Deposits (via scanner)	@ \$		0.00
17						Deposited Items (via scanner)	@ \$		0.00
18						Stop Payments	@ \$		0.00
19						Wires Incoming	@ \$		0.00
20						Wires Outgoing	@ \$		0.00
21						Imaging	@ \$		0.00
22						ACH Items	@ \$		0.00
23						ACH File Transmission	@ \$		0.00
24						ACH Failed	@ \$		0.00
25						ACH NOC	@ \$		0.00
26						ACH Reversal	@ \$		0.00
27						Other ACH Fees	@ \$		0.00
28						Deposited Check Return	@ \$		0.00
29						Positive Pay Services	@ \$		0.00
30						Positive Pay Voids	@ \$		0.00
31						Electronic Banking	@ \$		0.00
						Account Maintenance	@ \$		0.00
	0.00	0	0.00	0	0.00	Full Account Reconciliation	@ \$		0.00
						Overdraft Protection	@ \$		0.00
						Earnings Credit Rate	@ \$		0.00
							@ \$		0.00
							@ \$		0.00
							@ \$		0.00
						TOTAL COSTS			0.00
						NET PROFIT/LOSS			0.00





Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name  NH Employment Security		1.2 State Agency Address  45 South Fruit Street, Concord, NH 03301	
1.3 Contractor Name		1.4 Contractor Address	
1.5 Contractor Phone Number	1.6 Account Number	1.7 Completion Date	1.8 Price Limitation
1.9 Contracting Officer for State Agency  George N. Copadis		1.10 State Agency Telephone Number  603-228-4000	
1.11 Contractor Signature		1.12 Name and Title of Contractor Signatory	
1.13 Acknowledgement: State of _____, County of _____  On _____, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace			
1.14 State Agency Signature   Date:		1.15 Name and Title of State Agency Signatory  George N. Copadis, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel <i>(if applicable)</i>  By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) <i>(if applicable)</i>  By: _____ On: _____			
1.18 Approval by the Governor and Executive Council <i>(if applicable)</i>  By: _____ On: _____			

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 (“State”), engages contractor identified in block 1.3 (“Contractor”) to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference (“Services”).

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**  
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 (“Effective Date”).

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.** Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**  
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.  
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.  
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**  
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.  
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 (“Equal Employment Opportunity”), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor’s books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**  
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.  
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials \_\_\_\_\_  
Date \_\_\_\_\_

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

**8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

**9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

**14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate ; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A (*"Workers' Compensation"*).

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.