

Debit Card RFP 2021

Questions from Vendors

1. Please confirm what additional fields are required for the product construct from the below chart.

Funds In	Required	Funds Out	Required	Format	Required
Direct Deposit (ACH)	X	POS Spend	X	EMV	X
P2P Receive		P2P Send		Virtual	
Remote Check Capture		ATM	X	Tokenized	
Cash Loads		Bill Pay			
Bank Transfer		Money Transfer			
		Transfer to Bank			
		Overdraft Protection			

The require functionality depends on participating agency needs. Please list all available options for your product.

2. Is there a preferred debit card network?

Preferred networks are Visa and Mastercard

3. Does the State of Oklahoma have a preference between General Purpose Reloadable or Demand *Deposit Account*?

The current state programs utilize General Purpose Reloadable cards but would be interested in receiving information for Demand Deposit Account solution.

4. For the reloadable programs, please confirm what % of transactions are merchant spend transactions vs. ATM transactions?

Please refer to Appendix I.

5. Would the State of Oklahoma require any MCC blocks on the DOC cards?

Yes.

6. Under what circumstance would funds be loaded to the wrong account?

OTC

Funds are rarely loaded to the wrong account. This would only occur if we were using incorrect SSN information or an auditor added the refund to the wrong taxpayer.

OPERS

We mostly experience this if:

- a. a member has closed an account without notifying us, or
- b. a member dies and we are not notified so funds that should begin going to a different account (e.g, a joint annuitant) are not properly redirected.

DOC

We use an automated system to load the cards. It is possible that we could enter a request from inmate 000001 acct as inmate 000002. In that case we would have taken the amount from the wrong inmate and loaded it on that inmate's card. The inmate would still have their own money, but technically we preformed the process on the wrong inmate. It is not possible for us to remove money from one inmate's trust account and load it to another person's card in our current system.

OESC

Funds are generally not loaded into incorrect accounts. In cases of ID theft, the actual owner of the SSN is not the person that set up the claim so any funds will technically be paid into a wrong account. If this were to happen, the funds would need to be returned to the state, with a set of transaction details showing the associated transaction we sent that initially funded the card as well as any details for funds not able to be returned.

Teachers Retirement System (TRS)

If the debit card company issuing the card provided us with an incorrect account number for the recipient/payee (or) if the recipient/payee provided TRS with the incorrect account number for payment. The second scenario is the least likely of the two as TRS is typically in direct communication with the card provider when setting up the account and card.

Multiple Injury Trust Fund (MITF)

This has not ever happened. When payments are setup they are double checked.

Payroll

When an agency enters the direct deposit information on the wrong employee. For example Suzie has a pay card but the information is entered on Tommie. A payroll is processed for Tommie and the amount will go to Suzie's account in error and will have to be pulled back. This does happen occasionally.

7. What is the expectation to service a consumer who fails KYC/OFAC?

OTC

As with current processes, if we are presented a flagged debit card refund for confirmation, and the refund must be returned to OTC due to failed confirmation, we will accept and process the reversal of the debit card refund.

OPERS

For both KYC and OFAC, we have strict internal controls and due diligence procedures to correctly identify our members before issuing payment so I don't see this as an issue for us. If for some reason a member failed or we were notified of an issue, we can always put a payment in a hold status until the issue is resolved.

DOC

Our expectation is that if an inmate calls in to check on their account or get help with a card issue, they will be able to be identified by their birth date and/or SSN.

OESC

The account should be frozen and correlation information forwarded to the agency for further review. Should the account prove fraudulent, funds will need to be returned along with all information about transaction activities for that account for submission to law enforcement.

Teachers Retirement System (TRS)

We would not service or expect the card provider to provide service to a payee/recipient who fails the KYC or OFAC compliance. The only benefit payments we issue to international recipients are by paper check or direct deposit. We do not issue payment to foreign/international banks. The one exception to this is 1-2 times a year, TRS issues payment to a beneficiary on a member's account as a result of their death, in which case we require a form W-8BEN on file with TRS along with a SSN or ITIN issued by the Social Security Administration or IRS. If a consumer (payee/recipient) failed compliance for KYC or OFAC, we would not issue them payment as Federal compliance would supersede any TRS or other State statute.

Multiple Injury Trust Fund (MITF)

All of our claimants have been vetted through our attorneys and the courts.

Payroll

Low, the use of the pay card is for payroll transactions. Other accounts payable transactions may also post to the pay card but I don't have knowledge of those. Employees are required to be processed through the E-Verify system to verify their identity (name and SSN) and work eligibility.

8. Sec. 1.5: Please clarify if price should go in Section 2 or Section 6.

There was an error in the original statement. It should read: Section 1 should contain the executive summary. Sections 2 through 6 should correspond to the sections of the RFP. Section 6 should include the completed pricing schedules provided in the appendices.

9. Sec. 1.5: Does OST want responses to Appendix B and C requirements, and should they be responded to at the end of Sections 4 and 5?

Please respond at the end of each section as well as the appendices.

10. Sec. 1.4 and 2: Should respondent submit exceptions, proposed terms and conditions, and our sample contract together in one Appendix?

Please respond with acceptance/exceptions/proposed terms within section 2. A sample contract can be provided as a separate appendix.

11. Sec. 3.2: Given the length of our 10K, may we provide evidence of our company's financial stability and long-term viability in electronic format only on the USB and via a link to the online statement?

Yes, a link to an online statement would also be acceptable.

12. Sec. 1.13: Will OST please identify how it will evaluate proposals based on the categories listed in RFP Section 1.13 and define what will be the percent value and/or total point value of the identified categories (e.g., qualifications, cost, etc.)?

The categories listed in RFP Section 1.13 are all critical in the evaluation process and will be weighed accordingly.

13. Sec. 1.5: For complex documents like Microsoft Project plans and architecture diagrams, may bidders use larger paper folded down to 8.5 x 11 inch size?

Yes.

14. Appendix D: Non-Collusion Certification requires a Solicitation or Purchase Order #. There is no Solicitation number, please confirm that we add N/A to this field on the form.

OST Debit Card Services Solicitation.

15. Sec. 1.4: The close proximity required by several persons to provide hardcopies increases exposure to COVID. Please consider revising the response requirements from hardcopy to an all-electronic submission, preferably via email or Portal upload; or alternatively, USBs only.

All submissions should be provided as outlined in section 1.5 of the RFP.

16. Appendix D: Non-Collusion Certification requires the Agency Number. Please provide the Agency number for the Oklahoma State Treasurer's Office.

740.

17. Sec. 4: Are there banking services beyond the prepaid debit cards that the State is interested in for this procurement?

Not at this time. Only the services requested in the RFP.

18. Sec. 4: Are higher education employees offered the payroll card option?

Higher education institutions must have direct deposit and if an employee is un-bankable, the payroll is placed on a pay card. Therefore, they do have the option to participate under the State's pay card program.

19. Sec. 5.8.3: In reference to Title IV refunds for students, no other reference in the RFP. Are those in scope in the RFP, and would the State please remove this requirement as Title IV student refunds fall under different regulations?

OST is interested in responses regarding the handling of Title IV funds for potential higher education inclusion in the future. If your program does not have a plan for Title IV refund cards please respond accordingly.

20. Sec. 5.16.1: Debit cards for unclaimed property, no other reference in the RFP. Are those in scope for the RFP?
Yes.

21. Could the State please provide the following information for the OESC (UI) debit card program in FY2019 (pre-pandemic):

a. # of active cards receiving loads in pre-pandemic FY 2019

54,555 cards loaded with funds during 2019

b. Average \$ amount loaded onto the card per month

average \$1200 per claimant per month

c. # of ATM withdrawals per month

January – June 2021 = 390,258

d. \$ of ATM withdrawals per month

January – June 2021 = \$53.77 (average)

e. # of Teller withdrawals per month

January – June 2021 = 25,850

f. \$ of Teller withdrawals per month

January – June 2021 = \$329.62 (average)

g. # of POS PIN transactions per month

January – June 2021 = 661,538

h. \$ of POS PIN transactions per month

January – June 2021 = \$30.04 (average)

i. # of POS signature transactions per month

January – June 2021 = 1,490,980

j. \$ of POS signature transactions per month

January – June 2021 = \$11.46 (average)

k. # of live agent phone calls per month

January – June 2021 = 702,624

- l. # of IVR calls per month

January – June 2021 = 702,624

- m. Average # of weeks a card received loads

11.3

- 22. When does the contract with the current vendor end?

March 31, 2022

- 23. If a new vendor is awarded, what is your anticipated go live date?

Anticipated go live is first half of 2022 but would be dictated by the transition plan.

- 24. Sec. 5: Could you please share the total number of claimants for 2019 and 2020, as well as average number of weeks individuals were paid and confirm the disbursement totals for unemployment benefits?

2019 – 11.3 weeks, \$238M

2020 – 13.3 weeks, \$3B

- 25. Sec. 5.7.4: Could the state please share how escheatment is currently handled?

Escheatable funds should be reported and remitted in accordance with the provision of Oklahoma Statutes, Title 60 Chapter 13 Uniformed Unclaimed Property Act.

- 26. Sec. 5.8.3: Could you please share how processes to handle Title IV funds for student refunds is currently handled? No higher eds are participating.

The state does not have an active Title IV program.

- 27. What security parameters has the State instituted to protect against “identity theft”? Would it be possible to provide a volume ratio of prepaid cards vs. direct deposit?

Each participating agency is responsible for validating its participants prior to enrollment in the debit card and pay card programs. Refer to Appendix H for volume ratios.

- 28. Sec. 1.2: Is it a requirement that we bid on all 7 payroll and debit card programs, or are we able to exclude those in which we seek not to participate? Ex: excluding Unemployment Benefits.

It is not the intent of the state to split the contract by programs. Please include all services you can provide in your response.

- 29. Sec. 4 Summary: 41,000 higher education employees not being included in the numbers provided. Will those employees have the option of participating in the payroll program, or are they being excluded from participation completely? If they have the ability to opt in to the payroll program, please provide the statistics pertaining to that group.

Higher Education employees are not processed in the HCM payroll system; however, these employees can choose to use the pay card contracted through the Treasurer’s office or can obtain their own from a bank of their choice. As of July 2021, there were approximately 900 higher education employees who participate under the pay card contract through the Treasurer’s office.

30. Over the last 24 months a number of states have reported substantial fraud associated with the state Unemployment Benefits programs. Please provide statistics associated with Unemployment Benefit fraud in your state.
- Due to the efforts underway by the Federal Pandemic Task Force and the many cases currently in various stages of investigation up to and including grand jury prosecution, we are currently unable to provide specific statistics related to fraud and unemployment.
31. What measures are being taken to reduce/eliminate fraud associated with Unemployment Benefits program?
- Many including working with 3rd party organizations to identify methods of fraud and ways to minimize fraud including working with NASWA and their anti-fraud solutions, performing behavioral analytics for claims, identity verification processes and more. Implementation of a fraud risk scoring tool that assists with identifying fraud based upon multiple potential indicators, and highly collaborative efforts with our vendors include Conduent have enabled us to perform many beneficial anti fraud actions, including requiring a card in had prior to accessing funds to validate receipt, and summarized transactional reviews to identify fraudulent actions taken by organized criminals.
32. Is the State of Oklahoma open to being held responsible for major fraud losses associated with Unemployment Benefits?
- No.
33. Sec. 5: Do all of these programs require ATM/cash access? If not, please clarification on which programs do, and which do not.
- Yes