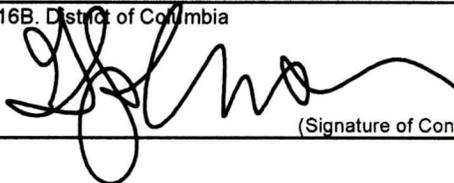


AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT			1. Contract Number	Page of Pages	
			1	1	
2. Amendment/Modification Number A01	3. Effective Date 10/2/20	4. Requisition/Purchase Request No.	5. Solicitation Caption Establishment and Operation of State Disbursement Unit		
6. Issued by: Office of the Attorney General 441 4 th St NW, Suite 1100 South Washington, DC 20001		Code	7. Administered by (If other than line 6)		
8. Name and Address of Contractor (No. street, city, county, state and zip code)		Code	Facility	9A. Amendment of Solicitation DCCB-2021-R-0001	
				X	9B. Dated (See Item 11) 9/14/20
					10A. Modification of Contract Order No.
					10B. Dated (See Item 13)
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input checked="" type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning <u>1</u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) BY separate letter or fax which includes a reference to the solicitation and amendment number. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such may be made by letter or fax, provided each letter or telegram makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
12. Accounting and Appropriation Data (If Required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTORS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14					
A. This change order is issued pursuant to (Specify Authority): The changes set forth in Item 14 are made in the contract/order no. in item 10A.					
B. The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation data etc.) set forth in item 14, pursuant to the authority of 27 DCMR, Chapter 36, Section 3601.2.					
C. This supplemental agreement is entered into pursuant to authority of:					
D. Other (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.					
14. Description of Amendment/Modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.)					
<p>The purpose of this amendment is to provide responses to questions from vendors and extend the due date for offers.</p> <ul style="list-style-type: none"> • See Attachment A – Responses to Offerors’ Questions and Attachment B (B.1-B.6) – Copy of Current Contract. • The due date for submission of proposals is extended to 2:00 pm on Thursday, October 22, 2020. 					
Except as provided herein, all terms and conditions of the document referenced in item (9A or 10A) remain unchanged and in full force and effect.					
15A. Name and Title of Signer (Type or print)		16A. Name of Contracting Officer			
		Gena Johnson			
15B. Name of Contractor	15C. Date Signed	16B. District of Columbia	16C. Date Signed		
(Signature)			10/2/20		
		(Signature of Contracting O			

Question #	RFP Section	Question	Response
1	General	Does the District have an estimated contract award date?	The estimated award date is February 2021.
2	C.3.1.4.5	<p>“During the term of the contract, the Contractor shall provide one (1) office and one (1) cubicle, at the Primary Operations Facility for use by authorized CSSD staff and auditors for observing and monitoring the Contractor’s operations.”</p> <p>Please confirm whether the District requires one office in addition to one cubicle for use by CSSD staff.</p>	The District requires one cubicle for use by CSSD Staff.
3	C.3.1.5.1.b	<p>“Provides the ability to modify IT system operations to adapt to any new programmatic changes in DCCSES or a new automated data processing system”</p> <p>Are there currently any changes planned for DCCSES that impact the SDU Contractor? If yes, can the District identify planned changes and the timeframe for those changes?</p>	DCCSES is a legacy system and is in the process of being modernized. While there are no "planned" changes that impact the contractor, the need for changes cannot be ruled out. Phased changes to the system have already begun and will continue into 2021.
4	C.3.1.5.1.g	“Maintain compliance with the applicable system security requirements described in C.3.3.4.”	Confirmed. The cross reference should be to section C.3.4.

Question #	RFP Section	Question	Response
		Will the District confirm that the C.3.3.4 section reference should be C.3.4?	
5	C.3.3.1 and L.19.1	These sections vary somewhat with regard to required key personnel positions. Can the District clarify the key personnel positions required for the Contractor?	If by required they are referring to on-site personnel then Project Director, Customer Service Manager and IT Manager.
6	C.3.3.4.e	<p>“Staff training and development (C.3.5.2.6).”</p> <p>Will the District confirm that the C.3.5.2.6 section reference should be C.3.3.6?</p>	Confirmed. The cross reference should be to section C.3.3.6.
7	C.3.5.1.c	<p>“Assistance to employers, interstate agencies, state child support personnel, CSSD personnel, payors or their legal representatives regarding receipt and disbursement information via a toll free telephone number available twenty-four hours per day, seven days per week;”</p> <p>Is it the District’s intention that the Contractor provide an IVR to meet this requirement, or will the district continue to provide its IVR for this purpose?</p>	The contractor is not required to provide an IVR to meet this requirement. The intent is to ensure that appropriate assistance is available to all stakeholders.

Question #	RFP Section	Question	Response
8	C.3.9.5	For the Section C.3.2.7.1.3.1 reference, will the District confirm that the timeframe for researching and resolving returned disbursement checks should be within one (1) business day of receipt, consistent with the standard stated on page 34 of the RFP?	Yes, the timeframe for Section C.3.2.7.1.3.1 is correct.
9	L.2	<p>“L.2.1 This solicitation will be conducted electronically. To be considered, an offeror must submit the required proposal, certifications and attachments to OAG.BusinessOpportunities@dc.gov before the closing date and time. Paper, telephonic, telegraphic, and facsimile proposals may not be accepted.</p> <p>L.2.2 All attachments shall be submitted as a .pdf file. The District will not be responsible for corruption of any file submitted. If the submitted file cannot be viewed and printed as submitted, it will not be considered.</p> <p>L.2.3 The offeror shall submit in its electronic submittal: (1) a technical proposal, (2) a price proposal, and (3)</p>	In recognition that the individually submitted files may be too large for email transmission (i.e. not in a Zip folder), we are looking into an alternate method for offerors to electronically submit proposal responses. Further information will be made available in a subsequent amendment.

Question #	RFP Section	Question	Response				
		<p>all required certifications and attachments.”</p> <p>Is there a limit on the file size for email submissions? If yes, what is the size limit? May proposal submission be completed through multiple emails?</p>					
10	L.2.4.1.A.ii	<p>“The technical proposal shall include a response to, at minimum, the following tasks and subtasks outlined in the Statement of Work (Section C):”</p> <p>Sections C.3.2.2 Process Child Support Payments, C.3.9 Performance Standards, C.3.10 Meetings, and C.3.12 Turnover Plan are not included in the list of minimum tasks and subtasks to be included in the technical proposal. Can the District clarify if any of these omitted tasks/subtasks should be addressed in the technical proposal?</p>	<p>Section C.3.2.2 should be addressed in conjunction with all tasks under C.3.2. See the second row of the table in L.2.4.1.A.iii</p> <table border="1" data-bbox="1167 686 1829 1011"> <tr> <td data-bbox="1167 686 1339 1011">On-going Operations (C.3.2)</td> <td data-bbox="1339 686 1829 1011">The Offeror shall describe the software it proposes to use to collect and process payments, including system capabilities and functionality. The Offeror shall provide a flowchart(s) of the overall processes to manage and track child support payments.</td> </tr> </table> <p>Section C.3.9 should be addressed in conjunction with Quality Assurance. See the table in L.2.4.1.A.ii.</p> <table border="1" data-bbox="1167 1154 1829 1369"> <tr> <td data-bbox="1167 1154 1339 1369">Quality Assurance (C.3.8)</td> <td data-bbox="1339 1154 1829 1369">The Offeror shall provide its proposed Quality Assurance Plan. The Offeror shall describe the methodology it will use to ensure achievement of the performance standards listed in C.3.9.</td> </tr> </table>	On-going Operations (C.3.2)	The Offeror shall describe the software it proposes to use to collect and process payments, including system capabilities and functionality. The Offeror shall provide a flowchart(s) of the overall processes to manage and track child support payments.	Quality Assurance (C.3.8)	The Offeror shall provide its proposed Quality Assurance Plan. The Offeror shall describe the methodology it will use to ensure achievement of the performance standards listed in C.3.9.
On-going Operations (C.3.2)	The Offeror shall describe the software it proposes to use to collect and process payments, including system capabilities and functionality. The Offeror shall provide a flowchart(s) of the overall processes to manage and track child support payments.						
Quality Assurance (C.3.8)	The Offeror shall provide its proposed Quality Assurance Plan. The Offeror shall describe the methodology it will use to ensure achievement of the performance standards listed in C.3.9.						

Question #	RFP Section	Question	Response
			Section C.3.10 and C.3.12 should be addressed in conjunction with the offeror's project management approach. Refer to L.2.4.1.B.iv.
11	L.2.4.1.A.ii	The Staffing and Training requirement includes reference to subtask C.3.3.6. Should this section of the response minimally address all of task C.3.3 Staff, Organization, and Supervision , including all subtasks (i.e., C.3.3.1 through C.3.3.6)?	The offeror shall address all requirements in section C.3.3.6 (C.3.3.6.1 through C.3.3.6.3).
12	L.4.1.3	<p>“It is solely the offeror's responsibility to ensure that it begins the upload process in sufficient time to get the attachments submitted before the closing time.”</p> <p>Are there files that must be uploaded in some manner in addition to the email submission required by Section L.2? If additional uploads are required, can the District provide instructions for accomplishing required uploads?</p>	See response to Question 9.
13	C.3.2.1.1.2.a, page 25	How many post office boxes are in place today? Are the post office boxes vendor owned or District owned? If more than one post office box, please	There are four (4) PO boxes in place. They are owned by the vendor. NCP Payments, Employer Payments, Interstate Payments and Specialty Payments.

Question #	RFP Section	Question	Response
		provide what type of mail is sent to each box.	
14	C.3.2.1.1.2.a.	What is the address of the post office where the currently established post office boxes are located?	The address is 2 Massachusetts Ave NE, Washington DC 20002.
15	C.3.2.1.1.2.b, page 25	Could the District provide a copy of the current mail pick up schedule? What is the earliest time the mail is available at the post office? Please provide the average daily incoming volume of envelopes picked up each day of the week at the post office. Please provide the average peak volume of envelopes received on a high volume processing day (e.g. day after a holiday, beginning of a month). Where is the location of the current post office?	Unfortunately, the current mail pick-up schedule is impacted by COVID and has no impact on what the future schedule should be. The District's focus and tracking is based on "processed dollar amounts" by day of the week. For example (based on dollar amounts) Tuesday @ 34% is the highest processing day for paper receipts while Wednesday @ 25% is the highest processing day for electronic receipts.
16	C.3.2.1.1.2.f, page 25	Please provide the average volume of mail items that are received, sorted and forwarded to CSSD/Court on a daily/monthly basis for the last 12 months.	The majority of items intended for CSSD but received by the contractor consists of "information" included with payments. Neither the volume nor consistency of these instances is routine, therefore, there is no formal monthly tracking of the numbers by the District. Any mail items for the court have been very minimal, only occasionally.

Question #	RFP Section	Question	Response
17	C.3.2.1.1.3, page 25	For checks received at CSSD, who is responsible for depositing the checks into the depository bank? Does the CSSD accept cash payment? What is the average number of payments received at the CSSD on a daily basis?	The contractor is responsible for depositing checks into the bank. No, CSSD does not accept cash payments. Payments are not received at CSSD on a daily basis, thus there is no daily average. Sometimes, payments are forwarded to CSSD from the court or mailed to CSSD instead of to the contractor. Periodically CSSD may offer amnesty programs or case specific opportunities which may allow for paper payments to be received at the CSSD Office.
18	C.3.2.2.3	Volumes received via ACH Credit, Debit (originated via web), Credit and Debit Card, and any other categories	See C.2.4.2 Volume, Page21
19	C.3.2.2.3	Volume of work related to ACH/EFT services	See C.2.4.2 Volume, Page21
20	C.3.2.2.6.1, page 29	Please provide the average number of foreign currency payment received at the SDU for processing on a monthly basis for the last 12 months.	Between two (2) and five (5) payments per month.
21	C.3.2.2.7, page 29	Please provide the number of forged/fraudulent items received on a monthly basis for the last 12 months.	Neither the volume nor consistency of these instances is routine, therefore, there is no formal monthly tracking of the numbers.
22	C.3.2.3.2.a, page 30	Please provide the document storage retention requirements for retaining the	All services must be provided in accordance with the applicable laws and regulations. See

Question #	RFP Section	Question	Response
		paper financial instruments and source documents.	C.1.1 Applicable Documents (Document No. 14)
23	C.3.2.4.1, page 30	Could the District provide a sample of the quarterly notice? Please provide the quarterly volume of notices produced for the last 36 months?	A sample is not available. For the last four quarters, a total of 34,500 notices were produced for an average of 8,625 notices per quarter.
24	C.3.2.4.1	Please provide the paper size, envelope size, average number of pages per multi-page notice printed, single or duplex printing, black and white or color printing and other specifications for the quarterly notice printing production and distribution	Based on IT requirements, the paper size is 8 ½ x 11, black & white, a multi-page notice could be up to 3 pages.
25	C.3.2.4.1.1.f, page 30	Please confirm whether the postage costs associated with the quarterly notice mailing is a pass through cost to the District.	Postage costs is not a pass-through cost.
26	C.3.2.4.2, page 30	How many times has the District requested ad hoc notice mailings within the last 3 years? Are the ad-hoc notices generated and mailed separately from the quarterly notices? Please confirm whether the postage costs associated with the ad hoc notices is a pass through cost to the District.	There have been no ad hoc mailings within the last 3 years. Yes, any ad-hoc notices would be generated and mailed separately. Postage cost is not a pass-through cost.

Question #	RFP Section	Question	Response
27	C.3.2.5.1, page 30	Could the District elaborate on what is expected of the SDU to assist with on-going cleanup of DCCSES data? Please provide how many requests for DCCSES data cleanup have been initiated monthly within the last 12 months?	In line with a commitment of excellence the district expects that the contractor will provide recommendations for services and /or processes related to the operation of the SDU that will enhance the effectiveness and efficiency of the unit.
28	C.3.2.5.2, page 30	Please provide the volume of employer file maintenance requests received and processed monthly within the last 12 months.	During the last 12 months no employer file maintenance request were submitted. Sometimes information reaches the contractor instead of the CSSD office; in those instances, the contractor will process them.
29	C.3.2.5.3.1, page 30	Please provide the volume of new custodial parent and employment status change requests received and processed monthly within the last 12 months. Please confirm whether the requirement should read non-custodial parent employment status changes vs custodial parent.	Yes, the requirement should read “Non-Custodial Parent”. A monthly volume is not available; change requests are a result of circumstances. Sometimes information reaches the contractor instead of the CSSD office; in those instances, the contractor will process them.
30	C.3.2.5.3.2, page 30	Please provide the volume of mail suppression requests received and processed monthly within the last 12 months.	None
31	C.3.2.7.1.1	Is the Contractor responsible for the cost of postage for the check mailings?	Yes

Question #	RFP Section	Question	Response
32	C.3.2.7.2.3.2	<p>Volume of work related to Debit Card Program Plan. Also, specifically what does the District expect in terms of:</p> <ul style="list-style-type: none"> - Maintain the existing debit card program? AND - If the Contractor proposes an alternative debit card program, the program must minimally include all elements of the existing program including marketing, customer transition, implementation, and maintenance of the program - What are all the elements of the existing program card (fees etc)? 	<p>Realistically the District expects the contractor to provide an option for Custodial Parents to take advantage of a Debit Card to receive their payments. We expect that the contractor will promote the use of electronic receipt of payments via Direct Deposit or Debit Card. The intent is to continue to improve the percentage of electronic disbursements. In line with a commitment of excellence, the District expects that the contractor will provide recommendations for services and /or processes related to the operation of the SDU that will enhance the effectiveness and efficiency of the unit.</p>
33	C.3.2.8.1	<p>What is the District's current procedure for recoveries for incorrect postings and payment processing errors?</p>	<p>Procedures differ depending on the circumstances that resulted in the error. In line with the contractor's experience and best practices, the District expects recommendations and /or processes to be included in their plans that will minimize this type of error on the contractor's part. For contractor errors, the contractor is required to provide the funds and properly apply them to the case.</p>
34	C.3.2.8.1	<p>Volume of work related to misapplied payments</p>	<p>In instances where volume nor consistency is routine, there is no formal monthly tracking of</p>

Question #	RFP Section	Question	Response
			the numbers. Resolution is addressed immediately on a case by case basis.
35	C.3.2.8.1	What is the current recoupment percentage?	Such instances where volume nor consistency is routine, there is no formal monthly tracking of the numbers. Resolution is addressed immediately on a case by case basis.
36	C.3.2.8.1	Does the District foresee any changes to its current District procedures for recoveries?	No
37	C.3.2.8.1	Does the District foresee any changes to its currently allowed Contractor procedures for recoveries?	No
38	C.3.2.8.2	Volume of work related to Insufficient Funds	In line with the contractor's experience and best practices, the District expects recommendations and/or processes to be included in their plans that will address this area. Such instances where volume nor consistency is routine, there is no formal monthly tracking of the numbers. Resolution is addressed immediately on a case by case basis.
39	C.3.2.8.3	Volume of work related to Rejected Electronically Disbursed Payments	In line with the contractor's experience and best practices, the District expects recommendations and/or processes to be included in their plans that will address this area. Such instances where volume nor

Question #	RFP Section	Question	Response
			consistency is routine, there is no formal monthly tracking of the numbers. Resolution is addressed immediately on a case by case basis.
40	C.3.2.8.4	Volume of work related to Disbursement Account Reconciliation Procedures	In line with the contractor's experience and best practices, the District expects recommendations and/or processes to be included in their plans that will address this area.
41	C.3.5.1, page 44	Please provide the volume of incoming calls, and call types, received on daily/monthly basis for the last 36 months. Is the customer service toll free number owned by the District? Will the new vendor be required to maintain the existing toll free phone number? Please confirm whether it is a mandatory requirement to record customer service calls. If so, what is the retention period to keep recorded calls?	The contractor will be required to provide a toll- free phone number specifically for the SDU. The SDU addresses calls from employers, NCPs, CP's and other stakeholders regarding "payment processing" issues. Currently approximate 700 calls per month are received. It is not mandatory to record customer service calls.
42	C.3.5.51	What is the average length (# of minutes) per call handled by the customer service unit?	1 ½ - 2 minutes
43	C.3.3.4	Could the District provide the current SDU operation's staffing including	The District expects that a contractor's plans will be based on the Volumes provided; the capabilities of their proprietary system, and

Question #	RFP Section	Question	Response
		numbers/full time equivalent % by position title?	their experience operating a SDU to address the requirements of this proposal.
44	C.3.5.2.c, page 45	Please provide the number of FTEs currently assigned to handling the customer service calls.	The District expects that a contractor's plans will be based on the Volumes provided; the capabilities of their proprietary system, and their experience operating a SDU to address the requirements of this proposal.
45	C.3.7.1	Would an SSAE No, 18 SOC 1, Type I audit suffice for this requirement?	Yes
46	C.3.9	Has the current Contractor been assessed any Performance Standards penalties during its contract? If so, please provide the Performance Standard(s) failed and the corresponding dollar amount(s) assessed by year.	That information is not available.
47	General	Could the District provide a copy of the current Contractor's SDU contract including all amendments and pricing?	See the attachments to this amendment for a copy of the current contract and modifications.
48	General	Could the District provide copies of the last twelve months of the current Contractor's SDU service invoices?	Invoices will not be provided.
49	Section B.5 and Section H.9	Does the current SDU contract have a subcontracting requirement? If so, is it the same requirement? If not, please	No, the current contract does not contain a subcontracting requirement.

Question #	RFP Section	Question	Response
		provide subcontracting requirements for the current SDU contract.	
50	B.5 and H.9	<p>Would the District please clarify the percent of the dollar volume of the contract to be subcontracted to qualified small business enterprises (SBEs)?</p> <p>Section B.5 of the above mentioned solicitation states, "For contracts in excess of \$250,000, at least 15% of the dollar volume of the contract shall be subcontracted in accordance with section H.9 (emphasis added). Section H.9.1.1 states, "For all contracts in excess of \$250,000, at least 35% of the dollar volume of the contract shall be subcontracted to qualified business enterprises (SBEs) (emphasis added)."</p> <p>The following sections also reference 35%:</p> <ul style="list-style-type: none"> a. H.9.1.2 b. H.9.1.4 c. H.9.1.5 d. H.9.1.6 e. H.9.2 Subcontracting Plan 	<p>The subcontracting requirement for this procurement is 15%. The percentage in section H should also read 15%.</p>

Question #	RFP Section	Question	Response
		f. Attachment J.8 Subcontracting Plan	
51	Subcontracting	Can the agency consider reducing 35% MBE/WBE goal on the entire value of this contract to a more typical 5%-10% program goals against the value of the work performed in the state/District, and remove the requirement completely on any work that is performed remotely?	The subcontracting requirement for this procurement is 15%.
52	C.2.4.2	Does the Disbursed Items Processed, Paper include the quarterly notices produced and distributed to custodial parents? If so, please provide a breakout.	No, it does not include the quarterly notices produced and distributed to custodial parents
53	C.2.4.2	Could the District provide a breakout of the transaction item types within Paper and Electronic for both the Incoming Items Processed and the Disbursed Items Processed (paper check, money order, ACH/EFT, direct deposit, debit card, etc.)	No, a breakdown is not available.
54	C.3.1.4.1	Does the current Contractor provide a single site, within a fifteen minute subway stop radius of One Judiciary Square, no more than four blocks from access to Metro bus or rail, and within	Yes

Question #	RFP Section	Question	Response
		the District of Columbia's geographic boundaries for the sole purpose of performing the collection and disbursement function in accordance with this contract?	
55	Proposal Due Date	To provide for open and competitive procurement, would the agency please extend the proposal due date to allow for 8 week time period with at least a 4 week timeframe between the date that answers are published when proposals are due.	The due date for submission of proposals has been extended to October 23, 2020.
56	Implementation Timeline	To provide for open and competitive procurement, and in consideration of the exigent circumstances (international pandemic) that are unlikely to be drastically different in early 2021, would the agency please revise the requirement and allow a five month implementation timeline.	The implementation timeline remains unchanged.
57	Proposal Submission	Must vendors submit both an a complete original and an alternative proposal as described in L2.5; or can contractors submit only one proposal that is an alternative?	<p>Offerors must submit a completed original proposal to be considered. That proposal must include the required subcontracting plan.</p> <p>Offerors can choose to submit an alternative proposal.</p>

Question #	RFP Section	Question	Response
58	Performance Bond	As far as a Performance bond requirement, we suggest that with service level or performance goals and associated penalties is an effective way to manage performance. A performance bond increases the cost for services as the cost of the bond is passed on in the fixed/transaction cost to the District. We also suggest that Bidders should be required to disclose any/all previous performance penalties assessed by any of their SDU customers or any contract terminations for performance related issues, specifically in their proposals.	There is no requirement for a performance bond.
59	C.3	For requirement C.3 would the agency please change the requirement for the Contractor to have a minimum of Five (years) of experience operating at least 3 different SDU's as the prime contractor.	The requirement remains unchanged.
60	G.3	Please confirm under G.3 and H regarding the compliance rate for hiring existing 51% District Residents using First Source is only reported and/or waived upon vendors' final request for payment under the	Please refer to the Department of Employment Services website for reporting requirements under the program. https://does.dc.gov/page/first-source-employment-program-

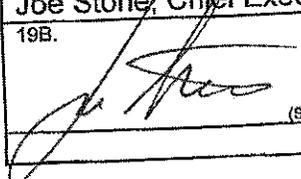
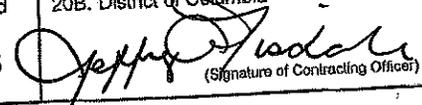
Question #	RFP Section	Question	Response
		contract, or is it reported and/or waived for every submitted invoice?	
61	I.15.1.1	Please provide detail list of any equipment designated as the property of the District currently in use by Contractor.	A list is currently not available.

Solicitation DCCB-2021-R-0001

State Disbursement Unit

Amendment A01

Attachment B – Current SDU Contract

AWARD/CONTRACT				Reserved for later use		Page of Pages	
						1	84
2. Contract Number CW41701		3. Effective Date March 15, 2016		4. Requisition/Purchase Request/Project No.			
5. Issued By: Office of the Contracting and Procurement 441 4th Street, NW, Suite 700 South Washington, DC 20001		Code		6. Administered by (If other than line 5) Office of the Attorney General 441 4th Street, NW, Suite 550N Washington, DC 20001			
7. Name and Address of Contractor (No. street, city, county, state and Zip Code) Systems and Methods, Inc. 106 Wedgewood Square Carrollton, GA 30117 Attn: Karen Middlebrooks Phone: (770) 834-0831 ext. 2004 Cell (770) 851-8727				8. Delivery <input type="checkbox"/> FOB Origin <input checked="" type="checkbox"/> Other			
Duns No. <input type="text"/>		TIN 58-1115669		9. Discount for prompt payment:			
11. Ship to/Mark For				10. Submit invoices to the Address shown in Section G.2 (2 copies unless otherwise specified) Office of the Chief Financial Officer 441 4th Street, NW, 890 North Washington, DC 20001			
13. Remit Address: Same as 7				12. Payment will be made by			
13. Remit Address: Same as 7				14. Accounting and Appropriation Data ENCUMBRANCE CODE:			
15A. Item		15B. Supplies/Services		15C. Qty.	15D. Unit	15E. Unit Price	15F. Amount
1		Letter Contract-Dated March 3, 2016					\$ 696,000.00
2		Executed Contract(See 20c).					\$7,644,000.00
Total Amount of Contract Shall Not Exceed							\$8,340,000.00
16. Table of Contents							
(X)	Section	Description	Page	(X)	Section	Description	Page
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	Contract Form - Cover Page	1		I	Contract Clauses	
X	B	Supplies or Services & Cost/Price	2-5	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS			
X	C	Services	6-57		J	List of Attachments	76-82
X	D	Packing and Marking	58		K	Representations, Certifications and Other Statements of Offerors	83
X	E	Inspection and Acceptance	59		L	Instructions, conditions & notices to Offerors	84
X	F	Contract Term	60-61		M	Evaluation factors for award	
X	G	Contract Administration data	2-67				
X	H	Special Contract Requirements	68-75				
Contracting Officer will complete Item 17 or 18 as applicable							
17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return (2) copies to issuing office.) Contractor agrees to furnish and deliver all items, perform all the services set forth or otherwise identified above and on any continuation sheets, for the consideration stated herein. The rights and obligations of the parties to this Agreement shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, as amended, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number including the additions or changes made by which additions or changes are set forth in full above, is hereby accepted as to the items listed in B.3 and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) this award/contract, and (b) your offer. No further contractual document is necessary.			
19A. Name and Title of Signer (Type or print) Joe Stone, Chief Executive Officer				20A. Name of Contracting Officer Jeffrey A. Tisdale			
19B. 		19C. Date Signed 5/25/2016		20B. District of Columbia 		20C. Date Signed 5/25/2016	
		(Signature of person authorized to sign)		(Signature of Contracting Officer)			

**SECTION B
SUPPLIES OR SERVICES AND PRICE/COST**

B.1 INTRODUCTION

The District of Columbia, Office of Contracting and Procurement (OCP), on behalf of the Office of the Attorney General, Child Support Services Division is awarding Systems and Methods Inc. to establish and maintain the District's State Disbursement Unit (SDU) in support of the Child Support Enforcement Program.

B.2 CONTRACT TYPE

The District contemplates the award of a firm fixed unit price contract in accordance with 27 DCMR Chapter 24, Section 2402.

B.3 PRICE SCHEDULE – FIRM FIXED UNIT PRICE

B.3.1 Base Period (Contract award through three (3) years thereafter)

B.3.1.1 Base Period - Year One

Contract Line Item Number (CLIN)	Description of Services	Unit of Measure	Total Estimated Collections Per Year	Firm Fixed Unit Price	Total Extended Price
0101	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 Requirements (Paper collections C.5.1.1.1)	Per Collection	143,000	\$6.95	\$993,850.00
0102	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 Requirements (Automated Clearing House (ACH) collections C 5.1.2.1)	Per Collection	257,000	\$6.95	\$1,786,150.00
Base Period – Year One Subtotal (Not to Exceed):			400,000		\$2,780,000.00

B.3.1.2 Base Period - Year Two

Contract Line Item Number (CLIN)	Description of Services	Unit of Measure	Total Estimated Collections Per Year	Firm Fixed Unit Price	Total Extended Price
0201	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 (Paper collections)	Per Collection	143,000	\$6.95	\$993,850.00
0202	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 (Automated Clearing House (ACH) collections)	Per Collection	257,000	\$6.95	\$1,786,150.00
Base Period - Year Two Subtotal (Not to Exceed):			400,000		\$2,780,000.00

B.3.1.3 Base Period - Year Three

Contract Line Item Number (CLIN)	Description of Services	Unit of Measure	Total Estimated Collections Per Year	Firm Fixed Unit Price	Total Extended Price
0301	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 (Paper collections)	Per Collection	143,000	\$6.95	\$993,850.00
0302	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 (Automated Clearing House (ACH) collections)	Per Collection	257,000	\$	\$1,786,150.00
Base Period - Year Three Subtotal (Not to Exceed):			400,000		\$2,780,000.00

B.3.2 Option Year One

Contract Line Item Number (CLIN)	Description of Services	Unit of Measure	Total Estimated Collections Per Year	Firm Fixed Unit Price	Total Extended Price
1001	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5.1.1(Paper collections)	Per Collection	143,000	\$6.95	\$993,850.00
1002	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 (Automated Clearing House (ACH) collections)	Per Collection	257,000	\$6.95	\$1,786,150.00
Option Year One Subtotal (Not to Exceed):			400,000		\$2,780,000.00

B.3.3 Option Year Two

Contract Line Item Number (CLIN)	Description of Services	Unit of Measure	Total Estimated Collections Per Year	Firm Fixed Price	Total Extended Price
2001	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 (Paper collections)	Per Collection	143,000	\$6.95	\$993,850.00
2002	Establish and Operate the District's centralized State Disbursement Unit (SDU) as described in Section C.5 (Automated Clearing House (ACH) collections)	Per Collection	257,000	\$	\$1,786,150.00
Option Year Two Subtotal (Not to Exceed):			400,000		\$2,780,000.00

NOTE: The Fixed Unit Price shall be a fully-loaded (all inclusive) price that includes all costs and expenses associated with the provision of services as required by this solicitation in Section C.5. The price shall include but not limited to labor, taxes, benefits, overhead,

travel, telephone, postage, general operating expenses, disbursement activities, and any insufficient check activity.

B.3.4 PRICE SCHEDULE SUMMARY

Period of Performance	Totals
B.3.1.1 Base Period – Year One	\$2,780,000.00
B.3.1.2 Base Period – Year Two	\$2,780,000.00
B.3.1.3 Base Period – Year Three	\$2,780,000.00
B.3.2 Option Year One	\$2,780,000.00
B.3.3 Option Year Two	\$2,780,000.00
Grand Total	\$13,900,000.00

- B.4** An offeror responding to this solicitation which is required to subcontract shall be required to submit with its proposal, any subcontracting plan required by law. Proposals responding to this RFP may be rejected if the offeror fails to submit a subcontracting plan that is required by law. For contracts in excess of \$250,000, at least 35% of the dollar volume of the contract shall be subcontracted in accordance with section H.9.

A Subcontracting Plan form is available at <http://ocp.dc.gov>, click on "Required Solicitation Documents".

SECTION C SPECIFICATIONS/WORK STATEMENT

C.1 SCOPE

The District of Columbia, Office of Contracting and Procurement (OCP), on behalf of the Office of the Attorney General (OAG), Child Support Services Division (CSSD) is awarding contractor to establish and operate the District's centralized State Disbursement Unit (SDU) in support of the District's Child Support Enforcement Program including the receipt, processing, deposit, and disbursement of child support related payments.

C.2 APPLICABLE DOCUMENTS

The following documents are applicable to this procurement and are hereby incorporated by this reference. The Contractor shall provide services in accordance with the applicable laws and regulations listed below and any revisions or updates issued during the contract's period of performance.

Document No.	Document Type	Title	Version
1	Federal Law	Title IV-D of the Social Security Act (IV-D) http://www.ssa.gov/OP_Home/ssact/title04/0400.htm	Most Recent
2	Federal Law	The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("PRWORA") http://en.wikipedia.org/wiki/Personal_Responsibility_and_Work_Opportunity_Act	Most Recent
3	Code of Federal Regulations	26 CFR § 301.6103(n)-1 Confidentiality and Disclosure of Returns and Return Information http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc26.wais&start=21221927&SIZE=259305&TYPE=TEXT	Most Recent.
4	US Code	26 U.S.C. §7213 (a)(2-4) Unauthorized Disclosure of Information http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc26.wais&start=23793374&SIZE=17719&TYPE=TEXT	Most Recent
5	US Code	26 U.S.C. §§7213A (a)(2) & (b)(1)Unauthorized Inspection of Returns or Return Information http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc26.wais&start=23811099&SIZE=3702&TYPE=TEXT	Most Recent
6	US Code	26 U.S.C. §7431 Civil Damages for Unauthorized Inspection or Disclosure of Returns and Return Information http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc26.wais&start=24054052&SIZE=9904&TYPE=TEXT	Most Recent

Document No.	Document Type	Title	Version
7	US Code	5 U.S.C. §552a Records Maintained on Individuals http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc5.wais&start=312761&SIZE=77292&TYPE=TEXT	Most Recent
8	US Code	42.U.S.C. §654(27) State Plan for Child and Spousal Support http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc42.wais&start=11635607&SIZE=77103&TYPE=TEXT	Most Recent
9	US Code	42.U.S.C. §654a(g) Automated Data Processing http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc42.wais&start=11712716&SIZE=13826&TYPE=TEXT	Most Recent
10	US Code	42 U.S.C. §654b Collection and Disbursement of Support Payments http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc42.wais&start=11726548&SIZE=6798&TYPE=TEXT	Most Recent
11	US Code	42.U.S.C. §657 Distribution of Collected Support http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc42.wais&start=11781034&SIZE=39904&TYPE=TEXT	Most Recent
12	US Code	42.U.S.C. §666 Requirement of Statutorily Prescribed Procedures to Improve Effectiveness of Child Support Enforcement http://frwebgate.access.gpo.gov/cgi-bin/usc.cgi?ACTION=RETRIEVE&FILE=\$\$xa\$\$busc42.wais&start=11926953&SIZE=91349&TYPE=TEXT	Most Recent
13	Code of Federal Regulations	45 CFR §302.51 et. seq. Office of Child Support Enforcement http://www.access.gpo.gov/nara/cfr/waisidx_08/45cfrv2_08.html	Most Recent
14	Code of Federal Regulations	45 CFR §74.53 Retention and Access Requirements for Records http://edocket.access.gpo.gov/cfr_2008/octqtr/45cfr74.53.htm	Most Recent
15	Federal Guidelines	HHS/OCSE Dear Colleague Letter Guide for Auditing State Disbursement Units http://www.acf.hhs.gov/programs/cse/pol/DCL/2003/dcl-03-17.htm	Most Recent
16	Federal Guidelines	HHS/OCSE Guide for Auditing State Disbursement Units http://www.docstoc.com/docs/870788/A-Guide-for-Auditing-State-Disbursement-Units http://www.acf.hhs.gov/programs/cse/pol/DCL/2003/dcl-03-17a.pdf	Most Recent

Document No.	Document Type	Title	Version
17	Federal Guidelines	Federal Performance (OCSE) Audits, Data Reliability Audits http://www.acf.hhs.gov/orgs/functional/r2ocse.htm	Most recent
18	Federal Guidelines	IRS Security Audits	Most recent
19	Federal Publication	IRS Publication 1075 Tax Information Security Guidelines for Federal, State and Local Agencies and Entities http://www.irs.gov/pub/irs-pdf/p1075.pdf	Most Recent
20	District Law	D.C. Official Code §§ Title 46. Domestic Relations Subtitle I. General Chapter 2. Child Support and Medical Support Enforcement. Subchapter I. Child Support Enforcement http://government.westlaw.com/linkedslice/default.asp?SP=DCC-1000	Most Recent
		46-202.01 Collection and Disbursement Unit	
		46-207 Implementation of Withholding	
		46-208 Withholding	
		46-211 Notice to Withhold from Holder	
		46-218	
		46-222 Interstate Withholding	
		46-223 Initiation of Withholding in Other Jurisdictions	
21	Industry Standards	Generally Accepted Accounting Principles (GAAP), Federal guidelines, C.G.S. §4-32, and DCCSES Accounting Protocols http://www.investopedia.com/terms/g/gaap.asp http://www.fasab.gov/accepted.html	Most Recent
22	District Certification	System Access Requirements and Confidentiality Statement provided as Attachment J.10	Most Recent

C.3 DEFINITIONS

These terms which used in the RFP have the following meanings:

- C.3.1 Administrative Process: Method by which support orders are made and enforced by an executive agency rather than by courts and judges. The District child support program uses an informal, administrative procedure on very few cases--less than 50 and only where both parties agree to it.
- C.3.2 Automated Administrative Enforcement of Interstate Cases (AEI): Provision in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) giving states the ability to locate, place a lien on, and seize financial assets of delinquent obligors across State lines.

- C.3.3 Arrearage: Past due, unpaid child support owed by the non-custodial parent. If the parent has arrearages, s/he is said to be "in arrears".
- C.3.4 Arrears: Total of all unpaid support.
- C.3.5 Audit Trail: A permanent retrievable legible record or documentation of individual transactions or operations maintained in such a manner so as to provide an explanation of all actions taken with regard to each collection and disbursement activity.
- C.3.6 Automated Enforcement: Enforcement of support obligations through issuance of computer initiated documents.
- C.3.7 Automated Voice Response System (AVR): Telephone system that makes frequently requested information available to clients over touch-tone telephones.
- C.3.8 Backup Operating Facility: A facility capable of functioning within forty-eight hours of a disaster at the primary operating facility.
- C.3.9 Batch: Group of payments of a uniform size (e.g. 15 checks) processed together.
- C.3.10 Beneficiary: The person or agency/institution to which support payments are payable; usually the client, the local Social Services agency or 3rd and 4th party designees such as attorneys or hospitals. (See also – Client)
- C.3.11 Case ID #: A computer-assigned identification code unique to a specific client/respondent relationship. This code has six characters followed by an asterisk* and then a number that represents the numbers of NCP's associated without that client, and is sequentially (throughout the caseload) assigned to all DCCSES cases. It should be the primary key to identification on DCCSES, but some workers still rely on the docket number.
- C.3.12 Check 21: Check 21 is a federal law that is designed to enable banks to handle more checks electronically, which should make check processing faster and more efficient. Today, banks often must physically move original paper checks from the bank where the checks are deposited to the bank that pays them. This transportation can be inefficient and costly. Check 21 became effective on October 28, 2004. Instead of physically moving paper checks from one bank to another, Check 21 will allow banks to process more checks electronically. Banks can capture a picture of the front and back of the check along with the associated payment information and transmit this information electronically. If a receiving bank or its customer requires a paper check, the bank can use the electronic picture and payment information to create a paper "substitute check." This process enables banks to reduce the cost of physically handling and transporting original paper checks, which can be very expensive.
- C.3.13 Child Support: Financial support paid by a parent to help support a child or children under the age of 21 of whom they do not have custody. Child support can

be entered into voluntarily or ordered by a court or a properly empowered administrative agency, depending on each State's laws. Child support can involve cases where:

IV-D cases, where the custodial party (CP) is receiving child support services offered by State and local public agencies; such services include locating a non-custodial parent (NCP) or putative father (PF); establishing paternity; establishing, modifying, and enforcing child support orders; collecting distributing, and disbursing child support payments.

TANF cases, where the custodial party (CP) is required to receive child support services offered by State and local agencies; such services include locating a non-custodial parent (NCP) or putative father (PF); establishing paternity; establishing, modifying, and enforcing child support orders; collecting distributing, and disbursing child support payments.

IV-E cases, where the child (ren) is being raised not by one of their own parents but in the foster care system by a person, family, or institution and the case is also automatically referred to the CSE to recoup or defray the costs of foster care.

Non IV-D orders, where the case or legal order is privately entered into and the CSE is not providing locate, enforcement, or collection services; often entered into during divorce proceedings.

The support can come in different forms, including:

Medical support, where the child(ren) are provided with health coverage, through private insurance from the non-custodial parent (NCP) or public assistance (e.g. Medicaid) that is reimbursed whole or in part by the NCP, or a combination thereof.

Monetary payments, in the form of a one-time payment, installments, or regular automatic withholdings from the NCP's income, or the offset of State and/or Federal tax refunds and/or administrative payments made to the NCP, such as Federal retirement benefits.

There are many tools available to enforce an NCP's obligation.

- C.3.14 Child Support Enforcement (CSE) Agency: Agency that exists in every State that locates non-custodial parents (NCPs) or putative fathers (PF), establishes, enforces, and modifies child support, and collects and distributes child support money, and is operated by State or local government according to the Child Support Enforcement Program guidelines as set forth in Title IV-D of the Social Security Act. Also known as a "IV-D Agency".
- C.3.15 Child Support Enforcement Program: Program which provides paternity establishment, location, support establishment, collection, and enforcement services to eligible individuals; administered by the local districts with oversight by the State.

CW41701

- C.3.16 Child Support Enforcement Division (CSED): A unit within the Office of the Attorney General in the District of Columbia responsible for administering the Child Support Enforcement Program. In the District, CSED functions as both a state and local agency.
- C.3.17 Client: Individual for whom support payment is collected; usually the custodial parent.
- C.3.18 Client ID #: A computer-assigned identification code derived from the DCCSES Case ID # that is assigned to the client in a child support case. This code has 6 characters.
- C.3.19 Consumer Credit Protection Act (CCPA): Federal law that limits the amount that may be withheld from earnings to satisfy child support obligations. States are allowed to set their own limits provided they do not exceed the federal limits. Regardless of the number or withholding orders that have been served, the maximum that may be withheld for child support is:
- Without arrearage
50% with a second family
60% Single
 - With Arrearage
55% with a second family and 12+ weeks in arrears
65% Single 12+ weeks in arrears
- C.3.20 Contractor: Successful offeror to this RFP, as well as vendors providing other services to CSED, and with which the SDI Contractor must coordinate.
- C.3.21 Corporate Trade Exchange (CTX): Standardized format used for electronic funds transmission (EFT) of child support withholdings from employees' wages. This method is preferable when processing large volumes of transactions and PRWORA requires state automated child support enforcement systems to be capable of using this format as well as the CCD+ format.
- C.3.22 Custodial Parent (CP): The person who has primary care, custody, and control of the child (ren).
- C.3.23 Department of Employment Services (DOES): Agencies in each State that process unemployment insurance claims. They are also repositories of quarterly wage data, information on all employees submitted by employers, which they submit to the National Directory of New Hires (NDNH) along with the unemployment insurance claim data.
- C.3.24 Debit Card/Stored Value Card: Usually a VISA or MasterCard that represents an account into which the Child Support Payment Center can electronically deposit custodial parents' child support payments, and from which custodial parents can

access their payments by using the Card at grocery stores, other retail outlets, banks and ATM machines.

- C.3.25 **Direct Income Withholding:** A procedure, whereby an income withholding order can be sent directly to the non-custodial parent's (NCP's) employer in another State, without the need to use the IV-D Agency or court system in the NCP's State. This triggers withholding unless the NCP contests, and no pleadings or registration are required. The Act does not restrict who may send an income withholding notice across State lines. Although the sender will ordinarily be a child support Agency or the obligee, the obligor or any other person may supply an employer with an income withholding order.
- C.3.26 **Disaster:** Any occurrence, natural disaster, dereliction of duty of staff or otherwise, which results in the inability of contractor to deliver services as provided for in the contract.
- C.3.27 **Disaster Plan:** A fully functional and documented arrangement to provide backup capability in the event of any failure at the primary operating facility.
- C.3.28 **Disbursement:** Payments in the form of a check electronic benefits transfer to beneficiaries of support monies collected on their behalf.
- C.3.29 **Disposable Income:** The portion of an employee's earnings that remains after deductions required by law (e.g., taxes) and that is used to determine the amount of an employee's pay subject to a garnishment, attachment, or child support withholding order.
- C.3.30 **Distribution:** The allocation of child support collected to the various types of debt within a child support case, as specified in 45 CFR 302.51, (e.g., monthly support obligations, arrears, and ordered arrears).
- C.3.31 **District of Columbia Child Support Enforcement System (DCCSES):** The statewide computer system operated by CSED for the purpose of Child Support Case Tracking, Management, Posting Payments to NCP cases and Disbursing to CPs, Fiscal Accountability, and Reporting.
- C.3.32 **Electronic Data Interchange (EDI):** Process by which information regarding an Electronic Funds Transfer (EFT) transaction is transmitted electronically along with the EFT funds transfer.
- C.3.33 **Electronic Funds Transfer (EFT):** Process by which money is transmitted electronically from one bank account to another. Also known as Automated Clearing House (ACH)
- C.3.34 **Employer Reminder:** A notice mailed to employers to be returned with child support payments to facilitate expedited processing.
- C.3.35 **Enforcement:** The application of remedies to obtain payment of a child or medical support obligation contained in a support order. Examples of remedies

CW41701

Child Support Services Division - State Disbursement Unit include garnishment of wages, seizure of assets, liens placed on assets, revocation of license (e.g., drivers, business, and medical), and denial of U.S. passports.

C.3.36 Enumeration and Verification System (EVS): System used to verify and correct Social Security Numbers (SSNs), and identify multiple SSNs, of participants in child support cases. That is operated by the Social Security Administration (SSA).

C.3.37 Establishment: The process of proving paternity and/or obtaining a court or administrative order to put a child support obligation in place.

C.3.38 Federal Case Registry of Child Support Orders (FCR): A national database of information on individuals in all IV-D cases, and all non IV-D orders entered or modified on or after October 1, 1998. The FCR receives this case information on a daily basis from the State Case Registry (SCR) located in every State, proactively matches it with previous submissions to the FCR and with employment information contained in the National Directory of New Hires (NDNH). Any successful matches are returned to the appropriate State(s) for processing. The FCR and the NDNH are both part of the expanded FPLS, which is maintained by OCSE.

C.3.39 Federal Financial Participation (FFP): Federal government reimbursement to states and D.C. for the administrative costs of operating the Child Support Enforcement Program.

C.3.40 Federal Employer Identification Number (FEIN): Unique nine-digit number assigned to all employers by the Internal Revenue Service (IRS), which must be used in numerous transactions, including submitting data and responding to requests relevant to child support.

C.3.41 Fiscal Agent: A contractor, who processes payments, disburses funds and performs certain other related functions, as required, which are services that CSED would otherwise perform to eligible individuals.

C.3.42 Federal Parent Locator Service (FPLS): A computerized national location network operated by the Federal Office of Child Support (OCSE) of the Administration for Children and Families (ACF), within the Department of Health and Human Services (DHHS). FPLS obtains address and employer information, as well as data on child support cases in every State, compares them and returns matches to the appropriate States. This helps State and local child support enforcement agencies locate non-custodial parents and putative fathers for the purposes of establishing custody and visitation rights, establishing and enforcing child support obligations, investigating parental kidnapping, and processing adoption or foster care cases. The expanded FPLS includes the Federal Case Registry (FCR) and the National Directory of New Hires (NDNH).

C.3.43 Federal Tax Refund Offset Program: Program that collects past due child support amounts from non-custodial parents through the interception of their federal income tax refund, or an administrative payment, such as federal retirement benefits. This program has expanded to include the revocation and/or restriction

of already issued passports. The cooperation of States in the submittal of cases for tax interception is mandatory, while submittal of cases for administrative interception is optional. The Federal Tax Refund Offset Program is operated in cooperation with the Internal Revenue Service, the U.S. Department of Treasury's Financial Management Service (FMS), the U.S. Department of State, and State Child Support Enforcement (CSE) Agencies.

- C.3.44 Family Violence Indicator (FVI): A designation that resides in the Federal Case Registry (FCR) placed on a participant in a case or order by a State that indicates a person is associated with child abuse or domestic violence. It is used to prevent disclosure of the location of a custodial party and/or a child believed by the State to be at risk of family violence.
- C.3.45 Garnishment: A legal proceeding under which part of a person's wages and/or assets is withheld for payment of a debt. This term is usually used to specify that an income or wage withholding is involuntary.
- C.3.46 Generally Accepted Accounting Principles (GAAP)
- C.3.47 Guaranteed Payment Instruments: The term used to refer to the standard framework of guidelines for financial accounting used in any given jurisdiction. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing transactions, and in the preparation of financial statements. For example, Money Order, Cashier's Check, or Certified Check
- C.3.48 Health and Human Services / Office of Child Support Enforcement (HHS/OCSE): The Federal Agency with oversight responsibilities for the State's Child Support Programs and which provides FFP to States.
- C.3.49 Immediate Wage Withholding: An automatic deduction from income that starts as soon as the order for support is established.
- C.3.50 Imputed Income: Earnings attributed to a parent based on earning capacity in the absence of employment or proof of actual income.
- C.3.51 Income: As defined by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), income is any periodic form of payment to an individual, regardless of source, including wages, salaries, commissions, bonuses, worker's compensation, disability, pension, or retirement program payments and interest. All income (except imputed) is subject to income withholding for child support, pursuant to a child support order, but is protected by Consumer Credit Protection Act limits, both State and federal.
- C.3.52 Income Withholding: Procedure by which automatic deductions are made from wages or income, as defined in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), to pay a debt such as child support. Income withholding often is incorporated into the child support order and may be voluntary or involuntary. The provision dictates that an employer must withhold support from a non-custodial parent's wages and transfer that withholding to the

Child Support Services Division - State Disbursement Unit
appropriate agency (the Centralized Collection Unit or State Disbursement Unit).
Also referred to as wage withholding.

- C.3.53 Insufficient Funds: A payment instrument issued from the payer's bank account where the funds equal to that payment are not available due to lack of funds or placement of a stop payment without prior notification.
- C.3.54 Intercept: A method of securing child support arrearages by taking a portion of non-wage payments made to a non-custodial parent. Non-wage payments subject to interception include Federal tax refunds, State tax refunds, unemployment benefits, lottery winnings and disability benefits.
- C.3.55 IV-A: Reference to Title IV-A of the Social Security Act covering the Federal-State Public Assistance Program generically known as cash welfare. Many clients of the Child Support Program (IV-D) began as mandatory referrals from IV-A (TANF)
- C.3.56 IV-A Case: A child support case in which a custodial parent and child (ren) is receiving public assistance benefits under the State's IV-A program, which is funded under Title IV-A of the Social Security Act. Applicants for assistance from IV-A programs are automatically referred to their State IV-D agency in order to identify and locate the non-Custodial parent, establish paternity and/or a child support order, and/or obtain child support payments. This allows the State to recoup or defray some of its public assistance expenditures with funds from the non-custodial parent.
- C.3.57 IV-D: Reference to Title IV-D of the Social Security Act, which required that each State create a program to locate non-custodial parents, establish paternity, establish and enforce child support obligations, and collect and distribute support payments. All recipients of public assistance (usually TANF) are referred to their State's IV-D child support program. States must also accept applications from families who do not receive public assistance, if requested, to assist in collection of child support. Title IV-D also established the Federal Office of Child Support Enforcement.
- C.3.58 IV-D Agency: A single and separate organizational unit in the state that has the responsibility for administration of the Child Support Enforcement Program. In the District, the IV-D agency is OCC/CSED.
- C.3.59 IV-D Case: A child support case where at least one of the parties, either the custodial parent (CP) or the non-custodial parent (NCP), has requested or received IV-D services from the State IV-D agency. A IV-D case is composed of a custodial parent, non-custodial parent or putative father and dependent(s).
- C.3.60 IV-E: Reference to Title IV-E of the Social Security Act, which established a Federal-State program known as Foster Care that provides financial support to a person, family, or institution that is raising a child or children that is not their own. The funding for IV-E Foster Care programs is primarily from Federal sources.

- C.3.61 IV-E Case: A child support case brought on behalf of the IV-E agency in which the District is providing benefits under Title IV-E of the Social Security Act to a person, family, or institution that is raising a child or children that are not their own. As with other public assistance cases, these cases are referred to their State IV-D agency in order to identify and locate the non-custodial parent, establish paternity and/or a child support order, and/or obtain child support payments. This allows the State to recoup or defray some of its expenditures with funds from the non-custodial parent.
- C.3.62 Local Check: Check deposited in a depository bank that is located in the same Federal Reserve check processing region as the paying check.
- C.3.63 Medical Assistance Only (MAO): Form of public assistance administered by a State's IV-A program, which provides benefits to recipients only in the form of medical, rather than financial, assistance.
- C.3.64 Medical Support: Form of child support where medical and/or dental insurance coverage or cash medical support payments are ordered and paid by the non-custodial parent (NCP). Depending on the court order, medical support can be an NCP's sole financial obligation, or it can be one of several obligations, with child and/or spousal support being the others. Medical insurance coverage is ordered when it is available from an employer at reasonable cost to the NCP. Sometimes the court will order the custodial parent to obtain or maintain the insurance.
- C.3.65 Misapplied Payment: A payment that is applied to an incorrect child support account.
- C.3.66 Multistate Financial Institution Data Match (MSFIDM): Process created by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 by which delinquent child support obligors are matched with accounts held in financial institutions (FI) doing business in more than one State. States submit data to the Office of Child Support Enforcement (OCSE) on a non-custodial parent (NCP) and their arrearage, and indicate whether the NCP should be submitted for MSFIDM. OCSE ensures the accuracy of the data and transmits the file to participating multistate financial institutions, who match the information against their open accounts and returns matches to the appropriate States, who can then undertake action to place a lien on and seize all or part of the account.
- C.3.67 Multistate Employer: An organization that hires and employs people in two or more States. The multistate employer conducts business within each State and the employees are required to pay taxes in the State where they work; as with single-state employers, multistate employers are required by law to report all new hires to the State directory of New Hires (SDNH) operated by their State government. However, unlike single-state employers, they have the option to report all of their new hires to the SDNH of only one State in which they do business rather than to all of them.

CW41701
C.3.68

Child Support Services Division - State Disbursement Unit

National Automated Clearing House Association (NACHA): The Association that establishes the standards, rules, and procedures that enable financial institutions to exchange payments on a national basis.

C.3.69

National Personnel Records Center (NPRC): Part of the National Archives and Records Administration's system of record storage facilities. The NPRC receives and stores both Federal Military and Civilian personnel records.

C.3.70

Non-Custodial Parent (NCP): A parent who does not reside in the home of the biological child but is legally responsible for providing financial support for a child or children.

C.3.71

Non-TANF: Describes those child support cases in which the custodial parent does not receive Temporary Assistance for Needy Families. Non-TANF cases can be former-TANF and never-TANF cases.

C.3.72

Non IV-A Case: A support case in which the custodial parent has requested IV-D services but is not receiving Temporary Assistance to Needy Families (TANF), also known as a Non-TANF case.

C.3.73

Non-Custodial Parent: The parent who is not present in their biological child's home and is legally responsible for providing financial support for a dependent child; the non-custodial parent. (See also – Respondent)

C.3.74

Non IV-D: Cases in which neither parent is receiving IV-D services nor neither current support nor arrears are owed to the District.

C.3.75

Non IV-D Orders: A child support order issued in a non-IV-D case or a case that has become non-IV-D. A Non IV-D order is one where the State:

C.3.75.1

Is not currently providing service under the State's Title IV-A, Title IV-D, Title IV-E, or Title XIX programs.

C.3.75.2

Has not previously provided State services under any of these programs.

C.3.75.3

Has provided services under one of the programs but these services have terminated, no arrears are owed, and the custodial parent has declined further service.

C.3.75.4

Has no current application or applicable fee for services paid by either parent.

C.3.75.5

A IV-D case may become a Non IV-D order when:

C.3.75.5.1

All child support arrearages previously assigned to the State have been paid, and/or

C.3.75.5.2

The parent(s) originally making application for a State's IV-D services request(s) termination of those IV-D services.

- C.3.75.5.3 Non IV-D orders established or modified in the State on or after October 1, 1998 must be included in the State Case Registry (SCR) for transmission to the Federal Case Registry (FCR).
- C.3.75.5.4 A Non IV-D order can be converted into a IV-D case when the appropriate application for IV-D services is made by a parent, or when the custodial parent begins receiving Title IV-A services for benefit of the child (ren).
- C.3.76 Non-Local Check: Check deposited in a depository bank that is located in a different Federal Reserve check processing region than the paying check.
- C.3.77 Obligee: The person, State agency, or other institution to which child support is owed (also referred to as custodial parent when the money is owed to the person with primary custody of the child).
- C.3.78 Obligor: The person who is obliged to pay child support (also referred to as the non-custodial parent or NCP).
- C.3.79 Offeror: Any corporation, company or organization that responds to this RFP with a proposal.
- C.3.79.1 Offset: Amount of money intercepted from a parent's State or Federal income tax refund, or from an administrative payment such as federal retirement benefits, in order to satisfy a child support debt.
- C.3.80 Order: Direction of a magistrate, judge, or properly empowered administrative office to a NCP to pay a specified amount at specified intervals during the year for the support of a child.
- C.3.81 Order/Notice to Withhold Child Support: The form to be used by all States that standardizes the information used to request wage withholding for child support. According to the Uniform Interstate Family Support Act (UIFSA), this form may be sent directly from the initiating State to a non-custodial parent's employer in another State.
- C.3.82 Payee: Person or organization to which child support money is paid.
- C.3.83 Payor: Person who makes a payment, usually non-custodial parents or someone acting on their behalf, or a custodial party who is repaying a receivable.
- C.3.84 Payment Date: Date of Collection
- C.3.85 Payment File: Electronic data file containing payment information, which is provided by the fiscal agent to the CSED on a daily basis for the purpose of updating DCCSES, accounts.
- C.3.86 Performance Standards: Standards of performance prescribed by the CSED for performance of a contractor.

CW41701

Child Support Services Division - State Disbursement Unit

- C.3.87 Primary Operating Facility: A single site, within a Forty-minute subway stop radius of One Judiciary Square for the sole purpose of performing the collection and disbursement functions in accordance with the contract provisions. The facility must be within the geographic boundaries of Washington, DC.
- C.3.88 Program: The District of Columbia Child Support Enforcement Program.
- C.3.89 Properly Identified Payment: Instruments that contain two or more identifying factors such as SSN, Name, and Case Number.
- C.3.90 Quarterly Wage (QW) Data: Data on all employees that must be submitted by employers on a quarterly basis to the State Employment Security Agency (SESA) in the State in which they operate. This data is then submitted to the National Directory of New Hires (NDNH). Minimum information must include the employee's name, address, Social Security Number (SSN), wage amount, and the reporting period as well as the employer's name, address, and Federal Employer Identification Number (FEIN). The data is then compared against child support order information contained in the Federal Case Registry (FCR) for possible enforcement of child support obligations by wage garnishment. Federal agencies report this data directly to the NDNH.
- C.3.91 Regulation: Officially promulgated rules applicable to agencies, entities, and individuals. Examples include the Code of Federal Regulations (CFR) and District of Columbia Municipal Regulations (DCMR).
- C.3.92 Respondent: The non-custodial parent in a child support case who is required to pay support, or the party answering a petition or motion.
- C.3.93 Special Handling: Payment
- C.3.94 State Dated Check: A payment that cannot be immediately processed due to but not limited to: out-of balance; no identifying information; postdated; stale dated; mismatch between numeric and written amount; presented to the paying bank six months or more after the original issue date. Banks are not required by the Uniform Commercial Code to honor stale-dated checks and can return them to the issuing bank unpaid. The maker of a check can discourage late presentment by writing the words "not good after X days" on the back of the check.
- C.3.95 State Case Registry (SCR): A database maintained by each State that contains information on individuals in all IV-D cases and all Non IV-D orders established or modified after October 1, 1998. Among the data included in the SCR is the State's numerical FIPS code, the State's identification number (which must be unique to the case), the case type (IV-D vs. Non IV-D), locate information on persons listed in the case, in addition to other information. Information submitted to the SCR is transmitted to the Federal Case Registry, where it is compared to cases submitted to the FCR by other States, as well as the employment data in the National Directory of New Hires (NDNH). Any matches found are returned to the appropriate States for processing.

CW41701
C.3.96

Child Support Services Division - State Disbursement Unit

State Directory of New Hires (SDNH): A database maintained by each State, which contains information regarding newly hired employees for the respective State. The data is then transmitted to the NDNH, where it is compared to the employment data from other States as well as child support data in the Federal Case Registry (FCR). Any matches found are returned to the appropriate States for processing. Employers are required to submit new hire data to the SDNH within 20 days of the hire date. Multistate employers (those that do business and hire workers in more than one State) have additional options on where to report new hire information. In most States, the SDNH is contained in the State Parent Locator Service (SPLS) that is part of each State IV-D agency, in others it is operated by the State Employment Security Agency (SESA).

C.3.97

State Disbursement Unit: The single site in each State where all child support collections and disbursements payments are processed. Upon implementation of centralized collections, each state will designate its State Disbursement Unit, or SDU, to which all withheld child support payments, should be sent.

C.3.98

Single State Financial C.1.2.99 Institution Data Match: Process by which delinquent child support obligors are matched with accounts held in Financial Institutions (FI) doing business in only one State.

C.3.99

State Parent Locator Services (SPLS): A unit within the state Child Support Enforcement Agencies the purpose of which is to locate non-custodial parents in order to establish and enforce child support obligations, visitation, and custody orders or to establish paternity. This unit operates the State Case Registry (SCR), and in most States, the State Directory of New Hires (SDNH). (In some States the State Employment Security Agency or SESA operates the SDNH.)

C.3.100

SSN: "Social Security Number".

C.3.101

State: Can refer generically to states and can refer to the District of Columbia.

C.3.102

State Fiscal Year (SFY): October 1 – September 30

C.3.103

Subcontractor: Party contracting with the Contractor for performance of functions described in the RFP.

C.3.104

Support Enforcement: The process by which delinquent child support accounts are identified and appropriate actions are taken to collect past due support and to ensure future payments.

C.3.105

Support Establishment: The process by which non-custodial parent's financial obligation to his or her child is assessed and adjudicated.

C.3.106

Support Order: A judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of a competent jurisdiction, for the support and maintenance of a child. This includes a child who has attained the age of majority under the law of the issuing State, or of the parent with whom the child is living. Support orders can incorporate the provision of

CW41701

Child Support Services Division - State Disbursement Unit
monetary support, health care, payment of arrearages, or reimbursement of costs
and fees, interest and penalties, and other forms of relief.

C.3.107

Support Payment: A payment made pursuant to a court order or voluntary
support obligation.

C.3.108

TANF: "Temporary Assistance for Needy Families". Time-limited public
assistance payments made to poor families, based on Title IV-A of the Social
Security Act. TANF replaced Aid to Families with Dependent Children
("AFDC"-otherwise known as welfare) when the Personal Responsibility and
Work Opportunity Reconciliation Act (PRWORA) was signed into law in 1996.
The program provides parents with job preparation, work, and support services to
help them become self-sufficient. Applicants for TANF benefits are automatically
referred to their State IV-D agency in order to establish paternity and child
support for their children from the non-custodial parent. This allows the State to
recoup or defray some of its public assistance expenditures with funds from the
non-custodial parent.

C.3.109

Tax Refund Offset: The process by which a respondent's Federal or State tax
refunds are diverted to OCSE and applied to past due child support payments.

C.3.110

Title IV-A: Refers to Title IV-A of the Social Security Act, which is the section
of federal law covering the TANF program--cash assistance.

C.3.111

Title IV-D: Refers to Title IV-D of the Social Security Act which is the section of
Federal law covering the Child Support Program.

C.3.112

Title IV-E: Refers to Title IV-E of the Social Security Act, which is the section
of federal law covering the Foster Care Program.

C.3.113

Transaction Number: A sequentially assigned number recorded on each original
payment document to allow retrieval and review subsequent to processing.

C.3.114

Transition: For Test of Operating Procedures – Those tasks the Contractor will be
required to complete prior to performing the collection and disbursement
functions for the District's CSED.

C.3.115

Turnover: The process of changing control of the central collection and
disbursement operation to a succeeding contractor or to the CSED.

C.3.116

Unidentified Payment: Support payment check that cannot be disbursed because
the identity of the payor is unknown, or the identity or address of the payee is
unknown.

C.3.117

Undistributed Collections: Collections either applied or unapplied to a DCCSES
account but have not been distributed to a beneficiary.

C.3.118

Unemployment Insurance (UI) Claim Data: Data on unemployment insurance
and applicants/ claimants submitted by State Employment Security Agencies

CW41701

Child Support Services Division - State Disbursement Unit (SESAs) on a quarterly basis to the National Directory of New Hires (NDNH). Minimum information must include the employee's name, address, Social Security Number (SSN), the benefit amount, and reporting period. This data is then compared against child support order information contained in the Federal Case Registry (FCR) for possible enforcement of child support obligations by garnishment.

C.3.119 Wage Assignment: A voluntary agreement by an employee to transfer (or assign) portions of future wage payments (e.g., insurance premium deductions, credit union deductions) to pay certain debts, such as child support.

C.3.120 Wage Attachment: An involuntary transfer of a portion of an employee's wage payment to satisfy a debt. In some States this term is used interchangeably with Wage or Income Withholding, in other States there are distinctions between an attachment and withholding. The most common term used is Wage or Income Withholding.

C.3.121 Wage Withholding: A procedure by which scheduled deductions are automatically made from wages or income to pay debt, such as child support. Wage withholding often is incorporated into the child support order and may be voluntary or involuntary. The provision dictates that an employer must withhold support from a non-custodial parent's wages and transfer that withholding to the appropriate agency (the Centralized Collection Unit or State Disbursement Unit), also known as Income Withholding.

C.4 BACKGROUND

C.4.1 The Attorney General (OAG)

The Office of the Attorney General operates under the direction of the newly elected Attorney General and is charged with conducting all law business of the District including all suits instituted by and against the government. The Office of the Attorney General (OAG) is structured much like a private law firm, with sections devoted to specialties. Currently, the Office of the Attorney General consists of the following ten (10) major divisions with specialty sections:

- a. Child Support Services
- b. Civil Litigation
- c. Commercial
- d. Family Services
- e. Health and Human Services
- f. OAG Immediate Office
- g. Legal Counsel
- h. Personnel, Labor, and Employment
- i. Public Safety
- j. Support Services
- k. Office of the Solicitor General

C.4.2 Child Support Services Division (CSSD)

C.4.2.1 The CSSD is the District agency that operates the District's federally-funded child support program. The Division assists families by locating non-custodial parents, establishing paternity, establishing child support and medical support orders in the Family Court, and enforcing these orders through a variety of judicial and administrative means. The Division handles local and interstate matters, and currently provides services to families in more than 50,000 cases. The Division works with all custodial parents who request services, helping families who receive public benefits to achieve self-sufficiency, and enhancing the economic well-being of District children.

C.4.3 District of Columbia Child Support Services Program

C.4.3.1 The Child Support Services Program, established by Congress in 1975 as Title IV-D of the Social Security Act (IV-D) (Applicable Document #1), mandates that States enact laws and carry out required functions to ensure that legally responsible persons, to the best of their ability, contribute toward the support of their children. The program is committed to enforcement of support obligations both for children in families receiving welfare (Temporary Assistance to Needy Families (TANF), which provides relief to taxpayers by reducing welfare costs, and also to children in non-welfare families, regardless of family income level. Child support aids such families in avoiding future dependence on welfare. Child support collected on behalf of current TANF families is shared by the Federal and District governments to reimburse those governments for TANF public assistance payments previously made to the family. In certain circumstances this is also true of families receiving Medicaid. Child support collected for former- and never-TANF families is distributed directly to these families to help them remain self-sufficient.

C.4.3.2 The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("PRWORA") (Applicable Document #2), directed States to establish a centralized collections and disbursement unit (SDU) for the receipt and disbursement of child support related payments. It is required that the state's SDU be operated by the State or by a contractor responsible to the State, and must be coordinated with the State's automated child support enforcement system.

C.4.4 Current Operating Conditions**C.4.4.1 State Disbursement Unit Functions**

The existing State Disbursement Unit functions include, but are not limited to, the following:

- a. All functions associated with the collection and disbursement process, including handling special CSSD requests, unacceptable receipts, and unidentified and misapplied payments);
- b. Check processing and document imaging;

- c. Production and distribution of child support paper checks and electronic payment disbursements; and
- d. Electronic payment coordination via Automated Clearing House (ACH)/Electronic Funds Transfer (EFT);
- e. A customer service unit with a toll-free telephone line where custodial parties, non-custodial parents, and employers can call to ask questions concerning child support payment processing;
- f. Employer table maintenance;
- g. Collection and disbursement outreach; and
- h. Production and distribution of quarterly notices to custodial parents.

C.4.4.2 Volume

During the previous calendar year January 1, 2014 – December 31, 2014, the average monthly volumes were as follows:

Function	Average/ Month	Average/ Year
Incoming Items Processed		
Paper	11,800	141,600
Electronic	20,500	246,000
Disbursed Items Processed		
Paper	5,700	68,400
Electronic	21,400	256,800
Telephone Calls	2,100	25,400
Quarterly Notices	N/A	39,000

The monthly average volume is not to be used for any pricing for this solicitation. All Offerors are to adhere to Section B.3 when submitting prices, and are not to use these monthly average volume statistics.

C.4.4.2.1 Ongoing efforts to transition incoming items processed from paper to an electronic format, has had a substantial month-to-month effect on payment processing functions throughout calendar year 2014. While electronic transition continues, it appears that the disbursement of electronic payments has recently stabilized at approximately 64 percent of total disbursements. CSSD estimates approximately 387,000 incoming items annually. It is expected that incoming payment volumes will increase annually at a rate of approximately 2 percent.

C.4.5 Goals and Objectives

The overall objectives of the services to result from this procurement and the resulting contract are as follows:

- a. Establish and maintain a centralized child support collection and disbursement operation, complete with state-of-the-art equipment, software and procedures to meet the requirements of this contract in support of the administration of the District of Columbia Child Support Services Program;
- b. Substantially improve on the current level of services provided to custodial and non-custodial parents, employers, and other affected parties, by implementing operating changes and improvements that increase efficiency and compliance with federal audit and certification standards; and
- c. Improve child support collection rates and reduce the proportion of paper checks used to receive wage withholding payments from employers and transmit child support payments to custodial parents

C.5 REQUIREMENTS

C.5.1 Collect Child Support Payments

The Contractor shall provide the following services in support of the successful receipt and efficient and effective processing of child support payments:

C.5.1.1 Mail (Paper) Payments

C.5.1.1.1 Child Support Payments - Sources

The Contractor shall receive child support payments from sources including, but not limited to the following:

- a. Non-custodial parents;
- b. Employers;
- c. State and Federal agencies;
- d. CSSD and its cooperative agencies;
- e. Other states;
- f. Attorneys; and
- g. Financial institutions.

C.5.1.1.2 Child Support Payments Supporting Services

C.5.1.1.2.1 The Contractor shall perform or provide at a minimum the following in support of receiving paper child support payments:

- a. Establish/maintain post office boxes with the U.S. Postal Service in the District of Columbia with the capacity to accommodate at a minimum the volume of mail described in C.2.4. The Contractor shall provide evidence of post office boxes within one (1) week from contract award;
- b. Develop and implement a daily mail pickup schedule utilizing a bonded courier service;
- c. Determine and provide the daily item count of all mail received on behalf

- of CSSD;
- d. Date and time stamp all incoming envelopes immediately upon receipt prior to opening;
 - e. Open and date stamp envelope contents upon opening;
 - f. Sort mail and forward correspondence to CSSD or the Court (correspondence forwarded to the Court shall also be copied concurrently to CSSD) by either faxing it or imaging and emailing it, while retaining the original, unless otherwise instructed by CSSD on the day the mail was received;
 - g. Verify the negotiability of each instrument as to endorsement, signature of maker, stale dating, and postdating; and
 - h. Processing 99.9% of acceptable paper payments processed on the same day (not including receipts that require research or are determined to be unacceptable); and
 - i. Deliver unacceptable payments to the post office the same day the unacceptable payment is received.

C.5.1.1.2.2 Mail Processing and Sorting Plan

The Contractor shall develop and provide a Mail Processing and Sorting Plan to address in detail at a minimum the items in C.5.1.1.2.1 above and C.5.2.1.1 below to provide for the most expeditious and efficient processing of mail. The Contractor's Mail Processing and Sorting Plan shall include quality assurance components to ensure minimal errors by the Contractor in performing these functions.

C.5.1.2 Electronic Payments

C.5.1.2.1 Automated Clearing House (ACH)/Electronic Funds Transfer (EFT)

C.5.1.2.1.1 The Contractor shall receive electronic child support payments from sources including, but not limited to the following:

- a. Non-custodial parents;
- b. Employers;
- c. State and Federal agencies;
- d. Child Support Services Division (CSSD and its cooperative agencies; and
- e. Other states.

C.5.1.2.1.2 Electronic Payment Processing Plan

The Contractor shall develop and provide an Electronic Payment Processing Plan to provide for the most expeditious and efficient processing of electronic payments. The Contractor's Electronic Payment Processing Plan shall address at a minimum the following:

- a. Receipt and processing of payments;
- b. Data-storage and retention (C.5.2.4);
- c. Quality assurance components to ensure minimal errors; and

- d. Processing of at a minimum 99.9% of acceptable electronic payments on the same day (not including receipts that require research or are determined to be unacceptable).

C.5.2 Process Child Support Payments

C.5.2.1 Mail (Paper) Payments

C.5.2.1.1 The Contractor shall provide a fully automated payment processing system to process incoming mail (paper) payments. The Contractor's incoming mail processing system shall at a minimum provide or include the following

- a. Identify incoming paper payments as one of the following:
 1. Properly Identified Payments – payments that include
 - i. Non-custodial parent's name
 - ii. Social Security Number
 - iii. DCCSES case number
 - iv. Amount
 - v. Payment type and
 - vi. Date of receipt for employer payments;
 2. Special Handling Payments – payments including but not limited to the following:
 - i. Payments without Social Security Number or case number, but with any of the following identifiers: custodial party name, non-custodial parent name, DCCSES case number, or Court Docket Number
 - ii. Foreign currency
 - iii. Payments that are not legible or contain no identifying information
 - iv. Payments received from CSSD identified as special handling
 - v. Checks received from employers as income withholding where the amount of the check is not equal to the amount of the transmittal, the check is received without a transmittal, or a transmittal is received without a check
 - vi. Payment from an employer or court without identifying information
 - vii. Payments received where the written and numeric amounts do not agree
 - viii. Post-dated payments
 - ix. Checks that do not meet the minimum Office of Attorney General requirements of a valid payment instrument including legal line missing or no name and address on check
 - x. Payments written to the incorrect payee
 - xi. Stale-dated checks; and
 - xii. Non-sufficient funds checks.

- b. Maintain a list of acceptable payees which includes appropriate and most common payees submitting incoming payments. The current payee list includes: D.C. Child Support Clearinghouse; Child Support Services; D.C. Superior Court; Child Support Enforcement. The Contractor shall not add, modify, or delete payees without the consent of the CA;
- c. Research and resolve payment problems for Special Handling Payments, prior to entry into DCCSES including the identification of the reason the payment cannot be processed and ensure the necessary steps to eliminate the barrier preventing is eliminated; and
- d. Enter 99.9% of acceptable paper payments processed on the same day (not including payments that require research or are determined to be unacceptable) payment into DCCSES.

C.5.2.2 Electronic Payments

C.5.2.2.1 ACH/EFT Payments

C.5.2.2.1.1 The Contractor shall receive and transmit payments via the Automated Clearing House (ACH), upload files to the bank, download files from the bank, and resolve file transfer issues.

C.5.2.2.1.2 ACH/EFT Plan

The Contractor shall develop and provide an ACH/EFT Plan. The Contractor's ACH/EFT Plan shall include or address at a minimum the following:

- a. Describing the specific application capabilities within the framework of the SDU;
- b. Processing EFT/EDI files;
- c. Assisting employers with EFT questions;
- d. Providing employers with an EFT/EDI package and case reconciliation spreadsheet;
- e. Reconciling employer information;
- f. Promote electronic payments and conducting outreach to employers about the ACH/EFT Plan;
- g. Developing and providing ACH/EFT protocols with employers, out-of-state child support agencies, and individual child support payers;
- h. Enter 99.9% of acceptable ACH/EFT payments processed on the same day (not including payments that require research or are determined to be unacceptable) into DCCSES; and
- i. Quality assurance components to ensure accurate, efficient processing of ACH/EFTs.

C.5.2.2.2 ACH Debit Program

C.5.2.2.2.1 The Contractor shall process all incoming payments received from on-line scheduled bank account payments.

C.5.2.2.2.2 ACH Debit Program Plan

The Contractor shall develop and provide an ACH/EFT Plan. The Contractor's ACH/EFT Plan shall, at a minimum, require the Contractor to:

- a. Describe the specific application capabilities within the framework of the SDU;
- b. Process EFT/EDI files;
- c. Assist employers with EFT questions;
- d. Provide employers with an EFT/EDI package and case reconciliation spreadsheet;
- e. Reconcile employer information;
- f. Promote electronic payments and conduct outreach to employers about the ACH/EFT Plan;
- g. Develop and provide ACH/EFT protocols with employers, out-of-state child support agencies, and individual child support payors;
- h. Enter 99.9% of acceptable EFT/EDI payments processed on the same day (not including payments that require research or are determined to be unacceptable) into DCCSES; and
- i. Integrate quality assurance components to ensure accurate, efficient processing of ACH/EFTs.

C.5.2.2.3 Electronic Payment Alternatives (Other)

The Contractor shall provide, implement, and maintain other electronic payment alternatives or technology to simplify the collection process, achieve greater efficiency, and provide savings to the District.

C.5.2.2.4 Payment Application Problem Resolution

C.5.2.2.4.1 The Contractor shall provide the required support to resolve payments and payment application problems. A payment application problem occurs when DCCSES cannot apply a payment to an account in DCCSES as identified in the daily Application Problems Report to be provided to the Contractor. The Contractor shall conduct the required research necessary to identify and understand the specific problem, and implement the required corrective action to resolve and eliminate the problem within five (5) days permitting the accurate disbursement of funds. The Contractor shall resolve payment application problems (as assigned by the District) including but not limited to those listed below.

- a. Payments are all frozen;
- b. Bad payee name;
- c. Case type error;
- d. Fee OBLIG not on pay order;
- e. Future hold;
- f. Invalid Identifying number;
- g. IV-A number missing;

- h. Name mismatch;
- i. No Identifying #;
- j. No OBLIGS qualify;
- k. No pay order for case identified;
- l. No wage attach for SSN;
- m. Not Applied-No future OBS;
- n. Receipt date problem;
- o. TANF status undetermined;
- p. Payment type not identified; and
- q. Future payment date identified.

C.5.2.2.4.2 Payment Application Problem Resolution Plan

The Contractor shall develop and provide a Payment Application Problem Resolution Plan. The Contractor's Payment Application Problem Resolution Plan shall include or address at a minimum the details for assisting with the resolution of the Application Problems identified above, or any other categories added later, within the five (5) day stipulated timeframe.

C.5.2.2.5 Foreign Currency Processing

C.5.2.2.5.1 The Contractor shall process all foreign currency payments, paper or electronic, using appropriate currency exchange rates and procedures.

C.5.2.2.5.2 Foreign Currency Processing Plan

The Contractor shall develop and provide a Foreign Currency Processing Plan describing in detail the Contractor's process for addressing foreign currency exchange rate issues in a manner which shall protect the District's interests. As part of this plan, the Contractor shall work with the bank to ensure that funds from a country that does not use U.S. Dollars, are converted to U.S. Dollars.

C.5.2.2.6 Forged/Fraudulent Checks

C.5.2.2.6.1 The Contractor shall identify and recover forged and other fraudulently negotiated disbursements.

C.5.2.2.6.2 Forged/Fraudulent Check Plan

The Contractor shall develop and provide a Forged/Fraudulent Check Plan to include details for identifying and recovering forged and fraudulently negotiated checks.

C.5.2.3 Transaction Plan

The Contractor shall develop and provide a detailed plan to operate and manage an average of 15,500 paper transactions per month and 17,900 electronic transactions per month and all payment-processing functions identified in C.5.2.3.

C.5.2.4**Source Document Retention and Maintenance****C.5.2.4.1**

The Contractor shall retain paper and electronic source documents associated with the delivery of the required services including the receipt of mail and electronic payments, processing, deposit, and disbursement of child support payments. The Contractor shall provide the CA or other authorized District officials requested documents within 48 business hours of request.

C.5.2.4.2**Source Document Retention and Maintenance Plan**

The Contractor shall develop and provide a Source Document Retention and Maintenance Plan to provide or include at a minimum the following:

- a. A detailed plan for the retention, storage, and access to all payment-related documentation in accordance with District rules and regulations;
- b. Description of the detailed methods and media to be used to retain and maintain source documents;
- c. Description of the digital imaging capacity and the application of this technology to support, enhance and improve the delivery of the required services;
- d. Procedures to be used to ensure the retrieval of requested source documents within the required 48 hours; and
- e. Provide CSSD with all imaged information and access to view source document images.

C.5.2.5**Notice Production****C.5.2.5.1**

The Contractor shall print and mail quarterly account activity notices to custodial parties. In executing this responsibility, the Contractor shall:

- a. Prepare mail according to USPS specifications for ZIP+4 presort;
- b. Use optical character recognition (OCR) national presort capabilities;
- c. Use automatic sorting equipment capable of reading and applying five- and eleven-digit post net bar codes;
- d. Print output files on electronic data transfer in ZIP+4 order.
- e. Process and mail multi-page notices; and
- f. Supply postage and any required shipping charges including any special mailings required and authorized by CSSD.

C.5.2.5.1.1**Notice Production Schedule**

The Contractor shall develop and provide a Notice Production Schedule to provide the date each quarter that Notices will be mailed.

C.5.2.5.2**Requirements for Ad Hoc Notices**

The Contractor shall maintain the capability to produce, fold, insert, and mail additional notices including, but not limited to informational inserts to be included with the Contractor-generated notices as required by the District and any other

CW41701

Child Support Services Division - State Disbursement Unit

additional notices deemed necessary to the project and in accordance with specifications provided by the CA.

C.5.2.6 DCCSES Database

The Contractor shall provide data-processing capabilities including hardware, software, security, and staff expertise. The Contractor shall post payment information in a format and manner compatible with DCCSES for the purpose of automatic application of payments to individual accounts.

C.5.2.6.1 On-going Cleanup

The Contractor shall provide on-going cleanup of the DCCSES data to eliminate name and address duplication in the employer table.

C.5.2.6.2 Employer File Maintenance

The Contractor shall maintain the employer table on an on-going basis, adding, and updating data on the same day as received.

C.5.2.6.3 Custodial Parent Address Change Functions

C.5.2.6.3.1 The Contractor shall update DCCSES with new custodial party address and employment status changes information on the same day the information contained in the change of address requests from custodial parties when such requests are accompanied by supporting documentation from the custodial party and as approved by CSSD.

C.5.2.6.3.2 The Contractor shall access DCCSES and complete data entry necessary to suppress future mailings when mail items returned from the Post Office denote an invalid address for a custodial party or a non-custodial parent.

C.5.2.6.4 DCCSES Database Plan

The Contractor shall develop and provide a DCCSES Database Plan to include or address at a minimum the following:

- a. On-going cleanup of data (C.5.2.6.1)
- b. Employer file maintenance (C.5.2.6.2);
- c. Custodial parent address change functions (C.5.2.6.3);
- d. Ensure no receipting errors result in an overpayment; and
- e. Maintain a Data entry error rate of less than 0.3% per month.

C.5.3 Deposit Child Support Payments

C.5.3.1 Deposit to District Accounts

The Contractor shall deposit at a minimum 99.9% of payments that can be processed on the same day including money orders, cash, ACH, and other

Child Support Services Division - State Disbursement Unit
payment types into designated District of Columbia bank accounts.

C.5.3.2 Deposit of Payments Plan

The Contractor shall develop and provide a Deposit of Payments Plan. The Contractor's Deposit of Payments Plan shall include or address at a minimum the following:

- a. Ensure compliance with all relevant Federal and State laws, rules, and guidelines (C.1.1);
- b. Encode and endorse each check/money order;
- c. Utilization of Check 21 in the Contractor's daily deposits and account reconciliation procedures;
- d. Ensure the use of a bonded courier service to transport deposits which do not comply with Check 21 to the depository bank;
- e. Reconcile the total deposit to DCCSES daily to ensure that all items processed are accounted for;
- f. Processing, documenting, and verifying of deposit of payments into the District account in a timely manner;
- g. Quality assurance components to ensure the accurate deposit of funds, security of deposits, and effective reconciliation procedures (C.5.3.3.2); and
- h. Development of validation logic to serve as an audit trail for payments.

C.5.3.3 Deposit Account and Reconciliation Procedures

C.5.3.3.1 The Contractor shall maintain a separate and distinct account for child support deposits.

C.5.3.3.2 The Contractor shall perform or provide at a minimum the following reconciliation procedures for child support deposits:

- a. Balance and reconcile all receipts and deposits to DCCSES daily and bank account reconciled monthly within 10 business days of receipt of statement;
- b. Maintain monthly full account reconciliation services for depository accounts including, but not limited to, accounting for each day's work, system transactions and totals, deposits, and adjustments;
- c. Maintain statements of depository accounts that shall contain the number of payments deposited for the statement period; and
- d. Perform quality checks on all output as work is performed and as items are delivered and necessary backend controls, such as monthly account reconciliation and separate sampling performed by the Contractor's quality assurance staff.

C.5.4 Disburse Child Support Payments

C.5.4.1 Mail (Paper) Payments

The Contractor shall ensure compliance with 42 U.S.C. §654b (Applicable Document #10) and provide prompt payment distribution of Properly Identified Payments within two (2) business days receipt of the payment. Properly Identified Payments shall include, but are not limited to:

- a. Payments from non-custodial parents;
- b. Payments from the D.C. Superior Court;
- c. Income withholding transmittal and payment totaling amount due;
- d. Payments from employer for single payer with Social Security number or case number;
- e. Payments from employer for multiple payers with Social Security Number or case number;
- f. Electronic payments with Social Security number or case number; and
- g. Payments from out-of-state agency with Social Security number, case number, and payment type.

C.5.4.1.1

The Contractor shall at a minimum perform or provide the following in support of the timely distribution of Properly Identified Payments:

- a. Print and mail all checks via first class mail each business day except for District holidays for which the Contractor receives a disbursement file from DCCSES; Print and mail approximately 300 per day or 68,400 annually checks;
- b. Ensure compliance with the following DCCSES check file requirements:
 1. Ability to accommodate information text to be printed on the check stub
 2. Ability to presort
 3. Contains a bar code and
 4. Bundle checks by zip code.
- b. Design and produce checks with detachable stub that contains the following data elements:
 1. Payer name
 2. Custodial Parent Name
 3. Custodial Parent PIN Number
 4. Check date
 5. Reference number
 6. Case number
 7. Check amount
 8. Total year to date amount
 9. Check number and
 10. Social Security number
- c. Print checks on generic check stock with District-defined information including the District Seal, a void pantograph, micro printing, and an artificial watermark added during the printing process;
- d. Duplicate an electronically generated signature of the District's Deputy Chief Financial Officer and Treasurer; and

- e. Ability to cancel and reissue payments through DCCSES on return of the original item within 24 business hours for checks returned by the payee due to at a minimum the following:
 - 1. stale date
 - 2. incorrect amount, or
 - 3. wrong payee

C.5.4.1.2 Security of Checks Plan

The Contractor shall develop and provide a Security of Checks Plan. The Contractor's Security of Checks Plan shall include or address at a minimum the details of the Contractor's policies and procedures including the following:

- a. Compliance with the production of checks as described in C.5.4.1.1;
- b. Security of checks during the production and storage; and
- c. Monitoring of and maintaining the proper inventory level of checks.

C.5.4.1.3 Returned Disbursement Checks

C.5.4.1.3.1 The Contractor shall research and resolve returned disbursement checks from the recipient, postal service, or child support office within 24 business hours of receipt.

C.5.4.1.3.2 Returned Disbursement Check Plan

The Contractor shall develop and provide a Returned Disbursement Check plan including details for handling returned disbursement checks including at a minimum the following

- a. Researching and resolving returned disbursement checks within twenty-four (24) business hours of receipt;
- b. Ensure that 100% of returned checks recorded into DCCSES within 1 business day of receipt;
- c. Ensure that 100% of stale checks recorded from DCCSES void file before the next bank statement; and
- d. Ensure that 100% of returned checks recorded from DCCSES before the next bank statement.

C.5.4.1.4 Lost and Stolen Disbursement Checks

C.5.4.1.4.1 The Contractor shall resolve issues involving lost and stolen disbursement checks, including the reissuing of replacement checks, within twenty-four (24) business hours of receiving notice a lost or stolen check.

C.5.4.1.4.2 Lost or Stolen Disbursement Check Plan

The Contractor shall develop and provide Lost or Stolen Disbursement Check Plan to include at a minimum the following:

- a. Handling lost and stolen disbursement checks;
- b. Payee customer service and resolution for replacement checks; and
- c. Promote electronic disbursement to payees.

C.5.4.1.5 Un-cashed Checks

The Contractor shall resolve issues associated with un-cashed disbursement checks.

C.5.4.2 Electronic Payments

The Contractor shall electronically transfer funds each business day except for District holidays on which the Contractor receives a disbursement file from DCCSES.

C.5.4.2.1 Direct Deposit

The Contractor shall provide for the disbursement of payments through the direct deposit of payments.

C.5.4.2.1.2 Direct Deposit Plan

The Contractor shall develop and provide a Direct Deposit Plan. The Contractor's Direct Deposit Plan shall include or address, at a minimum, the following:

- a. A plan to maintain the District's existing direct deposit program for the SDU;
- b. Research and problem solving;
- c. Maintenance;
- d. Marketing and customer outreach;
- e. Procedures to follow when direct deposit payments are returned by the payee's bank; and
- f. Resolution of file transmission issues with the bank.

C.5.4.2.2 Debit Card

C.5.4.2.2.1 The Contractor shall maintain a debit card program that provides custodial parents with access to child support payments via debit cards transactions at automated teller machines (ATM) machines, banks, and retail establishments and allows for the depositing of child support payments to CP accounts.

C.5.4.2.2.2 Debit Card Program Plan

The Contractor shall develop and provide a Debit Card Program Plan to detail at a minimum the Contractor's plan to:

- a. Maintain the existing debit card program providing the custodial party access to child support payments via a debit card.
- b. Development and maintenance of the Contractor's secure internet site allowing CPs access to child support payments and ability to deposit child support payments;
- c. Marketing/Customer Outreach to educate CPs about the debit card program; and
- d. An alternative debit card program which minimally includes all elements of the existing program including marketing, customer transition, implementation, and maintenance of the program.

C.5.4.3 Misapplied Payments

C.5.4.3.1 Upon written notification of a misapplied payment, the Contractor shall:

- a. Ensure that a misapplied child support payment is issued to the correct custodial party by initiating referrals to CSSD when a payment has been misapplied to a nonpublic assistance account;
- b. Initiate referrals to CSSD when a payment has been misapplied to a foster care (IV-E/non-IV-E) account;
- c. Initiate referrals to CSSD to perform the appropriate void and reissue functions on DCCSES when a payment has been misapplied to a public assistance account;
- d. Accept responsibility for all research and recovery of misapplied payments in the case of misapplied payments resulting from resultant contractor error;
- e. Reimburse CSSD for any misapplied payment resulting from resultant contractor error; and
- f. Ensure that reimbursement shall occur no later than two (2) weeks from the date that the misapplied payment is identified (reimbursement method shall be determined by the District). If the funds have been disbursed, the Contractor shall immediately deposit the misapplied funds amount into the CSSD Paper Receipts Bank Account and process a payment to the correct recipient.

C.5.4.3.2 Misapplied Payments Plan

The Contractor shall develop and provide a Misapplied Payments Plan to include at a minimum the following:

- a. Provide detail procedures to identify misapplied payments due to resultant contractor error;
- b. Describe methods to be used to avoid misapplied payments;
- c. Provide detailed procedures to recover misapplied payments; and
- d. Provide statistical information that details ratio of correctly applied versus misapplied payments.

C.5.4.4 Insufficient Funds**C.5.4.4.1** The Contractor shall at a minimum provide or perform the following upon notice of insufficient funds:

- a. Provide written notification to payers immediately following verification of insufficient funds from the District's depository financial institution (Citibank, is the existing financial institution for the District and the current State Disbursement Unit contractor);
- b. Track all information related to insufficient funds payments; and
- c. Require payers to submit guaranteed payment instruments for all subsequent payments until such time as CSSD authorizes return to standard payment method.

C.5.4.4.2 Insufficient Funds Plan

The Contractor shall develop and provide an Insufficient Funds Plan to include at a minimum the Contractor's process to:

- a. Provide written notification to payers immediately following verification of insufficient funds from the District's depository financial institution (Citibank, is the existing financial institution for the District and the current State Disbursement Unit contractor);
- b. Ensure restitution of insufficient funds from non-custodial parents, employers, and out-of-state agencies requiring payers to submit guaranteed payment instruments for all subsequent payments until such time as CSSD authorizes return to standard payment method;
- c. Track and recover insufficient funds payments from non-custodial parents, employers, and out-of-state agencies; and
- d. Avoid reoccurrence of insufficient funds payments from non-custodial parents, employers, and out-of-state agencies.

C.5.4.5 Rejected Electronically Disbursed Payments

C.5.4.5.1 The Contractor shall research, resolve, and provide customer service for all undeliverable electronically disbursed payments within twenty-four business hours of receiving notice of an undeliverable.

C.5.4.5.2 Rejected Electronically Disbursed Payments Plan

The Contractor shall provide a detail plan to resolve undeliverable electronically disbursed payments.

C.5.4.6 Disbursement Account Reconciliation Procedures

C.5.4.6.1 The Contractor shall maintain a separate and distinct account for child support disbursements.

C.5.4.6.2 The Contractor shall perform or provide at a minimum the following reconciliation activities for the disbursement account:

- a. Listing sequentially paid checks by serial number including amount paid;
- b. Providing CSSD all paid check information for each month in an electronic file format designated by the Department;
- c. Listing outstanding checks;
- d. Listing voided and cancelled checks;
- e. Listing miscellaneous credits and debits;
- f. Comparing checks presented for payment with issue records and reviewing exception items prior to payment; and
- g. Reconcile all disbursement accounts daily and bank account reconciled monthly within 10 days receipt of statement.

C.5.5 SDU Supporting Requirements

The Contractor shall provide the following requirements to support the Contractor's delivery and fulfillment of the receipt (C.5.1), processing (C.5.2), deposit (C.5.3), and disbursement (C.5.4) of child support payments.

C.5.5.1 Primary Operating Facility

C.5.5.1.1 The Contractor shall provide a single site, within a fifteen-minute subway stop radius of One Judiciary Square, no more than four blocks from the Metro, and within the District of Columbia's geographic boundaries for the sole purpose of performing the collection and disbursement functions in accordance with the contract provisions.

C.5.5.1.2 The Contractor shall operate the SDU in a manner that physically separates it from any other functions performed within the building or complex in which the SDU is located; in a manner that fulfills all security requirements as outlined in

CW41701

Child Support Services Division - State Disbursement Unit
the HHS/OCSE Guide for Auditing State Disbursement Units, and in accordance
with all relevant District code and federal law, regulations, Dear Colleague
Letters, and HHS Action Memoranda (C.1.1).

C.5.5.1.3 The Contractor shall ensure that the operations facility and processing site maintains applicable certifications and inspections.

C.5.5.1.4 The Contractor shall ensure the SDU operations facility and processing site's design and layout allow for the effective and efficient fulfillment of the required services as well as the physical security requirements described in C.5.5.4.2. The Contractor shall be responsible for all modifications to the facility including modifications required to accommodate DCCSES equipment and other equipment used by on-site CSSD monitoring staff as well as establishing and maintaining the needed security, fire control, telephone and computer lines and related equipment.

C.5.5.1.5 The Contractor shall provide office space, one (1) cubicle, at the operations facility and processing site for use by authorized CSSD staff and auditors for observing and monitoring the Contractor's operations.

C.5.5.1.6 The Contractor shall provide operations facility documentation including location address (C.5.5.1.1), and certificate of occupancy and inspection reports (C.5.5.1.3), description (C.5.5.1.4) including identification and description of office space (C.5.5.1.5).

C.5.5.1.7 Contingency/Disaster Recovery Plan

The Contractor shall develop and provide a Contingency/Disaster Recovery Plan to protect the Contractor's systems, information, and documents to ensure the smooth operation in the event that all or part of the Contractor's operations or computer services are rendered unusable. The Contractor's Contingency/Disaster Recovery Plan shall include or address all facets of the Contractor's operations including at a minimum the following:

- a. Current version of system software;
- b. A daily back-up;
- c. A sample test scenario and annual exercise; and
- d. Identification of an alternate processing facility.

C.5.5.2 Staff, Organization, and Supervision

C.5.5.2.1 Key Personnel

The Offeror shall provide the following key personnel to perform or provide the required services:

1. Project Director;
2. Customer Service Manager; and
3. Technology Manager.

C.5.5.2.2 Other Staff

The Contractor shall provide other staff as necessary to support the successful delivery of the required services.

C.5.5.2.3 Staffing Plan

The Contractor shall develop and provide a staffing plan to describe the specific positions to be used by the Contractor to successfully provide the required services. The Staffing Plan shall include at a minimum the following:

- a. The titles of each position;
- b. The percent of time each position will be utilized in the completion of the required services;
- c. The selection and recruitment of staff;
- d. The required qualifications and skill sets needed; and
- e. Staff training and development (C.5.5.2.6).

C.5.5.2.4 Position Descriptions

The Contractor shall develop and provide position descriptions for each of the Contractor's staff appearing on the Contractor's organizational chart. The Contractor's position descriptions shall identify or include at a minimum the following:

- a. Minimum education requirements;
- b. Minimum experience required;
- c. Functional responsibilities;
- d. Supervisor;
- e. Required training and development; and
- f. Performance standards;

C.5.5.2.5 Staff Training and Development

C.5.5.2.5.1 The Contractor shall ensure that all staff to contribute to the performance of the required services are qualified and receive initial and on-going training to ensure the delivery of quality services, compliance with the contract's requirements, and successfully achieving the performance standards. The Contractor shall ensure all staff receives at a minimum the following training and development:

- a. Initial training and orientation on the required services to be provided and the Contractor's systems and procedures to be used in the delivery of the required services;
- b. Comprehensive on-going training on DCCSES to ensure Contractor's staff understand navigating the DCCSES and are familiar with the use and functions of all screens;
- c. Initial training and orientation on the required services to be provided and the Contractor's systems and procedures to be used in the delivery of the required services;
- d. Comprehensive on-going training on DCCSES to ensure Contractor's staff understand navigating the DCCSES and are familiar with the use and functions of all screens;
- e. Security related requirements and security training including the completion of security release documents prior to performing services under this contract and before being provided access to the District's CSSD information;
- f. Quarterly operational and procedural training sessions;
- g. Mandatory annual training, required by the IRS, for all staff regarding safeguarding of Federal tax information; and
- h. Maintain accurate and up to date training records for all staff.

C.5.5.2.5.2 Staff Training and Development Curriculum and Schedule

The Contractor shall develop and provide a Staff Training and Development Curriculum and Schedule to include a description and schedule of staff training sessions consistent with requirements discussed in C.5.5.3.6.1. The Contractor shall obtain the written approval of the CA prior to the use and implementation of the Staff Training and Development Curriculum and Schedule.

C.5.5.2.5.3 Staff Training and Development Materials

The Contractor shall develop and provide training materials for all staff training and development described in C.5.5.2.6.1. The Contractor shall obtain the written approval of the CA prior to the use and distribution of the staff training and development materials.

C.5.5.3**IT System Requirements, Equipment, and Software**

The Contractor shall make maximum use of state-of-the-art information technology (IT), equipment, and software in order to reduce processing time, increase accuracy and maximize cost savings.

C.5.5.3.1

The Contractor shall provide the required IT system functionality, equipment and software necessary to conduct the required services in the most economic, efficient, and accurate manner including at a minimum the following:

- a. Allow for the secure electronic exchange of data and files in a format which allow for automated update in DCCSES system;
- b. Provides the ability to modify IT system operations to adapt to any new programmatic changes in DCCSES or a new automated data processing system;
- c. Maintain acceptable levels of data processing, programmers, and operators expertise with training in the most current versions of programs and most current models of equipment;
- d. Acquire and maintain all data processing equipment, computer hardware and software necessary to efficiently and effectively perform the required services including all titles, leases, licenses, and maintenance agreements (Contractor-acquired computer hardware and software shall be the property of CSSD);
- e. Create a back-up file for all electronic transmissions and in the event of an electronic transmission failure deliver the back-up file to CSSD to ensure nightly processing completion (the method/media of back-up file shall be mutually agreed upon between CSSD and the Contractor);
- f. Comply with the District's rules regarding the use of DCCSES, as stipulated in CSSD's System Access Requirements and Confidentiality Statement (Applicable Document #22); and
- g. Maintain compliance with the applicable system security requirements described in C.5.5.4.

C.5.5.3.2 System Validation

C.5.5.3.2.1 The Contractor shall conduct a thorough validation of the IT system requirements including the system's hardware, software, functionality and integration with external parties.

C.5.5.3.2.2 IT System Validation Report

The Contractor shall develop and provide an IT System Validation Report certifying that the Contractor's IT system meets or exceeds the requirements. The Contractor shall work with CSSD and its software enhancement and maintenance contractor to conduct and certify the Contractor's IT system.

C.5.5.4**Security and Confidentiality****C.5.5.4.1**

The Contractor shall comply with all applicable Federal and District of Columbia laws and regulations regarding confidentiality and CSSD General Policy regarding Safeguarding of Information (no disclosure of any information about an applicant or recipient of IV-D services or a non-custodial parent which is obtained from any source or in any manner in the course of a child support investigation will be made, except in connection with the administration of the IV-D program - reference 45 CFR 303.21).

C.5.5.4.2

The Contractor shall take reasonable steps including maintaining restricted access, alarms, locked files, cameras, security guards, if appropriate to ensure the physical safety of data under its control by using devices and methods including, but not limited to, alarm systems, locked files, guards, cameras, or other devices reasonably expected to prevent loss or unauthorized removal of manually held data.

C.5.5.4.3

The Contractor shall take reasonable steps including restricted terminal access, restricted access to input and output documents to prevent unauthorized use of passwords, access logs, badges, or other methods designed to prevent loss of or unauthorized access to electronically or mechanically held data (methods used shall include, but not be limited to, restricted terminal access, restricted access to input and output documents, and other such restrictions designed to protect DCCSES data.

C.5.5.4.4

The Contractor shall ensure that no District of Columbia child support data shall reside independently on any mobile devices including laptops, Blackberries, flash drives, or any other electronic storage devices.

C.5.5.4.5

The Contractor shall inform each of its employees having any involvement with personal data, child support information, or other confidential information of the laws and regulations governing confidentiality.

C.5.5.4.6

The Contractor shall provide mandatory annual training for all staff regarding safeguarding of Federal tax information (C.5.5.2.6.1 d).

C.5.5.4.7

The Contractor shall cooperate with CSSD in taking all steps deemed advisable by CSSD to enjoin misuse, regain possession, and protect the District's rights and the data subject's privacy.

C.5.5.4.8

The Contractor shall allow access to any personal data held in its possession, solely to those employees of CSSD who require such information in the performance of their occupational responsibilities.

C.5.5.4.9

The Contractor shall agree to implement any improvements or modifications resulting from periodic SDU physical security reviews.

C.5.5.4.10

The Contractor shall ensure each of the Contractor's staff to contribute to the performance of the required services reviews and signs a System Access

Child Support Services Division - State Disbursement Unit
Requirements and Confidentiality Statement (Applicable Document #22). The System Access Requirements and Confidentiality Statement shall acknowledge and commit the Contractor's staff to abide by CSSD's rules governing the use of DCCSES and applicable laws and regulations in performing his/her responsibilities.

C.5.5.4.11 The Contractor shall notify the Contract Administrator (CA) in writing on the day that any of the following incidents occur:

- a. Any misuse or unauthorized use of operator password which has resulted in unauthorized access of DCCSES;
- b. Any suspected or actual theft of SDU receipts;
- c. Any damage or actual theft of SDU receipts;
- d. Any failure to mail checks which are ready for distribution that day; and
- e. Any subpoena, improper use, copy or removal of personal data in the resultant contractor's possession except as obtained by an authorized representative of CSSD (such notification shall be immediate orally and during the same day in writing).

C.5.5.4.12 The Contractor shall comply with and assume responsibility for compliance by his or her employees including the following requirements:

- a. All work shall be done under the supervision of the Contractor or the Contractor's employees;
- b. Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the Contractor shall be prohibited;
- c. All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material;
- d. Certify that the data processed during the performance of this contract shall be completely purged from all data storage components of its computer facility, and no output will be retained by the Contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the Contractor shall certify that any IRS data remaining in any storage component shall be safeguarded to prevent unauthorized disclosures;
- e. Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data shall be given to CSSD or its designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and shall provide CSSD or its designee with a statement containing the date of destruction, description of material destroyed, and the method used;

- f. All computer systems processing, storing, or transmitting Federal tax information shall meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features shall be available and activated to protect against unauthorized use of and access to Federal tax information;
- g. No work involving Federal tax information furnished under this contract shall be subcontracted without prior written approval of the IRS;
- h. The Contractor shall maintain a list of employees authorized access to IRS data. Such list shall be provided to the Contract Administrator and, upon request, to the IRS reviewing office. The Contractor shall provide updated list of authorized employees as necessary; and
- i. The District will have the right to void the contract if the Contractor fails to provide the safeguards described above.

C.5.5.4.13 The Contractor shall acknowledge the following criminal/civil sanctions:

- a. The Contractor's officers or employees to whom return or return information is or may be disclosed shall be notified in writing by the Contractor that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. The Contractor shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR § 301.6103(n)-1;
- b. The Contractor's officers or employees to whom return or return information is or may be disclosed shall be notified in writing by the Contractor that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure of returns or return information to anyone without an official need to know such information shall constitute a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as one year, or both, together with the costs of prosecution. The Contractor shall also notify each such officer or employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure,

plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431; and

- c. The Contractor shall inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established there under, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- d. The Contractor's access to Federal tax information must be preceded by the understanding of each individual, to whom the Contractor grants access to such information, of the District's security policy and procedures for safeguarding IRS information. The Contractor must maintain its authorization to access Federal tax information through annual recertification. The initial certification and recertification must be documented and placed in the District's files for review. As part of the certification and at least annually afterwards, the District shall advise the contractor of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Information). The training provided before the initial certification and annually thereafter shall also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches, as set forth in Section 10 of IRS Publication 1075 (reference Applicable Document 19). For both the initial certification and the annual certification, each individual provided access to Federal tax information by the Contractor must sign, either with ink or via electronic signature, a confidentiality statement certifying their understanding of the security requirements.

C.5.5.4.14 The Contractor shall permit OCSE, IRS and District officials to send its officers and employees into the offices of the Contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

C.5.5.4.15 Security and Confidentiality Plan

The Contractor shall develop and provide a Security and Confidentiality Plan to address at a minimum the following processes and procedures to:

- a. Ensure the physical safety of data under its control and to prevent loss or unauthorized removal of manually held data;

- b. Prevent unauthorized use of passwords, access logs, badges, or other methods designed to prevent loss of or unauthorized access to electronically or mechanically held data;
- c. Inform each of its employees having any involvement with personal data, child support information, IRS data, or other confidential information of the laws and regulations governing confidentiality and safeguarding of such information, including sanctions for failure to comply with the laws and regulations described in C.5.5.4; and
- d. Ensure compliance with the requirements described above in C.5.5.4.

C.5.5.5 Customer Service

The Contractor shall operate a customer service unit to address issues raised by custodial parents and employers concerning child support payments. The Contractor's customer service unit shall include or provide at a minimum the following:

- a. Qualified and trained staff including multilingual staff;
- b. Compliance with the District's customer service standards;
- c. Assistance to employers, interstate agencies, state child support personnel, CSSD personnel, payors or their legal representatives regarding receipt and disbursement information via a toll free telephone number available twenty-four hours per day, seven days per week;
- d. General problem resolution regarding lost, damaged, mis-posted or delayed receipts;
- e. Customers with the appropriate agency telephone number as necessary;
- f. Forward correspondence to appropriate office within 48 hours of receipt; and
- g. Assistance to payors regarding where to send payments;

C.5.5.5.1 Customer Service Plan

The Contractor shall develop and provide a Customer Service Plan to address the Contractor's fulfillment of the requirements described in C.5.5.5 and maintain at a minimum the following performance levels:

- a. Maintain an abandoned Call Rate of less than 15%;
- b. Ensure callers hold Time does not exceed 1.5 minutes; and
- c. Ensure Call Pick-Up by Customer Service Representative within 4 rings.

C.5.5.6 Outreach

C.5.5.6.1 The Contractor shall develop and implement an outreach plan to promote the District's SDU elements to increase the number of employers submitting wage

withheld payments via electronic media and increase the number of custodial parents receiving payments via direct deposit, or using debit cards. The Outreach plan shall include at a minimum the following:

- a. A public relations campaign to notify child support customers and the general public of new State Disbursement Unit management;
- b. Coordinate and communicate changes and other relevant information concerning the operations of the SDU to employers and parents;
- c. Promotion of the Contractor's Direct Deposit Plan (C.5.4.2.1.2.);
- d. Promotion of the Contractor's ACH Debit Program (C.5.4.2.2.2.) and
- e. Mechanism to measure the increase the number of employers submitting wage withheld payments via electronic media and increase the number of custodial parents receiving payments via direct deposit, or using debit cards.

C.5.5.7 Audit and Inspections

C.5.5.7.1 Independent Audit

The Contractor shall conduct, at its own expense, an independent audit of the Contractor's system of internal accounting control relative to the processing of all child support billings, receipts, and disbursements in accordance with the following federal performance audit standards and guidelines:

- a. HHS/OCSE Dear Colleague Letter Guide for Auditing State Disbursements Units (Applicable Document #15);
- b. HHS/OCSW Guide for Auditing State Disbursement Units (Applicable Document # 16);
- c. Federal Performance (OCSE) Audits, Data Reliability Audits (Applicable Document #17);
- d. IRS Security Audits (Applicable Document #18);
- e. IRS Publication 1075 Tax Information Security Guidelines for Federal, State, and Local Agencies and Entities (Applicable Document #19); and
- f. Generally Accepted Accounting Principles (GAAP) (Applicable Document # 21).

C.5.5.7.2 The Contractor shall perform and provide the first audit within one year of assuming responsibility for the SDU operations and then on an annual basis thereafter.

C.5.5.7.3 Audit and Inspection Plan

The Contractor shall develop and provide an Audit and Inspection Plan to include at a minimum the following:

- a. Conduct an audit in accordance with the requirements described in C.5.5.8.1 and includes all detail all control weaknesses;

- b. Issue a report of findings within thirty calendar days of the final audit report being issued;
- c. Permit Contract Administrator to access all audit work papers;
- d. Maintain and store all SDU payment records until audited or for a period of seven years from the date of transaction, whichever comes first;
- e. Adhering to external audit requests; and
- f. Provide document shredding to be conducted at the contractor's site (destruction of records cannot commence until CSSD has received the Contractor's written request and has provided its written consent to such request).

C.5.5.8 Quality Assurance

C.5.5.8.1 The Contractor shall develop and implement quality assurance and internal control processes and procedures to ensure the integrity, compliance, and continuous improvement of the SDU. The Contractor's quality assurance policies shall address all aspects of the SDU system including at a minimum the following:

- a. Receipt of child support payments (C.5.1);
- b. Processing of child support payments (C.5.2);
- c. Deposit of child support payments, (C.5.3);
- d. Disbursement of child support payments (C.5.4);
- e. Physical security of the SDU operating facility (C.5.5.1);
- f. Monitoring of staff (C.5.5.2);
- g. Performance, maintenance and performance of the Contractor's IT system, equipment, and software (C.5.5.3);
- h. Ensuring compliance to the security and confidentiality requirements (C.5.5.4);
- i. Monitoring and measuring the activities of the customer service unit (C.5.5.5);
- j. Assessment of outreach efforts (C.5.5.6);
- k. Audit and internal controls (C.5.5.7); and
- l. Consistent compliance with performance standards (C.5.5.10), and producing accurate, on-time reports (C.5.5.12).

C.5.5.8.2 Internal Controls

The Contractor shall maintain generally recognized accounting standards and methods of administration designed to assure that persons responsible for handling cash receipts of support do not participate in accounting or operating functions that would permit them to conceal in the accounting records the misuse of support receipts.

C.5.5.8.3 Quality Assurance and Internal Controls Plan

The Contractor shall develop and provide a detailed plan to describe the Contractor's policies and procedures to implement quality assurance policies and

internal controls to ensure the successful completion and continuous improvement of the required services. The Contractor's Quality Assurance and Internal Control Plan shall include or address at a minimum the requirements described in C.5.5.8.1 and C.5.5.8.2.

C.5.5.9 Standard Operating Procedures

C.5.5.9.1 The Contractor shall develop and submit for the review and approval of the Contract Administrator Standard Operating Procedures (SOP) to comprehensively document each of the Contractor's plans associated with the delivery of the required services. The Contractor shall ensure that the Contractor's SOP's are compliant with applicable Federal and District laws, regulations, policies, and guidelines. The SOP's shall include at a minimum the Contractor's plan and methodology for the following:

- a. Receipt of child support payments (C.5.1);
- b. Processing of child support payments (C.5.2);
- c. Deposit of child support payments (C.5.3);
- d. Disbursement of child support payments (C.5.4);
- e. SDU operating facility (C.5.5.1);
- f. Staff (C.5.5.2);
- g. IT system, equipment, and software (C.5.5.3);
- h. Security and confidentiality requirements (C.5.5.4);
- i. Customer service unit (C.5.5.5);
- j. Outreach (C.5.5.6);
- k. Audit and internal controls (C.5.5.7);
- l. Quality Assurance (C.5.5.8);
- m. Performance standards (C.5.5.10);
- n. Reporting (C.5.5.12);
- o. Transition and Implementation Plan (C.5.5.13); and
- p. Turnover Plan (C.5.5.14).

C.5.5.9.2 Process Flow Diagrams

The Contractor shall prepare and provide a comprehensive set of SDU process flow diagrams that clearly depict the Contractor and CSSD staff roles in the flow of information, documents, and electronic files both in and out of the SDU. The Contractor shall ensure that the Process Flow Diagrams

C.5.5.10 Performance Standards

The Contractor shall maintain a of minimum 95% compliance with the performance standards. The Contractor's failure to achieve the minimum 95% compliance of the performance standards described below will result in the development of Corrective Action Plans as described in C.5.5.10.7:

C.5.5.10.1 Receipt of Child Support Payments

Contract Section	Performance Standard	Surveillance Method
C.5.1.1.2.1 b	Daily mail pickup in accordance with mail pick-up schedule	A random sampling of the pick-up schedule
C.5.1.1.2.1 f	Sort mail and forward correspondence to CSSD or the Court (correspondence forwarded to the Court shall also be copied concurrently to CSSD) by either faxing it or imaging and emailing it, while retaining the original, unless otherwise instructed by CSSD on the day the mail was received	A random sample of such correspondence shall be drawn to compare dates received by the SDU (all incoming documents shall be date stamped) vs. dates received by CSSD or the Court.
C.5.1.1.2.1 h	Processing 99.9% of acceptable paper payments processed on the same day (not including receipts that require research or are determined to be unacceptable)	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

C.5.5.10.2 Processing of Child Support Payments

Contract Section	Performance Standard	Surveillance Method
C.5.2.1.1 d	Enter 99.9% of acceptable paper payments processed on the same day (not including payments that require research or are determined to be unacceptable) into DCCSES.	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.5.2.2.1.2 h	Enter 99.9% of acceptable ACH/EFT payments processed on the same day (not including payments that require research or are determined to be unacceptable) payment into DCCSES;	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.5.2.2.2.2 h	Enter 99.9% of acceptable EFT/EDI payments processed on the same day (not including payments that require research or are determined to be unacceptable) into DCCSES	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.5.2.2.4.1	Conduct the required research necessary to identify and understand the specific problem, and implement the required corrective action to resolve and eliminate the problem within five (5) days permitting the accurate disbursement of funds.	A random sample of required searches

C.5.2.4.2 d	Retrieval of requested source documents within the required 48 hours	A random sample of requested documents
C.5.2.5.1.1	Notice Productions mailed in accordance with Notice Production Schedule	Monthly review of Notice Production Schedule
C.5.2.6.2	Maintain the employer table on an on-going basis, adding, and updating data on the same day as received.	A random sample of requested updates
C.5.2.6.3.1	Update DCCSES with new custodial party address and employment status changes information on the same day the information contained in the change of address requests from custodial parties when such requests are accompanied by supporting documentation from the custodial party and as approved by CSSD	A random sample of requested updates
C.5.2.6.4 d	Ensure no receipting errors result in an overpayment	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.5.2.6.4 e	Maintain a Data entry error rate of less than 0.3% per month.	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

C.5.5.10.3 Deposit of Child Support Payments

Contract Section	Performance Standard	Surveillance Method
C.5.3.1	Deposit at a minimum 99.9% of payments that can be processed on the same day including money orders, cash, ACH, and other payment types into designated District of Columbia bank accounts	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.5.3.3.2 a	Balance and reconcile all receipts and deposits to DCCSES daily	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

C.5.5.10.4 Disbursement of Child Support Payments

Contract Section	Performance Standard	Surveillance Method
C.5.4.1	Provide prompt payment distribution of Properly Identified Payments within two (2) business days receipt of the payment.	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.5.4.1.1.a	Print and mail all checks via first class mail each business day except for District holidays for which the Contractor receives a disbursement file from DCCSES;	Comparing the check write file received from DCCSES with the Contractor's daily check print report.
C.5.4.1.3.2 a	Research and resolve returned disbursement checks within 24 business hours of receipt	A random sample of returned disbursements
C.5.4.1.3.2 b	Ensure that 100% of returned checks recorded into DCCSES within 1 business day of receipt	A random sample of returned disbursements
C.5.4.1.3.2 c	Ensure that 100% of stale checks recorded from DCCSES void file before the next bank statement	A random sample of returned disbursements
C.5.4.1.3.2 d	Ensure that 100% of returned checks recorded from DCCSES before the next bank statement.	A random sample of returned disbursements
C.5.4.1.4.1	Reissue replacement checks, within twenty-four (24) business hours of receiving notice of a lost or stolen check	A random sample of replacement checks
C.5.4.2	The Contractor shall Print electronically transfer funds each business day except for District holidays on which the Contractor receives a disbursement file from DCCSES.	Comparing the check write file received from DCCSES with the Contractor's daily check print report.
C.5.4.6.2 g	Reconcile all disbursement accounts daily and bank account reconciled monthly within 10 days receipt of statement	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

C.5.5.10.5 SDU Supporting Requirements

Contract Section	Performance Standard	Surveillance Method
C.5.5.4	Ensure compliance with the security and confidentiality requirements	Random on-site monitoring by CSSD representatives. Security audit results and incident Reports.
C.5.5.5.2.a	Maintain an abandoned Call Rate of less than 15%;	A random sample of abandoned Call
C.5.5.5.2.b	Ensure callers hold Time does not exceed 1.5 minutes	A random sample of callers hold Time
C.5.5.5.2.c	Ensure Call Pick-Up by Customer Service Representative within 4 rings	A random sample of Call Pick-Up
C.5.5.6.1	Increase the number of employers submitting wage withheld payments via electronic media and increase the number of custodial parents receiving payments via direct deposit, or using debit cards	Electronic Funds Transfer, Electronic Payments and Debit Program
C.5.5.12	Daily Reports due the next business day and Monthly Reports due on the 2nd business day of the next month	A random sample of reports provided. Performance tracking Reports
C.5.5.13	Complete successful and transition	Monitoring of milestones by CSSD representatives

C.5.5.10.6 Performance Standards Tracking Report

The Contractor shall develop and provide a monthly Performance Standards Tracking Report to monitor and measure each of the performance measures identified in C.5.5.10 above. The Performance Standard Tracking Report shall document compliance with these quantifiable standards with logs kept by the Contractor, by CSSD call monitoring, and by monthly reports on customer service representative performance provided by the Contractor.

C.5.5.10.7 Corrective Action Plan

C.5.5.10.7.1 CSSD will require that the Contractor develop a Corrective Action Plan (CAP) for any case of non-compliance or poor performance with the performance standards described above in C.5.5.10 including but not limited to instances where CSSD believes that Contractor's quality assurance and internal control efforts are inadequate. The Contractor shall develop and submit a CAP within three (3) business days of CSSD's request for the review and approval of the CA. The CAP shall include, at a minimum the following:

- a. A definition of the problem;

- b. Contractor's proposed course of action for resolving the problem;
- c. Staff members assigned responsibility for resolving the problem;
- d. Timeframes for beginning and completing the CAP; and
- e. Reporting periods for reporting progress to CSSD.

C.5.5.11 Meetings

The Contractor shall hold mutually arranged informal meetings with CSSD to review State Disbursement Unit issues and procedures. CSSD and the Contractor will mutually arrange a meeting schedule.

C.5.5.12 Reports

C.5.5.12.1 Management Reports

The Contractor shall develop and provide a variety of daily and monthly management reports to include but not limited to:

- a. The item count of mail received;
- b. The number of items and dollars collected for each type of receipt category;
- c. The total items and dollars deposited by receipt;
- d. Daily check print report;
- e. Monthly reports indicating the number of phone calls received, abandoned calls, average call lengths, and any other standard call monitoring indicators
- f. All additional management information, as defined by CSSD and the Contractor shall be contained in a Performance Tracking Report.

C.5.5.12.2 Bi-Weekly Status Reports

The Contractor shall provide bi-weekly status reports to CSSD summarizing its activities and highlighting any issues over the two week period that the report covers. The reports shall be in a format acceptable to CSSD.

C.5.5.13 Transition and Implementation Plan

The Contractor shall develop and provide a Transition and Implementation Plan to address at a minimum the following:

- C.5.5.13.1** The Contractor shall provide a Transition and Implementation Plan to CSSD within fifteen (15) business days of the contract award date. This plan is subject to the Contract Administrator's approval and shall, at a minimum, require the Contractor to transition existing SDU operations from the previous SDU contractor within ninety-five (95) calendar days of the contract effective date, with minimal interruption of SDU functions to non-custodial and custodial parents, employers, and the CSSD.

CW41701
C.5.5.13.2

Child Support Services Division - State Disbursement Unit

As part of the transition process, the Contractor shall be required to conduct acceptance testing, which includes volume testing, of the collections and disbursement system. The acceptance testing must be scheduled and completed in order for the production system to be implemented. At the completion of the testing, but prior to implementation, the Contractor shall reinitialize its child support database by deleting all test data and reloading the database. The Contractor shall provide an isolated development and testing environment for system changes and testing, completely separate from the SDU production system, and shall utilize the DCCSES isolated testing environment, as well. The Contractor shall complete its own in-house testing prior to the initiation of CSSD acceptance testing, to include volume testing. Data entry and processing of these collections and related disbursements are required. CSSD will monitor and verify the acceptance test results, according to parameters agreed upon by the Contractor and the District during the transition period following contract award.

C.5.5.14 Transition Phase

The Contractor shall provide for continuity of the SDU operations until either the District or a new contractor has assumed responsibility for the operations of the SDU. The Contractor's Transition Phase shall be developed in accordance with Section C.5.5.13 titled "Transition and Implementation Plan", and shall include the transition, at no additional cost to the District, all equipment and software used in operating the SDU including the transfer of possession of, all titles and leases to, equipment, licensing rights to software, data files, application programs, and documentation.

**SECTION D
PACKAGING AND MARKING****D.1**

The packaging and marking requirements for the resultant contract shall be governed by clause number (2), Shipping Instructions-Consignment, of the Government of the District of Columbia's Standard Contract Provisions for use with Supplies and Services Contracts, dated July 2010 (Attachment J.1).

SECTION E
INSPECTION AND ACCEPTANCE

- E.1** The inspection and acceptance requirements for the Contract shall be governed by Clause Number five 5, Inspection of Services of the Government of the District of Columbia's Standard Contract Provisions for use with Supplies and Services Contracts, dated July 2010(Attachment J.1).
- E.2** Audits and Inspections - CSSD may periodically audit the depository system unannounced. These unannounced audits will be in addition to any audit conducted by the Federal Office of Child Support Enforcement. CSSD reserves the right to determine the auditing periods for which the data will be made available, the timing of the requests for the data, and if the data presented is sufficient to meet the intent of the auditing provisions of this section.

SECTION F
PERIOD OF PERFORMANCE AND DELIVERABLES

F.1 TERM OF THE CONTRACT

The term of the contract shall be for a base period of three (3) years from date of award specified on page one of the contract.

F.2 OPTION TO EXTEND THE TERM OF THE CONTRACT

F.2.1 The District may extend the term of the Contract for a period of two (2), one (1) year option periods, or successive fractions thereof, by written notice to Contractor before the expiration of the Contract; provided that the District shall give Contractor preliminary written notice of its intent to extend at least thirty (30) days before the Contract expires. The preliminary notice does not commit the District to an extension. The exercise of this option is subject to the availability of funds at the time of the exercise of this option. Contractor may waive the thirty (30) day preliminary notice requirement by providing a written waiver to the Contracting Officer prior to expiration of the Contract.

F.2.2 If the District exercises the option described in F.2.1, the extended Contract shall be considered to include this option provision.

F.2.3 The price for the Option Period shall be specified in the Contract

F.2.4 The total duration of this contract, including the exercise of any options under this clause, shall not exceed five (5) years.

F.3 DELIVERABLES

The Contractor shall perform the activities required to successfully complete the District's requirements and submit each deliverable to the CA identified in G.9 in accordance with the following due dates:

Deliverable Number	Deliverable	Quantity/Format/Method of Deliver	Due Date
001 C.5.1.1.2.1	Establish Automated Clearing House (ACH)/Electronic Funds Transfer (EFT) in the District of Columbia.	Soft and Hard Copy	Within one week from Contract Award date
002 C.5.1.1.2.2	Capture daily the item count of all mail received on behalf of CSSD.	Soft and Hard Copy	Daily
003 C.5.5.4.15	Security and Confidentiality Plan	Soft and Hard Copy	30 Days from Contract Award Date

004 C.5.5.5	Customer Service Plan	Soft and Hard Copy	30 Days from Contract Award Date
005 C.5.5.7.3	Issue a report of findings within thirty calendar days of the final audit report being issued.	Soft and Hard Copy	30 Days from Final Audit Report
006 C.5.5.8	Quality Assurance and Internal Control Plan	Soft and Hard Copy	30 Days from Contract Award Date
007 C.5.5.13	Transition and Implementation Plan	Soft and Hard Copy	30 Days from Contract Award Date
008 C.5.24.1	The Contractor shall provide daily report for dollar amount deposited, number of items deposited with the account number to which credit was applied.	Soft and Hard Copy	Daily
009 C.5.24.2	The Contract shall provide bi-weekly status reports to CSSD summarizing its activities and highlighting any issues over the two week period that the report covers.	Soft and Hard Copy	Bi-Weekly
010 H.5	51% District Residents New Hire Requirements and First Source Requirement Report	Soft and Hard Copy	10 th of each month after contract award

F.3.1 The Contractor shall submit to the District, as a deliverable, the report described in Section H.5. that is required by the 51% District Residents New Hires Requirements and First Source Employment Agreement. If the Contractor does not submit the report as part of the deliverables, final payment to the contractor shall not be paid pursuant to G. 3.2.

SECTION G
CONTRACT ADMINISTRATION

G.1 INVOICE PAYMENT

G.1.1 The District will make payments to the Contractor, upon the submission of proper invoices, at the prices stipulated in this contract, for services performed and accepted less any discounts, allowances or adjustments provided for in this contract.

G.1.2 The District will pay the Contractor on or before the 30th day after receiving a proper invoice from the Contractor.

G.2 INVOICE SUBMITTAL

G.2.1 The Contractor shall submit proper invoices on a monthly basis or as otherwise specified in Section G.4. Invoices shall be prepared in duplicate and submitted to the agency Chief Financial Officer (CFO) with concurrent copies to the Contracting Officer's Technical Representative (CA) specified in G.7 below. The address of the CFO is:

Office of the Chief Financial Officer
Address: 441 4th Street, NW
Suite 890N
Washington, DC 20001
Attn: Accounts Payable
Telephone: 202-727-0333

G.2.2 To constitute a proper invoice, the Contractor shall submit the following information on the invoice:

G.2.2.1 Contractor's name, Federal tax ID, DUNS number and invoice date (Contractors are encouraged to date invoices as close to the date of mailing or transmittal as possible.);

G.2.2.2 Contract number and Invoice Number

G.2.2.3 Description, price, quantity and the date(s) that the supplies/services were actually delivered and/or performed.

G.2.2.4 Other supporting documentation or information, as required by the Contracting Officer;

G.2.2.5 Name, title, telephone number and complete mailing address of the responsible official to whom payment is to be sent;

G.2.2.6 Name, title, phone number of person preparing the invoice;

G.2.2.7 Name, title, phone number and mailing address of person (if different from the person identified in (G.2.2.f) above to be notified in the event of a defective invoice); and

G.2.2.8 Authorized signature

G.3 FIRST SOURCE AGREEMENT REQUEST FOR FINAL PAYMENT

G.3.1 For contracts subject to the 51% District Residents New Hires Requirement and First Source Employment Agreement, final request for payment must be accompanied by the report or a waiver of compliance discussed in Section H.5.5.2.

G.3.2 No final payment shall be made to the Contractor until the CFO has received the Contracting Officer's final determination or approval of waiver of the Contractor's compliance with 51% District Residents New Hires Requirement and First Source Employment Agreement.

G.4 PAYMENT

Unless otherwise specified in this contract, payment will be made monthly for full and proper performance of all operations tasks of the SDU referred to in Section C.5 of this Contract based on the actual monthly volume of collections and disbursements at the fixed unit price stated in the Schedule in Section B."

G.5 ASSIGNMENT OF CONTRACT PAYMENTS

G.5.1 In accordance with 27 DCMR, 3250, unless otherwise prohibited by this contract, the Contractor may assign funds due or to become due as a result of the performance of this contract to a bank, trust company, or other financing institution

G.5.2 Any assignment shall cover all unpaid amounts payable under this contract, and shall not be made to more than one party.

G.5.3 Notwithstanding an assignment of money claims pursuant to authority contained in the contract, the Contractor, not the assignee, is required to prepare invoices. Where such an assignment has been made, the original copy of the invoice must refer to the assignment and must show that payment of the invoice is to be made directly to the assignee as follows:

Pursuant to the instrument of assignment dated _____,
make payment of this invoice to _____
(name and address of assignee).

G.6 QUICK PAYMENT CLAUSE**G.6.1 Interest Penalties to Contractors**

G.6.1.1 The District will pay interest penalties on amounts due to the Contractor under the Quick Payment Act, D.C. Official Code §2-221.01 et seq., for the period beginning on the day after the required payment date and ending on the date on which payment of the amount is made. Interest shall be calculated at the rate of 1% per month. No interest penalty shall be paid if payment for the completed delivery of the item of property or service is made on or before:

- a. the 3rd day after the required payment date for meat or a meat product;
- b. the 5th day after the required payment date for an agricultural commodity; or
- c. the 15th day after the required payment date for any other item.

G.6.1.2 Any amount of an interest penalty which remains unpaid at the end of any 30-day period shall be added to the principal amount of the debt and thereafter interest penalties shall accrue on the added amount.

G.6.2 Payments to Subcontractors

G.6.2.1 The Contractor must take one of the following actions within 7 days of receipt of any amount paid to the Contractor by the District for work performed by any subcontractor under a contract:

- a. Pay the subcontractor for the proportionate share of the total payment received from the District that is attributable to the subcontractor for work performed under the contract; or
- b. Notify the District and the subcontractor, in writing, of the Contractor's intention to withhold all or part of the subcontractor's payment and state the reason for the nonpayment.

G.6.2.2 The Contractor must pay any lower-tier subcontractor or supplier interest penalties on amounts due to the subcontractor or supplier beginning on the day after the payment is due and ending on the date on which the payment is made. Interest shall be calculated at the rate of 1% per month. No interest penalty shall be paid on the following if payment for the completed delivery of the item of property or service is made on or before:

- a. the 3rd day after the required payment date for meat or a meat product;
- b. the 5th day after the required payment date for an agricultural commodity; or
- c. the 15th day after the required payment date for any other item.

G.6.2.3 Any amount of an interest penalty which remains unpaid by the Contractor at the end of any 30-day period shall be added to the principal amount of the debt to the subcontractor and thereafter interest penalties shall accrue on the added amount.

G.6.2.4 A dispute between the Contractor and subcontractor relating to the amounts or entitlement of a subcontractor to a payment or a late payment interest penalty under the Quick Payment Act does not constitute a dispute to which the District of Columbia is a party. The District of Columbia may not be interpleaded in any judicial or administrative proceeding involving such a dispute.

G.6.3 Subcontract requirements

G.6.3.1 The Contractor shall include in each subcontract under this contract a provision requiring the subcontractor to include in its contract with any lower-tier subcontractor or supplier the payment and interest clauses required under paragraphs (1) and (2) of D.C. Official Code §2-221.02(d).

G.7 CONTRACTING OFFICER (CO)

Contracts may be entered into and signed on behalf of the District Government only by contracting officers. The address and telephone number of the Contracting Officer is:

Jeffrey A. Tisdale
Supervisory Contract Specialist/Contracting Officer
Office of Contracting and Procurement
441 4th Street, N.W., Room No. 700 South
Washington, DC 20002
Phone: 202-724-4946
Fax: 202-727-5580
Email: jeffrey.tisdale@dc.gov

G.8 AUTHORIZED CHANGES BY THE CONTRACTING OFFICER

G.8.1 The Contracting Officer is the only person authorized to approve changes in any of the requirements of this contract, notwithstanding provisions contained elsewhere in this Contract.

G.8.2 The Contractor shall not comply with any order, directive or request that changes or modifies the requirements of this Contract, unless issued in writing and signed by the Contracting Officer, or pursuant to specific authority otherwise included as part of this Contract.

G.8.3 In the event the Contractor effects any change at the direction of any person other than the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the contract price to cover any cost increase incurred as a result thereof.

G.9 CONTRACT ADMINISTRATOR (CA)

G.9.1 The CA is responsible for general administration of the contract and advising the CO as to the Contractor's compliance or noncompliance with the contract. The CA has the responsibility of ensuring the work conforms to the requirements of the contract and such other responsibilities and authorities as may be specified in the contract. These include:

G.9.1.1 Keeping the CO fully informed of any technical or contractual difficulties encountered during the performance period and advising the CO of any potential problem areas under the contract;

G.9.1.2 Coordinating site entry for Contractor personnel, if applicable;

G.9.1.3 Reviewing invoices for completed work and recommending approval by the CO if the Contractor's costs are consistent with the negotiated amounts and progress is satisfactory and commensurate with the rate of expenditure;

G.9.1.4 Reviewing and approving invoices for deliverables to ensure receipt of goods and services; this includes the timely processing of invoices and vouchers in accordance with the District's payment provisions; and

G.9.1.5 Maintaining a file that includes all contract correspondence, modifications, records of inspections (site, data, equipment) and invoice or vouchers.

G.9.2 The address and telephone number of the CA is:

Richard A. Cooper
Manager, State Disbursement Unit
441 4th St. NW, Suite 550N
Washington, DC 20001
Telephone (202) 724-2001
Fax (202) 585-0369
E-mail richard.cooper@dc.gov

G.9.3 The CA shall NOT have the authority to:

1. Award, agree to, or sign any contract, delivery order or task order. Only the CO shall make contractual agreements, commitments or modifications;
2. Grant deviations from or waive any of the terms and conditions of the contract;
3. Increase the dollar limit of the contract or authorize work beyond the dollar limit of the contract,
4. Authorize the expenditure of funds by the Contractor;
5. Change the period of performance; or
6. Authorize the use of District property, except as specified under the contract.

G.9.4 The Contractor will be fully responsible for any changes not authorized in advance, in writing, by the CO; may be denied compensation or other relief for

CW41701

Child Support Services Division - State Disbursement Unit

any additional work performed that is not so authorized; and may also be required, at no additional cost to the District, to take all corrective action necessitated by reason of the unauthorized changes.

G.10

PENALTIES

In the event that the Federal Government assesses penalties against the District for failing to comply with 42 USC 654(b), or any other Federal code, regulation or law; the Contractor will be required to reimburse the District for these funds within thirty (30) days after being notified of such penalty.

SECTION H
SPECIAL CONTRACT REQUIREMENTS

H.1 HIRING OF DISTRICT RESIDENTS AS APPRENTICES AND TRAINEES

H.1.1 For all new employment resulting from this contract or subcontracts hereto, as defined in Mayor's Order 83-265 and implementing instructions, the Contractor shall use its best efforts to comply with the following basic goal and objectives for utilization of bona fide residents of the District of Columbia in each project's labor force:

H.1.1.1 At least fifty-one (51) percent of apprentices and trainees employed shall be residents of the District of Columbia registered in programs approved by the District of Columbia Apprenticeship Council.

H.1.2 The Contractor shall negotiate an Employment Agreement with the DOES for jobs created as a result of this contract. The DOES shall be the Contractor's first source of referral for qualified applicants, trainees, and other workers in the implementation of employment goals contained in this clause.

H.2 DEPARTMENT OF LABOR WAGE DETERMINATIONS

The Contractor shall be bound by the Wage Determination No.: 2015-4281, Revision No.: 2, Date Of Revision: 12/29/2015, issued by the U.S. Department of Labor in accordance with the Service Contract Act (41 U.S.C. 351 et seq.) and incorporated herein as Attachment J.2. The Contractor shall be bound by the wage rates for the term of the contract subject to revision as stated herein and in accordance with Section 24 of the SCP. If an option is exercised, the Contractor shall be bound by the applicable wage rates at the time of the option. If the option is exercised and the CO obtains a revised wage determination, the revised wage determination is applicable for the option periods and the Contractor may be entitled to an equitable adjustment.

H.3 PUBLICITY

The Contractor shall at all times obtain the prior written approval from the CO before it, any of its officers, agents, employees or subcontractors, either during or after expiration or termination of the contract, make any statement, or issue any material, for publication through any medium of communication, bearing on the work performed or data collected under this contract.

H.4 FREEDOM OF INFORMATION ACT

The District of Columbia Freedom of Information Act, at D.C. Official Code §2-532 (a-3), requires the District to make available for inspection and copying any record produced or collected pursuant to a District contract with a private

contractor to perform a public function, to the same extent as if the record were maintained by the agency on whose behalf the contract is made. If the Contractor receives a request for such information, the Contractor shall immediately send the request to the CA who will provide the request to the FOIA Officer for the agency with programmatic responsibility in accordance with the D.C. Freedom of Information Act. If the agency with programmatic responsibility receives a request for a record maintained by the Contractor pursuant to the contract, the CA will forward a copy to the Contractor. In either event, the Contractor is required by law to provide all responsive records

to the CA within the timeframe designated by the CA. The FOIA Officer for the agency with programmatic responsibility will determine the releasability of the records. The District will reimburse the Contractor for the costs of searching and copying the records in accordance with D.C. Official Code §2-532 and Chapter 4 of Title 1 of the *D.C. Municipal Regulations*.

H.5 51% DISTRICT RESIDENTS NEW HIRES REQUIREMENTS AND FIRST SOURCE EMPLOYMENT AGREEMENT

H.5.1 The Contractor shall comply with the First Source Employment Agreement Act of 1984, as amended, D.C. Official Code §2-219.01 *et seq.* ("First Source Act").

H.5.2 The Contractor shall enter into and maintain, during the term of the contract, a First Source Employment Agreement, (Section J.4) in which the Contractor shall agree that:

- (1) The first source for finding employees to fill all jobs created in order to perform this contract shall be the DOES; and
- (2) The first source for finding employees to fill any vacancy occurring in all jobs covered by the First Source Employment Agreement shall be the First Source Register.

H.5.3 The Contractor shall submit to DOES, no later than the 10th of each month following execution of the contract, a First Source Agreement Contract Compliance Report ("contract compliance report") to verify its compliance with the First Source Agreement for the preceding month. The contract compliance report for the contract shall include the:

- (1) Number of employees needed;
- (2) Number of current employees transferred;
- (3) Number of new job openings created;
- (4) Number of job openings listed with DOES;
- (5) Total number of all District residents hired for the reporting period and the cumulative total number of District residents hired; and
- (6) Total number of all employees hired for the reporting period and the cumulative total number of employees hired, including:
 - (a) Name;
 - (b) Social security number;
 - (c) Job title;
 - (d) Hire date;

- (e) Residence; and
- (f) Referral source for all new hires.

H.5.4 If the contract amount is equal to or greater than \$100,000, the Contractor agrees that 51% of the new employees hired for the contract shall be District residents.

H.5.5 With the submission of the Contractor's final request for payment from the District, the Contractor shall:

H.5.5.1 Document in a report to the CO its compliance with section H.5.4 of this clause; or

H.5.5.2 Submit a request to the CO for a waiver of compliance with section H.5.4 and include the following documentation:

- (a) Material supporting a good faith effort to comply;
- (b) Referrals provided by DOES and other referral sources;
- (c) Advertisement of job openings listed with DOES and other referral sources; and
- (d) Any documentation supporting the waiver request pursuant to section H.5.6.

H.5.6 The CO may waive the provisions of section H.5.4 if the CO finds that:

- (1) A good faith effort to comply is demonstrated by the Contractor;
- (2) The Contractor is located outside the Washington Standard Metropolitan Statistical Area and none of the contract work is performed inside the Washington Standard Metropolitan Statistical Area which includes the District of Columbia; the Virginia Cities of Alexandria, Falls Church, Manassas, Manassas Park, Fairfax, and Fredericksburg, the Virginia Counties of Fairfax, Arlington, Prince William, Loudoun, Stafford, Clarke, Warren, Fauquier, Culpeper, Spotsylvania, and King George; the Maryland Counties of Montgomery, Prince Georges, Charles, Frederick, and Calvert; and the West Virginia Counties of Berkeley and Jefferson.
- (3) The Contractor enters into a special workforce development training or placement arrangement with DOES; or
- (4) DOES certifies that there are insufficient numbers of District residents in the labor market possessing the skills required by the positions created as a result of the contract.

H.5.7 Upon receipt of the contractor's final payment request and related documentation pursuant to sections H.5.5 and H.5.6, the CO shall determine whether the Contractor is in compliance with section H.5.4 or whether a waiver of compliance pursuant to section H.5.6 is justified. If the CO determines that the Contractor is in compliance, or that a waiver of compliance is justified, the CO shall, within two business days of making the determination forward a copy of the determination to the agency Chief Financial Officer and the CA.

H.5.8 Willful breach of the First Source Employment Agreement, or failure to submit the report pursuant to section H.5.5, or deliberate submission of falsified data, may be enforced by

the CO through imposition of penalties, including monetary fines of 5% of the total amount of the direct and indirect labor costs of the contract. The Contractor shall make payment to DOES. The Contractor may appeal to the D.C. Contract Appeals Board as provided in this contract any decision of the CO pursuant to this section H.5.8.

H.5.9 The provisions of sections H.5.4 through H.5.8 do not apply to nonprofit organizations.

H.6 SECTION 504 OF THE REHABILITATION ACT OF 1973, as amended.

During the performance of the contract, the Contractor and any of its subcontractors shall comply with Section 504 of the Rehabilitation Act of 1973, as amended. This Act prohibits discrimination against disabled people in federally funded programs and activities. See 29 U.S.C. § 794 *et seq.*

H.7 AMERICANS WITH DISABILITIES ACT OF 1990 (ADA)

During the performance of this contract, the Contractor and any of its subcontractors shall comply with the ADA. The ADA makes it unlawful to discriminate in employment against a qualified individual with a disability. See 42 U.S.C. §12101 *et seq.*

H.8 WAY TO WORK AMENDMENT ACT OF 2006

H.8.1 Except as described in H.8.8 below, the Contractor shall comply with Title I of the Way to Work Amendment Act of 2006, effective June 9, 2006 (D.C. Law 16-18, D.C. Official Code §2-220.01 *et seq.*) ("Living Wage Act of 2006"), for contracts for services in the amount of \$100,000 or more in a 12-month period. The living wage rate has been adjusted to \$13.85 per hour, effective as of January 1, 2016.

H.8.2 The Contractor shall pay its employees and subcontractors who perform services under the contract no less than the current living wage published on the OCP website at www.ocp.dc.gov.

H.8.3 The Contractor shall include in any subcontract for \$15,000 or more a provision requiring the subcontractor to pay its employees who perform services under the contract no less than the current living wage rate.

H.8.4 The DOES may adjust the living wage annually and the OCP will publish the current living wage rate on its website at www.ocp.dc.gov.

H.8.5 The Contractor shall provide a copy of the Fact Sheet attached as J.6 to each employee and subcontractor who performs services under the contract. The Contractor shall also post the Notice attached as J.5 in a conspicuous place in its place of business. The Contractor shall include in any subcontract for \$15,000 or more a provision requiring the subcontractor to post the Notice in a conspicuous place in its place of business.

H.8.6 The Contractor shall maintain its payroll records under the contract in the regular course of business for a period of at least three (3) years from the payroll date, and shall include this requirement in its subcontracts for \$15,000 or more under the contract.

H.8.7 The payment of wages required under the Living Wage Act of 2006 shall be consistent with and subject to the provisions of D.C. Official Code §32-1301 *et seq.*

H.8.8 The requirements of the Living Wage Act of 2006 do not apply to:

- (1) Contracts or other agreements that are subject to higher wage level determinations required by federal law;
- (2) Existing and future collective bargaining agreements, provided, that the future collective bargaining agreement results in the employee being paid no less than the established living wage;
- (3) Contracts for electricity, telephone, water, sewer or other services provided by a regulated utility;
- (4) Contracts for services needed immediately to prevent or respond to a disaster or eminent threat to public health or safety declared by the Mayor;
- (5) Contracts or other agreements that provide trainees with additional services including, but not limited to, case management and job readiness services; provided that the trainees do not replace employees subject to the Living Wage Act of 2006;
- (6) An employee under 22 years of age employed during a school vacation period, or enrolled as a full-time student, as defined by the respective institution, who is in high school or at an accredited institution of higher education and who works less than 25 hours per week; provided that he or she does not replace employees subject to the Living Wage Act of 2006;
- (7) Tenants or retail establishments that occupy property constructed or improved by receipt of government assistance from the District of Columbia; provided, that the tenant or retail establishment did not receive direct government assistance from the District;
- (8) Employees of nonprofit organizations that employ not more than 50 individuals and qualify for taxation exemption pursuant to section 501(c)(3) of the Internal Revenue Code of 1954, approved August 16, 1954 (68A Stat. 163; 26 U.S.C. § 501(c)(3));
- (9) Medicaid provider agreements for direct care services to Medicaid recipients, provided, that the direct care service is not provided through a home care agency, a community residence facility, or a group home for mentally retarded persons as those terms are defined in section 2 of the Health-Care and Community Residence Facility, Hospice, and Home Care Licensure Act of 1983, effective February 24, 1984 (D.C. Law 5-48; D.C. Official Code § 44-501); and
- (10) Contracts or other agreements between managed care organizations and the Health Care Safety Net Administration or the Medicaid Assistance Administration to provide health services.

H.8.9 The Mayor may exempt a contractor from the requirements of the Living Wage Act of 2006, subject to the approval of Council, in accordance with the provisions of Section 109 of the Living Wage Act of 2006.

H.9 SUBCONTRACTING REQUIREMENTS**H.9.1 Mandatory Subcontracting Requirements**

H.9.1.1 Unless the Director of the Department of Small and Local Business Development (DSLBD) has approved a waiver in writing, for all contracts in excess of \$250,000, at least 35% of the dollar volume of the contract shall be subcontracted to qualified small business enterprises (SBEs).

- H.9.1.2** If there are insufficient SBEs to completely fulfill the requirement of paragraph (a)(1), then the subcontracting may be satisfied by subcontracting 35% of the dollar volume to any qualified certified business enterprises (CBEs); provided, however, that all reasonable efforts shall be made to ensure that SBEs are significant participants in the overall subcontracting work.
- H.9.1.3** A prime contractor that is certified by DSLBD as a small, local or disadvantaged business enterprise shall not be required to comply with the provisions of sections (a)(1) and (a)(2) of this clause.
- H.9.1.4** Except as provided in (a)(5) and (a)(7), a prime contractor that is a CBE and has been granted a proposal preference pursuant to D.C. Official Code § 2-218.43, or is selected through a set-aside program, shall perform at least 35% of the contracting effort with its own organization and resources and, if it subcontracts, 35% of the subcontracting effort shall be with CBEs. A CBE prime contractor that performs less than 35% of the contracting effort shall be subject to enforcement actions under D.C. Official Code § 2-218.63.
- H.9.1.5** A prime contractor that is a certified joint venture and has been granted a proposal preference pursuant to D.C. Official Code § 2-218.43, or is selected through a set-aside program, shall perform at least 50% of the contracting effort with its own organization and resources and, if it subcontracts, 35% of the subcontracting effort shall be with CBEs. A certified joint venture prime contractor that performs less than 50% of the contracting effort shall be subject to enforcement actions under D.C. Official Code § 2-218.63.
- H.9.1.6** Each CBE utilized to meet these subcontracting requirements shall perform at least 35% of its contracting effort with its own organization and resources.
- H.9.1.7** A prime contractor that is a CBE and has been granted a proposal preference pursuant to D.C. Official Code § 2-218.43, or is selected through a set-aside program, shall perform at least 50% of the on-site work with its own organization and resources if the contract is \$1 million or less.

H.9.2 **Subcontracting Plan**

If the prime contractor is required by law to subcontract under this contract, it must subcontract at least 35% of the dollar volume of this contract in accordance with the provisions of section (a) of this clause. The plan shall be submitted as part of the proposal and may only be amended after award with the prior written approval of the CO and Director of DSLBD. Any reduction in the dollar volume of the subcontracted portion resulting from an amendment of the plan after award shall inure to the benefit of the District.

Each subcontracting plan shall include the following:

- H.9.2.1** The name and address of each subcontractor;
- H.9.2.2** A current certification number of the small or certified business enterprise;

H.9.2.3 The scope of work to be performed by each subcontractor; and

H.9.2.4 The price that the prime contractor will pay each subcontractor.

H.9.3 **Copies of Subcontracts**

H.9.3.1 Within twenty-one (21) days of the date of award, the Contractor shall provide fully executed copies of all subcontracts identified in the subcontracting plan to the CO, CA, District of Columbia Auditor and the Director of DSLBD.

H.9.4 **Subcontracting Plan Compliance Reporting**

H.9.4.1 If the Contractor has a subcontracting plan required by law for this contract, the Contractor shall submit a quarterly report to the CO, CA, District of Columbia Auditor and the Director of DSLBD. The quarterly report shall include the following information for each subcontract identified in the subcontracting plan:

- (A) The price that the prime contractor will pay each subcontractor under the subcontract;
- (B) A description of the goods procured or the services subcontracted for;
- (C) The amount paid by the prime contractor under the subcontract; and
- (D) A copy of the fully executed subcontract, if it was not provided with an earlier quarterly report.

H.9.4.2 If the fully executed subcontract is not provided with the quarterly report, the prime contractor will not receive credit toward its subcontracting requirements for that subcontract.

H.9.5 **Annual Meetings**

H.9.5.1 Upon at least 30-days written notice provided by DSLBD, the Contractor shall meet annually with the CO, CA, District of Columbia Auditor and the Director of DSLBD to provide an update on its subcontracting plan.

H.9.6 **Notices**

H.9.6.1 The Contractor shall provide written notice to the DSLBD and the District of Columbia Auditor upon commencement of the contract and when the contract is completed.

H.9.7 **Enforcement and Penalties for Breach of Subcontracting Plan**

H.9.7.1 A contractor shall be deemed to have breached a subcontracting plan required by law, if the contractor (i) fails to submit subcontracting plan monitoring or compliance reports or other required subcontracting information in a reasonably timely manner; (ii) submits a monitoring or compliance report or other required subcontracting

CW41701

Child Support Services Division - State Disbursement Unit

information containing a materially false statement; or (iii) fails to meet its subcontracting requirements.

H.9.7.2 A contractor that is found to have breached its subcontracting plan for utilization of CBEs in the performance of a contract shall be subject to the imposition of penalties, including monetary fines in accordance with D.C. Official Code § 2-218.63.

H.9.7.3 If the CO determines the Contractor's failure to be a material breach of the contract, the CO shall have cause to terminate the contract under the default provisions in **Clause 8 of the SCP, Default.**

H.10 Letter Contract merges with Definitized Contract

H.10.1 Upon award the definitized contract, the letter contract shall merge with the definitized contract and the award date of the definitized contract shall be the same as the date of award for the letter contract.

SECTION I
STANDARD CONTRACT CLAUSES

I.1 APPLICABILITY OF STANDARD CONTRACT PROVISIONS

The Standard Contract Provisions for use with District of Columbia Government Supplies and Services Contracts dated July 2010 (Attachment J.1) are incorporated as part of the contract resulting from this solicitation.

I.2 CONTRACTS THAT CROSS FISCAL YEARS

Continuation of this contract beyond the current fiscal year is contingent upon future fiscal appropriations.

I.3 CONFIDENTIALITY OF INFORMATION

All information obtained by Contractor relating to any employee or customer of the District will be kept in absolute confidence and shall not be used by Contractor in connection with any other matters, nor shall any such information be disclosed to any other person, firm, or corporation, in accordance with the District and Federal laws governing the confidentiality of records.

I.4 TIME

Time, if stated in a number of days, will include Saturdays, Sundays, and holidays, unless otherwise stated herein.

I.5 RIGHTS IN DATA

I.5.1 "Data," as used herein, means recorded information, regardless of form or the media on which it may be recorded. The term includes technical data and computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.

I.5.2 The term "Technical Data", as used herein, means recorded information, regardless of form or characteristic, of a scientific or technical nature. It may, for example, document research, experimental, developmental or engineering work, or be usable or used to define a design or process or to procure, produce, support, maintain, or operate material. The data may be graphic or pictorial delineations in media such as drawings or photographs, text in specifications or related performance or design type documents or computer printouts. Examples of technical data include research and engineering data, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information, and computer software documentation. Technical data does not include computer software or financial, administrative, cost and pricing, and management data or other information incidental to contract administration.

- I.5.3** The term "Computer Software", as used herein means computer programs and computer databases. "Computer Programs", as used herein means a series of instructions or statements in a form acceptable to a computer, designed to cause the computer to execute an operation or operations. "Computer Programs" include operating systems, assemblers, compilers, interpreters, data management systems, utility programs, sort merge programs, and automated data processing equipment maintenance diagnostic 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 designed to satisfy the requirements of a particular user.
- I.5.4** The term "computer databases", as used herein, means a collection of data in a form capable of being processed and operated on by a computer.
- I.5.5** All data first produced in the performance of this Contract shall be the sole property of the District. Contractor hereby acknowledges that all data, including, without limitation, computer program codes, produced by Contractor for the District under this Contract, are works made for hire and are the sole property of the District; but, to the extent any such data may not, by operation of law, be works made for hire, Contractor hereby transfers and assigns to the District the ownership of copyright in such works, whether published or unpublished. Contractor agrees to give the District all assistance reasonably necessary to perfect such rights including, but not limited to, the works and supporting documentation and the execution of any instrument required to register copyrights. Contractor agrees not to assert any rights in common law or in equity in such data. Contractor shall not publish or reproduce such data in whole or in part or in any manner or form, or authorize others to do so, without written consent of the District until such time as the District may have released such data to the public.
- I.5.6** The District will have restricted rights in data, including computer software and all accompanying documentation, manuals and instructional materials, listed or described in a license or agreement made a part of this contract, which the parties have agreed will be furnished with restricted rights, provided however, notwithstanding any contrary provision in any such license or agreement, such restricted rights shall include, as a minimum the right to:
- I.5.6.1** Use the computer software and all accompanying documentation and manuals or instructional materials with the computer for which or with which it was acquired, including use at any District installation to which the computer may be transferred by the District;
- I.5.6.2** Use the computer software and all accompanying documentation and manuals or instructional materials with a backup computer if the computer for which or with which it was acquired is inoperative;
- I.5.6.3** Copy computer programs for safekeeping (archives) or backup purposes; and modify the computer software and all accompanying documentation

Child Support Services Division - State Disbursement Unit
and manuals or instructional materials, or combine it with other
software, subject to the provision that the modified portions shall remain
subject to these restrictions.

I.5.7 The restricted rights set forth in Section I.5.6 are of no effect unless

(c) the data is marked by Contractor with the following legend:

RESTRICTED RIGHTS LEGEND

Use, duplication, or disclosure is subject to restrictions stated in Contract
No. _____
With _____ (Contractor's Name); and,

(ii) If the data is computer software, the related computer software
documentation includes a prominent statement of the restrictions
applicable to the computer software. Contractor may not place any
legend on the computer software indicating restrictions on the District's
rights in such software unless the restrictions are set forth in a license or
agreement made a part of the contract prior to the delivery date of the
software. Failure of Contractor to apply a restricted rights legend to such
computer software shall relieve the District of liability with respect to
such unmarked software.

I.5.8 In addition to the rights granted in Section I.5.6 above, Contractor hereby grants
to the District a nonexclusive, paid-up license throughout the world, of the same
scope as restricted rights set forth in Section I.5.6 above, under any copyright
owned by Contractor, in any work of authorship prepared for or acquired by the
District under this contract. Unless written approval of the Contracting Officer is
obtained, Contractor shall not include in technical data or computer software
prepared for or acquired by the District under this contract any works of
authorship in which copyright is not owned by Contractor without acquiring for
the District any rights necessary to perfect a copyright license of the scope
specified in the first sentence of this paragraph.

I.5.9 Whenever any data, including computer software, are to be obtained from a
subcontractor under this contract, Contractor shall use this clause, I.5, Rights in
Data, in the subcontract, without alteration, and no other clause shall be used to
enlarge or diminish the District's or Contractor's rights in that subcontract data
or computer software which is required for the District.

I.5.10 For all computer software furnished to the District with the rights specified in
Section I.5.5, Contractor shall furnish to the District, a copy of the source code
with such rights of the scope specified in Section I.5.5. For all computer software
furnished to the District with the restricted rights specified in Section I.5.6, the
District, if Contractor, either directly or through a successor or affiliate shall cease
to provide the maintenance or warranty services provided the District under this
contract or any paid-up maintenance agreement, or if Contractor should be
declared bankrupt or insolvent by a court of competent jurisdiction, shall have the

right to obtain, for its own and sole use only, a single copy of the then current version of the source code supplied under this contract, and a single copy of the documentation associated therewith, upon payment to the person in control of the source code the reasonable cost of making each copy.

I.5.11 Contractor shall indemnify and save and hold harmless the District, its officers, agents and employees acting within the scope of their official duties against any liability, including costs and expenses, for (i) violation of proprietary rights, copyrights, or rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use or disposition of any data furnished under this contract, or, (ii) based upon any data furnished under this contract, or based upon libelous or other unlawful matter contained in such data.

I.5.12 Nothing contained in this clause shall imply a license to the District under any patent, or be construed as affecting the scope of any license or other right otherwise granted to the District under any patent.

I.5.13 Paragraphs I.5.6, I.5.7, I.5.8, I.5.11 and I.5.12 above are not applicable to material furnished to Contractor by the District and incorporated in the work furnished under contract, provided that such incorporated material is identified by Contractor at the time of delivery of such work

I.6 OTHER CONTRACTORS

Contractor shall not commit or permit any act that will interfere with the performance of work by another District contractor or by any District employee.

I.7 SUBCONTRACTS

Contractor hereunder shall not subcontract any of Contractor's work or services to any subcontractor without the prior written consent of the Contracting Officer. Any work or service so subcontracted shall be performed pursuant to a subcontract agreement, which the District will have the right to review and approve prior to its execution by Contractor. Any such subcontract shall specify that Contractor and the subcontractor shall be subject to every provision of this contract. Notwithstanding any such subcontract approved by the District, Contractor shall remain liable to the District for all Contractor's work and services required hereunder.

I.8 INSURANCE

- A. **GENERAL REQUIREMENTS.** The Contractor shall procure and maintain, during the entire period of performance under this contract, the types of insurance specified below. The Contractor shall have its insurance broker or insurance company submit a Certificate of Insurance to the CO giving evidence of the required coverage prior to commencing performance under this contract. In no event shall any work be performed until the required Certificates of Insurance signed by an authorized representative of the insurer(s) have been provided to, and accepted by, the CO. All insurance shall be written with financially responsible companies authorized to do

business in the District of Columbia or in the jurisdiction where the work is to be performed and have an A.M. Best Company rating of A-VIII or higher. The Contractor shall require all of its subcontractors to carry the same insurance required herein. The Contractor shall ensure that all policies provide that the CO shall be given thirty (30) days prior written notice in the event the stated limit in the declarations page of the policy is reduced via endorsement or the policy is canceled prior to the expiration date shown on the certificate. The Contractor shall provide the CO with ten (10) days prior written notice in the event of non-payment of premium.

1. Commercial General Liability Insurance. The Contractor shall provide evidence satisfactory to the CO with respect to the services performed that it carries \$1,000,000 per occurrence limits; \$2,000,000 aggregate; Bodily Injury and Property Damage including, but not limited to: premises-operations; broad form property damage; Products and Completed Operations; Personal and Advertising Injury; contractual liability and independent contractors. The policy coverage shall include the District of Columbia as an additional insured, shall be primary and non-contributory with any other insurance maintained by the District of Columbia, and shall contain a waiver of subrogation. The Contractor shall maintain Completed Operations coverage for five (5) years following final acceptance of the work performed under this contract.
2. Automobile Liability Insurance. The Contractor shall provide automobile liability insurance to cover all owned, hired or non-owned motor vehicles used in conjunction with the performance of this contract. The policy shall provide a \$1,000,000 per occurrence combined single limit for bodily injury and property damage.
3. Workers' Compensation Insurance. The Contractor shall provide Workers' Compensation insurance in accordance with the statutory mandates of the District of Columbia or the jurisdiction in which the contract is performed.

Employer's Liability Insurance. The Contractor shall provide employer's liability insurance as follows: \$500,000 per accident for injury; \$500,000 per employee for disease; and \$500,000 for policy disease limit.

- B. DURATION. The Contractor shall carry all required insurance until all contract work is accepted by the District, and shall carry the required General Liability; any required Professional Liability; and any required Employment Practices Liability insurance for five (5) years following final acceptance of the work performed under this contract.
- C. LIABILITY. These are the required minimum insurance requirements established by the District of Columbia. **HOWEVER, THE REQUIRED MINIMUM INSURANCE REQUIREMENTS PROVIDED ABOVE WILL NOT IN ANY WAY LIMIT THE CONTRACTOR'S LIABILITY UNDER THIS CONTRACT.**
- D. CONTRACTOR'S PROPERTY. Contractor and subcontractors are solely responsible

for any loss or damage to their personal property, including but not limited to tools and equipment, scaffolding and temporary structures, rented machinery, or owned and leased equipment. A waiver of subrogation shall apply in favor of the District of Columbia.

- E. **MEASURE OF PAYMENT.** The District shall not make any separate measure or payment for the cost of insurance and bonds. The Contractor shall include all of the costs of insurance and bonds in the contract price.
- F. **NOTIFICATION.** The Contractor shall immediately provide the CO with written notice in the event that its insurance coverage has or will be substantially changed, canceled or not renewed, and provide an updated certificate of insurance to the CO.
- G. **CERTIFICATES OF INSURANCE.** The Contractor shall submit certificates of insurance giving evidence of the required coverage as specified in this section prior to commencing work. Evidence of insurance shall be submitted to:

Denise Burton-Johnson, Contract Specialist
Office of Contracting and Procurement
441 4th Street, NW – Suite 700S
Washington, DC 20001
Phone No. 202-724-4455 / Email: denise.burton@dc.gov

H. **DISCLOSURE OF INFORMATION.** The Contractor agrees that the District may disclose the name and contact information of its insurers to any third party which presents a claim against the District for any damages or claims resulting from or arising out of work performed by the Contractor, its agents, employees, servants or subcontractors in the performance of this contract

I.9 EQUAL EMPLOYMENT OPPORTUNITY

In accordance with the District of Columbia Administrative Issuance System, Mayor's Order 85-85 dated June 10, 1985, the forms for completion of the Equal Employment Opportunity Information Report are incorporated herein as Attachment J.3. An award cannot be made to any Offeror who has not satisfied the equal employment requirements.

I.10 ORDER OF PRECEDENCE

Any inconsistency in this solicitation shall be resolved by giving precedence in the following order:

- a. Supplies or Services and Price/Cost Section (Section B)
- b. Specifications/Work Statement (Section C)
- c. Special Contract Requirements (Section H)
- d. Deliveries and Performance (Section F)
- e. Contract Clauses (Section I)
- f. Contract Administration Data (Section G)
- g. Inspection and Acceptance (Section E)
- h. Contract Attachments (Section J) in the order they appear
- i. Letter Contract

I.11 CONTRACTS IN EXCESS OF \$1 MILLION DOLLARS

Any contract in excess of \$1,000,000 shall not be binding or give rise to any claim or demand against the District until approved by the Council of the District of Columbia and signed by the Contracting Officer.

I.12 GOVERNING LAW

This contract, and any disputes arising out of or related to this contract, shall be governed by, and construed in accordance with, the laws of the District of Columbia.

I.13 MULTIYEAR CONTRACTS

A multiyear contract shall not be binding or give rise to any claim or demand against the District until approved by the Council of the District of Columbia. The funds must be available for the first fiscal period at the time of award, and the contract must be signed by the Contracting Officer. The First fiscal year requirements of the contract, and funds for requirements in each subsequent contract term, shall be obligated one (1) fiscal year at a time.

I.14 CANCELLATION OF MULTIYEAR CONTRACTS

At the end of each fiscal year, a multiyear contract shall be canceled if sufficient budget authority is not available to fund the contract during a subsequent fiscal year

I.15 CANCELLATION CEILING

In accordance with Article 26, Multiyear Contract, of the District of Columbia Standard Contract Provisions for use with On-Line Solicitations and Purchase Orders Only, dated July 2010 and 27 DCMR §2004, in the event of cancellation of the contract because of non-appropriation of funds for fiscal year 2016, 2017, and 2018, there shall be a cancellation ceiling of \$TBD (FY2016); \$TBD (FY2017); \$TBD (FY2018).

LIST OF ATTACHMENTS

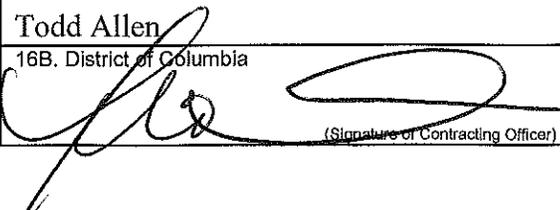
The following list of attachments are incorporated into the solicitation by reference and made a part of the resulting contract in the order of priority described in I.10.

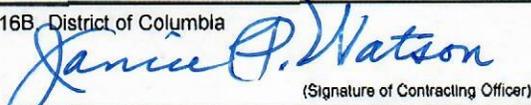
Attachment Number	Document
J.1	Standard Contract Provisions for Use with the Supply and Service Contract, dated July 2010 available at www.ocp.dc.gov click on "Solicitation Attachments"
J.2	U.S. Department of Labor Wage Determination No.: 2005--4281, Revision No.: 2, Date Of Revision: 12/29/2015
J.3	Office of Local Business Development Equal Employment Opportunity Information Report and Mayor's Order 85-85 available at www.ocp.dc.gov click on "Solicitation Attachments"
J.4	Department of Employment Services First Source Employment Agreement available at www.ocp.dc.gov click on "Solicitation Attachments"
J.5	Way to Work Amendment Act of 2006 - Living Wage Notice Effective January 1, 2014, the living wage rate is \$13.60.
J.6	Way to Work Amendment Act of 2006 - Living Wage Fact Sheet Effective January 1, 2014
J.7	Tax Certification Affidavit
J.8	Cost/Price Certification and Data Package available at www.ocp.dc.gov click on "Solicitation Attachments"
J.9	Past Performance Evaluation Form
J.10	Letter Contract Dated March 3, 2016

**SECTION K
REPRESENTATIONS, CERTIFICATIONS,
AND OTHER STATEMENTS OF OFFERORS**

Bidder/Offeror Certification Form

available at www.ocp.dc.gov click on "Solicitation Attachments"

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT			1. Contract Number CW41701	Page of Pages 1 1	
2. Amendment/Modification Number Mod 0001	3. Effective Date See 16c	4. Requisition/Purchase Request No.	5. Solicitation Caption Child Support		
6. Issued by: Office of Contracting and Procurement 441 4 th Street, N.W., Suite 700 South Washington, D.C. 20001		Code	7. Administered by (If other than line 6) Office of the Attorney General Child Support Services Division 441 4 th Street, N.W., Suite 550N Washington, D.C. 20001		
8. Name and Address of Contractor (No. street, city, county, state and zip code) Systems and Methods, Inc. 106 Wedgewood Square Carrolton, GA 30117 Attn: Karen Middlebrooks		9A. Amendment of Solicitation No.		9B. Dated (See Item 11)	
Code		Facility		10A. Modification of Contractor/Order No. X CW41701	
				10B. Dated (See Item 13) 5/25/16	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) BY separate letter or fax which includes a reference to the solicitation and amendment number. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such may be made by letter or fax, provided each letter or telegram makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
12. Accounting and Appropriation Data (If Required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTORS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14					
A. This change order is issued pursuant to (Specify Authority):					
X B. The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation data etc.) set forth in item 14, pursuant to the authority of: 27 DCMR, Chapter 36, Section 3601.2.					
C. This supplemental agreement is entered into pursuant to authority of: 27 DCMR 3601.2					
D. Other (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not <input type="checkbox"/> is required to sign this document and return one (1) copy to the issuing office.					
14. Description of Amendment/Modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.) 1 – Section 7.1 – CONTRACTING OFFICER (CO) – The Contracting Officer is changed to: Sanaz Etminan, Sr. Contracting Officer DC Office of the Attorney General 441 4th Street, NW Suite 1100S Washington, DC 20001 Desk: (202) 442-9882 Sanaz.etminan@dc.gov					
Except as provided herein, all terms and conditions of the document is referenced in Item 9A or 10A remain unchanged and in full force and effect.					
15A. Name and Title of Signer (Type or print)			16A. Name of Contracting Officer		
			Todd Allen		
15B. Name of Contractor		15C. Date Signed	16B. District of Columbia		16C. Date Signed
(Signature of person authorized to sign)					3/8/10
			(Signature of Contracting Officer)		

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT			1. Contract Number CW41701	Page of Pages 1 1	
2. Amendment/Modification Number M00002	3. Effective Date See block 16C	4. Requisition/Purchase Request No.	5. Solicitation Caption Child Support Services Division -SDU Support		
6. Issued by: Office of the Attorney General 441 4 th Street, Suite 1100 South Washington, DC 20001		Code	7. Administered by (If other than line 6) Office of the Attorney General 441 4 th Street, Suite 550N Washington, DC 20001		
8. Name and Address of Contractor (No. street, city, county, state and zip code) Systems and Methods, Inc. 106 Wedgewood Square Carrolton, GA 30117		9A. Amendment of Solicitation No.		9B. Dated (See Item 11)	
Code		Facility		10A. Modification of Contractor/Order No. X CW41701	
				10B. Dated (See Item 13) March 15, 2016	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) BY separate letter or fax which includes a reference to the solicitation and amendment number. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such may be made by letter or fax, provided each letter or telegram makes reference to the solicitation and this amendment and is received prior to the opening hour and date specified.					
12. Accounting and Appropriation Data (If Required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTORS/ORDERS , IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14					
A. This change order is issued pursuant to (Specify Authority): 27 DCMR, Chapter 36, Section 3601.2(b) The changes set forth in item 14 are made in the contract/order no. in item 10A.					
B. The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation data etc.) set forth in item 14, pursuant to the authority of: 27 DCMR, Chapter 36, Section 3601.2					
X C. This supplemental agreement is entered into pursuant to authority of: 27 DCMR, Chapter 50, Section 5045.4 bilateral Modification					
D. Other (Specify type of modification and authority) 27 DCMR, Chapter 20, section 2008					
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return one (1) copy to the issuing office.					
14. Description of Amendment/Modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.)					
1. Contract CW41701 is hereby modified as follows: A. Attachment A – titled - "IRS Safeguarding Requirements" is hereby incorporated into the contract in its entirety.					
Except as provided herein, all terms and conditions of the document is referenced in Item 9A or 10A remain unchanged and in full force and effect.					
15A. Name and Title of Signer (Type or print) Bill Stone, CFO			16A. Name of Contracting Officer Janice Parker Watson		
15B. Name of Contractor 		15C. Date Signed 9-27-18	16B. District of Columbia 		16C. Date Signed 9/27/2018
(Signature of person authorized to sign)				(Signature of Contracting Officer)	

ATTACHMENT A - IRS Safeguarding

Requirements Contract no

CW41701 – Modification M0002

CONTRACT LANGUAGE FOR GENERAL SERVICES

I. PERFORMANCE

In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be performed under the supervision of the contractor or the contractor's responsible employees.
- (2) The contractor and the contractor's employees with access to or who use FTI must meet the background check requirements defined in IRS Publication 1075.
- (3) Any Federal tax returns or return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor is prohibited.
- (4) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.
- (5) No work involving returns and return information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (6) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- (7) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.
- (8) (Include any additional safeguards that may be appropriate.)

II. CRIMINAL/CIVIL SANCTIONS

- (1) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or

employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRCs 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

(4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A (see Exhibit 4, Sanctions for Unauthorized Disclosure, and Exhibit 5, Civil Damages for Unauthorized Disclosure). The training provided before the initial certification and

annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

III. INSPECTION

The IRS and the Agency, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with contract safeguards.

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT			1. Contract Number CW41701	Page of Pages 1 2	
2. Amendment/Modification Number M00003	3. Effective Date March 15, 2019	4. Requisition No. RK112243	5. Solicitation Caption Child Support State Disbursement Unit		
6. Issued by: Office of the Attorney General Support Services Division/Procurement Unit 441 4 th Street NW, Suite 1100 South Washington, DC 20001-2714		Code CB0JPW	7. Administered by (If other than line 6) Office of the Attorney General Child Support Services Division 441 4 th Street NW, Suite 550 North Washington, DC 20001-2714		
8. Name and Address of Contractor (No., street, city, state and zip code) System and Methods, Inc. 106 Wedgewood Square Carrollton, GA 30117 Attn: Karen.Middlebrooks@smimail.net; (770) 834.0831, ext. 2004		X	9A. Amendment of Solicitation No.		
			9B. Dated (See Item 11)		
			10A. Modification of Contract/Order No. DCCB-2016-CW41701		
			10B. Dated (See Item 13) March 15, 2016		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning <u>one</u> copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or email which includes a reference to the solicitation and amendment number(s). FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or email, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
12. Accounting and Appropriation Data (If required) See FY19 PO601324 Net Increase \$1,510,500.00					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACT/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.					
A. This change order is issued pursuant to (Specify Authority): 27 DCMR, Chapter 36, Contract Modifications The changes set forth in Item 14 are made in the contract/order no. in item 10A.					
B. The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation data etc.) set forth in item 14, pursuant to the authority of 27 DCMR, Chapter 36, Section 3601.2.					
X C. This supplemental agreement is entered into pursuant to authority of: 27 DCMR 5044, Exercising of Options, and Section F.2, Option to Extend the Term of the Contract.					
D. Other (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not <input type="checkbox"/> is required to sign this document and return to the issuing office.					
14. Description of Amendment/Modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.) A. The Office of the Attorney General for the District of Columbia hereby exercises its option to extend the term of Contract No. CW41701, pursuant to Section F.2, Option to Extend the Term of the Contract, for the period March 15, 2019 through March 14, 2020. B. The Contracting Office is changed from the Office of Contracting and Procurement to read as shown in Block 6 above. The name of the Contracting Officer is changed to Janice Parker Watson. Email: Janice.Watson@dc.gov.					
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A remain unchanged and in full force and effect.					
15A. Name and Title of Signer (Type or print)			16A. Name of Contracting Officer Janice Parker Watson		
15B. Name of Contractor		15C. Date Signed	16B. District of Columbia <i>Janice P. Watson</i>		16C. Date Signed 3/14/2019
(Signature of person authorized to sign)			(Signature of Contracting Officer)		

D. The total amount of the Contract for Option Year One is \$2,780,000.00. The rates for the Option Year are set forth in the Price Schedule below.

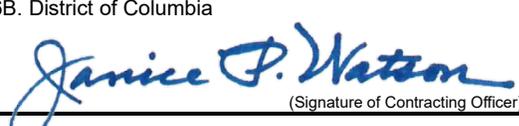
PRICE SCHEDULE

B.3.2 OPTION YEAR ONE – March 15, 2019 through March 14, 2020

Contract Line Item Number (CLIN)	Description of Services	Unit of Measure	Total Estimated Collections Annually	Fixed Unit Price	Total Extended Price
1001	Establish and Operate the District’s centralized State Disbursement Unit (SDU) as described in Section C.5 (Paper Collections)	Per Collection	143,000	\$6.95	\$993,850.00
1002	Establish and Operate the District’s centralized State Disbursement Unit (SDU) as described in Section C.5 (Automated Clearing House (ACH) Collections)	Per Collection	257,000	\$6.95	\$1,786,150.00
OPTION YEAR ONE TOTAL(NOT-TO-EXCEED)			400,000		\$2,780,000.00

RECAP

Period	Term/Subject	Mod	Total Extended Price
Base Period (3 years)	March 15, 2016 through March 14, 2019		\$8,340,000.00
Base Period (3 years)	Change of Contracting Office and Contracting Officer	M00001	No Change
Base Period (3 years)	Supplemental Agreement to incorporate IRS Safeguarding Requirements	M00002	No Change
Option Period One (Year 4)	March 15, 2019 through March 14, 2020	M00003	\$2,780,000.00
TOTAL NOT-TO-EXCEED PRICE:			\$11,120,000.00

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT				1. Contract Number		Page of Pages					
				CW41701		1	2				
2. Amendment/Modification Number M00004		3. Effective Date March 15, 2020		4. Requisition No. RK147007		5. Solicitation Caption Child Support State Disbursement Unit					
6. Issued by: Office of the Attorney General Support Services Division/Procurement Unit 441 4 th Street NW, Suite 1100 South Washington, DC 20001-2714				Code CB0JPW				7. Administered by (If other than line 6) Office of the Attorney General Child Support Services Division 441 4 th Street NW, Suite 550 North Washington, DC 20001-2714			
8. Name and Address of Contractor (No., street, city, state and zip code) System and Methods, Inc. 106 Wedgewood Square Carrollton, GA 30117 Attn: Karen.Middlebrooks@smimail.net; (770) 834.0831, ext. 2004				9A. Amendment of Solicitation No.							
				9B. Dated (See Item 11)							
				X				10A. Modification of Contract/Order No. DCCB-2016-CW41701			
								10B. Dated (See Item 13) March 15, 2016			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS											
<p>The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning <u>one</u> copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or email which includes a reference to the solicitation and amendment number(s). FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or email, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>											
12. Accounting and Appropriation Data (If required) See FY20 PO622494											
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACT/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.											
A. This change order is issued pursuant to (Specify Authority): 27 DCMR, Chapter 36, Contract Modifications The changes set forth in Item 14 are made in the contract/order no. in item 10A.											
B. The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation data etc.) set forth in item 14, pursuant to the authority of 27 DCMR, Chapter 36, Section 3601.2.											
X C. This supplemental agreement is entered into pursuant to authority of: 27 DCMR 5044, Exercising of Options, and Section F.2, Option to Extend the Term of the Contract.											
D. Other (Specify type of modification and authority)											
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not <input type="checkbox"/> is required to sign this document and return to the issuing office.											
14. Description of Amendment/Modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.) A. The Office of the Attorney General for the District of Columbia hereby exercises its option to extend the term of Contract No. CW41701, pursuant to Section F.2, Option to Extend the Term of the Contract, for the final option year, the period March 15, 2020 through March 14, 2021. B. The total amount of the Contract for the final option year is \$2,780,000.00. The rates for the Option Year are unchanged, as set forth in the Price Schedule on page 2.											
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A remain unchanged and in full force and effect.											
15A. Name and Title of Signer (Type or print)				16A. Name of Contracting Officer							
				Janice Parker Watson							
15B. Name of Contractor		15C. Date Signed		16B. District of Columbia		16C. Date Signed					
(Signature of person authorized to sign)						3/09/2020					
				(Signature of Contracting Officer)							

PRICE SCHEDULE

B.3.2 OPTION YEAR TWO (YEAR FIVE) – March 15, 2020 through March 14, 2021

Contract Line Item Number (CLIN)	Description of Services	Unit of Measure	Total Estimated Collections Annually	Fixed Unit Price	Total Extended Price
2001	Establish and Operate the District’s centralized State Disbursement Unit (SDU) as described in Section C.5 (Paper Collections)	Per Collection	143,000	\$6.95	\$993,850.00
2002	Establish and Operate the District’s centralized State Disbursement Unit (SDU) as described in Section C.5 (Automated Clearing House (ACH) Collections)	Per Collection	257,000	\$6.95	\$1,786,150.00
OPTION YEAR ONE TOTAL(NOT-TO-EXCEED)			400,000		\$2,780,000.00

RECAP

Period	Term/Subject	Mod	Total Extended Price
Base Period (3 years)	March 15, 2016 through March 14, 2019		\$8,340,000.00
Base Period (3 years)	Change of Contracting Office and Contracting Officer	M00001	No Change
Base Period (3 years)	Supplemental Agreement to incorporate IRS Safeguarding Requirements	M00002	No Change
Option Period One (Year 4)	March 15, 2019 through March 14, 2020	M00003	\$2,780,000.00
Option Period Two (Year 5)	March 15, 2020 through March 14, 2021	M00004	\$2,780,000.00
TOTAL NOT-TO-EXCEED PRICE:			\$13,900,000.00

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT			1. Contract Number CW41701	Page of Pages 1 2		
2. Amendment/Modification Number M00005	3. Effective Date September 1, 2020	4. Requisition No. RK147007	5. Solicitation Caption Child Support State Disbursement Unit			
6. Issued by: Office of the Attorney General Support Services Division/Procurement Unit 441 4 th Street NW, Suite 1100 South Washington, DC 20001-2714		Code CB0JPW	7. Administered by (If other than line 6) Office of the Attorney General Child Support Services Division 441 4 th Street NW, Suite 550 North Washington, DC 20001-2714			
8. Name and Address of Contractor (No., street, city, state and zip code) System and Methods, Inc. 106 Wedgewood Square Carrollton, GA 30117 Attn: Karen.Middlebrooks@smimail.net; (770) 834.0831, ext. 2004		9A. Amendment of Solicitation No.				
		9B. Dated (See Item 11)				
		X	10A. Modification of Contract/Order No. DCCB-2016-CW41701			
			10B. Dated (See Item 13) March 15, 2016			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS						
The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning <u>one</u> copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or email which includes a reference to the solicitation and amendment number(s). FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or email, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.						
12. Accounting and Appropriation Data (If required) See FY20 PO622494						
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACT/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.						
	A. This change order is issued pursuant to (Specify Authority): The changes set forth in Item 14 are made in the contract/order no. in item 10A.					
	B. The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation data etc.) set forth in item 14, pursuant to the authority of 27 DCMR, Chapter 36, Section 3601.2.					
X	C. This supplemental agreement is entered into pursuant to authority of: 27 DCMR 5045, Contract Modifications and mutual agreement of the parties.					
	D. Other (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return to the issuing office.						
14. Description of Amendment/Modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.) The Office of the Attorney General for the District of Columbia and Systems and Methods, Inc. hereby mutually agree to modify Contract No. CW41701 to add a process by which paper payments received by CSSD will be transmitted to the Contractor for processing. The Contractor's proposed solution outlined in the Client Change Request Form dated May 8, 2020 is accepted and hereby incorporated into the contract by reference. Accordingly, the following changes are made to the contract terms: A. Section C.5.1.1.2.3 is added to read as follows: If checks are received at CSSD, CSSD staff will scan the check and any supporting documentation to the Contractor so that the Contractor can process the payment. The Contractor shall process the scanned payment in accordance with section C.5.1.1 Mail (Paper) Payment.						
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A remain unchanged and in full force and effect.						
15A. Name and Title of Signer (Type or print) Joe Stone, CEO			16A. Name of Contracting Officer Janice Parker Watson			
15B. Name of Contractor  (Signature of person authorized to sign)		15C. Date Signed 7/31/2020	16B. District of Columbia  (Signature of Contracting Officer)		16C. Date Signed 7/31/2020	

B. Section C.3.2.2.3 Electronic Payment Alternatives (Other) is revised to read as follows:

The Contractor shall provide, implement, and maintain other electronic payment alternatives or technology to simplify the collection process, achieve greater efficiency, and provide savings to the District.

- a. Ability to receive and identify payments locally via electronic transfer of financial instruments and documentation from CSSD for processing.

C. There is no change to the contract price as a result of this modification.

RECAP

Period	Term/Subject	Mod	Total Extended Price
Base Period (3 years)	March 15, 2016 through March 14, 2019		\$8,340,000.00
Base Period (3 years)	Change of Contracting Office and Contracting Officer	M00001	No Change
Base Period (3 years)	Supplemental Agreement to incorporate IRS Safeguarding Requirements	M00002	No Change
Option Period One (Year 4)	March 15, 2019 through March 14, 2020	M00003	\$2,780,000.00
Option Period Two (Year 5)	March 15, 2020 through March 14, 2021	M00004	\$2,780,000.00
Option Period Two (Year 5)	Supplemental Agreement to incorporate process to transmit checks received at CSSD to the Contractor for processing	M00005	No Change
TOTAL NOT-TO-EXCEED PRICE:			\$13,900,000.00