



OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



RFP 21-07 Prepaid Card Services Questions & Answers

1. Please provide the following information for the State's prepaid card programs per month, separated by program (Unemployment, Child Support, Payroll, Retirement and Lottery) for 2019 and 2020.
 - a. # of Active Electronic Payment Cards
 - b. Frequency of loads (i.e., weekly, bi-weekly, monthly)
 - c. Average load amount
 - d. Total dollar amount of loads
 - e. Current fee schedule

 - f. # of IVR calls (UI)
 - g. # of IVR calls (Child Support)
 - h. # of IVR calls (Payroll)

 - i. # of calls transferred to a customer service representative (UI)
 - j. # of calls transferred to a customer service representative (Child Support)
 - k. # of calls transferred to a customer service representative (Payroll)

Volume and fee information is located on pages 10 thru 13.

2. Given the current limited ability to work in an office location, would the State be willing to:
 - a. accept the bidder's response electronically (in lieu of hard copies), either by email or mailing USB drives or CDs?
[Refer to RFP 21-07 Amendment No. 2](#)

 - b. accept electronic signatures (DocuSign) for all required documentation?
[We will work with bidders on methods of accepting signatures.](#)
3. Does the State intend to award all prepaid debit card services to one vendor? Or do they plan to award multiple contracts for each program?
[The State's plan is to award to one bidder.](#)
4. Would the State be willing to consider a phased-in approach to launch across the five programs? Or does the State plan to launch programs simultaneously?



OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



The state will expect the bidder to provide an implementation plan to get all current users on the new prepaid card system by the date specified in the RFP.

5. **Can the State confirm what payment options are available to recipients by program (i.e. Direct Deposit, check, prepaid card, etc.) and what is the current percentage breakdown of payment type (i.e. X% paid via direct deposit, X% paid via prepaid card, etc.)? Volume and fee information is located on pages 10 thru 13.**
6. Are Lottery recipients given a choice on how to receive payment? If so, how?
Lottery will not be using the program at this time.
7. On the Lottery program, can you please confirm how many cards are funded on a monthly basis?
Lottery will not be using the program at this time.
8. Can the State confirm how many locations will distribute the prepaid card for Lottery payouts?
Lottery will not be using the program at this time.
9. On the Lottery program, can the State please confirm the minimum and maximum payout amounts?
Lottery will not be using the program at this time.
10. On the Lottery program, how will the recipients claim their prize? Will they submit the request in-person at a lottery facility, mail it in or submit the claim electronically?
Lottery will not be using this program at this time.
11. On page 7, Section 4 Evaluation Criteria, under Minimum Criteria, the State references "The Offeror must state its interest in performing various legal services to ASTO on an as-needed basis". Can you please explain what "legal services" will be expected of the vendor?
Please refer to RFP 21-07 Amendment No. 3
12. What firm does the State currently use for direct deposit disbursements within the Unemployment, Child Support and Payroll programs? Would the provider for these services be under consideration for the scope of this procurement?



OFFICE OF THE
ARIZONA STATE TREASURER



KIMBERLY YEE
TREASURER

Direct Deposit disbursements are processed by our servicing bank and direct deposit disbursement will continue to be processed by the servicing bank. Bank of America is the current servicing bank.

13. On page 47, under Exhibit C Pricing, there is the following statement: *NOTE: All services free of charge to Payroll and Retirement Cards.* Can you please clarify if this means cardholders cannot be charged any fee when using these products or only “service” fees are prohibited? If only “service” fees are prohibited, please provide an example of this fee. [This statement prohibits any fees from being charged to Payroll and Retirement Cardholders except for third-party fees, such as ATM fees.](#)

14. Deliverables: Responses must include 3 ORIGINAL printed copies and 2 complete electronic versions of the proposal on a USB drive, that will be used in the evaluation process. The original copy of the proposal should be clearly labeled “ORIGINAL”. The material should be in sequence and related to the Request for Proposal.

The process of printing/compiling printed proposals is a hands-on process that requires multiple persons in close proximity, no way to social distance. In the interest of both sustainability and preventing spread of illnesses, please consider a change of delivery requirements from hard copy to an all-electronic submission, preferably via email or Portal upload. If not possible, we recommend 1 original in print with multiple USBs.

[Refer to RFP 21-07 Amendment No. 2](#)

15. Contract Start Date On or before September 30, 2021. Describe in detail the company’s plan to transition from the legacy cards with an end day of no later than August 31, 2021. This should include a project schedule and implementation plan. The final project schedule and implementation plant will be mutually agreed upon after a Contractor is selected.

The contract start date is after the States implementation date. Contractors cannot begin work until contract has been executed.

[Refer to RFP 21-07 Amendment No. 4](#)

16. Electronic Debit Card Pricing weighting 30%

Please describe how the State will evaluate the Electronic Debit Card Pricing requirement.



OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



The State will evaluate all pricing provided by each bidder and determine which is most advantageous.

17. MINIMUM CRITERIA

These minimum criteria must be met for a Proposal to be considered for award:
The offer must be submitted by the deadline; The Offeror must provide a completed contract;

Please provide clarification as to what constitutes a completed contract, that is required as minimum criteria. Looking at Section 5 - Definitions of Terms (#2 - Contract) on pg. 9, does this refer to the entire submittal or referring to Section 7 – Definition of Terms (#1- Acceptance) on pg.25 does it mean just the Offer and Acceptance Form.

Completed contract as defined under Section 5 Uniform Instructions to Offerors, Definition of Terms, #2.

18. Detail the timing of card issuance, card funding, card defunding and closures.

Would the State clarify the types of card defunding required or does this simply the return of funds sent in error or when the card account is never activated?

Timing of card issuance, funding and defunding varies.

Defunding is removing the funds from the card and returning the monies back to the State.

19. Will the State provide the following current program metrics by agency / program for calendar years 2019 & 2020?

- a. Current Active cardholder by agency/program
- b. Deposit frequency
- c. Average deposit amount
- d. Call center volumes IVR/CSR
- e. Average length of time benefit issuance
- f. Number of in-network and out of network ATM usage for 2020

Volume and fee information is located on pages 10 thru 13.



OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



20. Will the State please confirm if all agencies are utilizing the same fee schedule for all programs? If not, please provide the individual program fee schedules.

Correction: Agencies are **not** currently utilizing the same fee structure.

21. Will the State confirm the current participating agencies all use the same file formats? If so, will the State please provide one of the file formats? If not, will the State please provide all the formats?

The agencies are currently using the file format provided by the current vendor. The current transmission to order cards and fund accounts is the same but can be processed manually or via transmission file.

22. Please provide historical data for Child Support, Unemployment Insurance, Payroll and Retirement detailing numbers of active card accounts and distribution amount.

Volume and fee information is located on pages 10 thru 13.

23. Please provide historical data on account utilization statistics for ATM and Point of Sale usage across the various programs?

Volume and fee information is located on pages 10 thru 13.

24. If lottery is included, please outline the current winning lottery disbursement process and provide the following additional information:

- What is the average dollar amount that would be disbursed to lottery card?
- How many state lottery locations will support lottery winning disbursement to a card?
- How many non-state lottery locations will support disbursement to a card?
- Could you please provide cardholder fee schedules for lottery program?
- How many cards do you expect to load annually at each Lottery location?

Lottery will not be using the program at this time.

25. On page 7, Section 4, Third bullet, Is the reference to legal services incorrect and what should the proper reference be?

Refer to RFP 21-07 Amendment No. 3

26. On page 19, Section 9, May the Contractor's insurance policy not provide additional insured and subrogation rights as long as the policy provides insurance coverage for the State's claims in the required amounts as a third-party claimant? Contractor's policy provides



OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



coverage as a third-party claimant rather than as an additional insured in the amounts required.

[Insurance sections are standard for financial RFPs for the Treasurer's office.](#)

27. On page 24, Section Financial Soundness, Will the State limit this provision to disclosures permitted by law for publicly traded companies and public filings?

[Information received should be information that is able to be shared by law, federal and state.](#)

28. On page 30, Sections 6 and 7, Are Contractor pre-existing intellectual property and modifications thereto excluded from Intellectual Property to be owned by the State?

[Yes](#)

29. On page 42, Exhibit B, third paragraph, what kind of policy is contemplated by the language "the Contractor shall provide a liability policy whereby Contractor shall relieve the Cardholder of liability for unauthorized use of the Card..."? Shouldn't the unauthorized use be handled pursuant to the Card Organizations dispute procedures? The Card Organizations have robust dispute/chargeback procedures to protect cardholders from unauthorized use.

[We require that all cards have the zero-liability protection and policy.](#)

30. Can the State please provide the following volumes by program for the prior 12 months (or other available reporting period).

- Number of active cards by month
- Number of deposits by month
- Dollar value of deposits by month
- Number of ATM in-network and out-of-network transactions by month
- Number of POS transactions per month
- Number of IVR and CSR calls received by month
- Number of new enrollments by month
- If not available, can the State provide estimated volumes?

[Volume and fee information is located on pages 10 thru 13.](#)

31. "Responses must include 3 ORIGINAL printed copies and 2 complete electronic versions of the proposal on a USB drive, that will be used in the evaluation process. The original copy of the proposal should be clearly labeled "ORIGINAL". The material should be in sequence and related to the Request for Proposal."



OFFICE OF THE
ARIZONA STATE TREASURER



KIMBERLY YEE
TREASURER

Does the State desire all 3 ORIGINAL printed copies to be clearly labeled "ORIGINAL"? Or only one ORIGINAL printed copy and two printed copies?

Only one copy should be labeled "ORIGINAL". Refer to Amendment No. 2

32. "Proposals shall be opened publicly at the time and place designated on the cover page of this document."

Would the State consider the public opening being live streamed or virtual due to the current COVID-19 pandemic and travel restrictions making it difficult for Contractors to be there in person?

Information regarding the public opening will be posted to <https://www.aztreasury.gov/requests-for-proposal> at least 48 hours prior to the public opening date.

33. Page 6 indicates the Contract Start Date is "On or before September 30, 2021". Page 40 includes a requirement for the offeror to, "detail the company's transition plan from the legacy cards with an end date of no later than August 31, 2021."

Can the State estimate the "Award Business" date and clarify whether this date represents the start date for the transition plan? Is September 30, 2021, the date the Contractor is expected to begin depositing payments to the new cards?

Refer to Amendment No. 4

34. "The Offeror must provide a completed contract"
Would the State please provide more detail on what the completed contract includes?
The signed RFP 21-07 and Amendments constitutes as the completed contract.

35. Page 7, Section 4, Minimum Criteria, third bullet: Can the State clarify the meaning of "various legal services" as it relates to this RFP?

Refer to RFP 21-07 Amendment No. 3

36. Page 7, Section 4, Minimum Criteria, fourth bullet: "Offeror's answers to Section 8 – Exhibits and Attachments, Exhibits A through G must be responsive and complete."

Page 11, Section 5, Offer Preparation, 1.: "An Offer shall be submitted either on the forms provided in this Solicitation or their substantial equivalent."



OFFICE OF THE
ARIZONA STATE TREASURER



KIMBERLY YEE
TREASURER

Will the State confirm that “forms” include Section 2 Offer and Acceptance and Exhibits A-G? If so, does the State require a response to Exhibit E, which indicates it is provided for reference only?

[Exhibit E is a statutory reference that guides bidders to identify confidential information that shouldn't be shared in the instance of a FOIA request.](#)

37. Page 7, Section 4, Figure 2: For Electronic Debit Card Pricing, should the table reference Exhibit C instead of Exhibit A? For Customer Service/Product Features, should the table reference Exhibit A and Exhibit B?

[Refer to Amendment No. 4](#)

38. Page 8, Section 4, Pricing: “Prices must be shown on the pricing schedule of this RFP shown in Exhibit C – Pricing.”

Exhibit C – Pricing does not include a pricing schedule. Please clarify Offeror requirements for including a pricing schedule.

[Exhibit C provides guidelines for the pricing. The bidder should provide a list of all prices charged to the cardholder based on the guidelines outlined in Exhibit C.](#)

39. Page 18, Section 6, 7. Commercial Crime Policy or Blanket Fidelity Bond: “Coverage Amount \$35,000,000”

Would the State consider lowering the coverage amount for the Commercial Crime Policy or Blanket Fidelity Bond? While requiring a Commercial Crime Policy is understandable, it seems a lesser amount (\$10,000,000 - \$15,000,000) is more standard for these types of programs.

[This is the standard amount used in the State Treasurer's financial RFPs.](#)

40. Page 23, Section 6, SSAE-16: “The successful bidder must provide its most current report by its independent auditors of its internal controls. The SSAE 16 report must cover the services provided by the contractor resulting from this document.”

Can the State clarify the required audit report (e.g., SSAE-16 or 18) and whether this is an annual or one-time deliverable during operations?

[This should be SSAE 18. It should be provided with all other RFP documents. The selected bidder will be required to supply this information throughout the term of the contract including extensions when requested.](#)



OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



41. Page 41, Section 8, Exhibit A, fifth bullet: Can the State provide more information on instances when cards would be defunded?

[This could occur when a cardholder is no longer part of a program and the funds remaining should be given back to the State.](#)

42. Page 44, Section 8, Exhibit B, Product Features, first paragraph: "The Contractor shall provide a standard card design with and without client designated logos, purchase plastic stock and be responsible for ordering, embossing, encoding and delivering products designated as requested by each participating State Agency. Normal delivery of cards should be via first-class mail, but the Contractor shall have an option for expedited card shipment. The Contractor will be responsible for all associated expenses."

Please confirm this requirement does not preclude Contractors from charging a Cardholder fee for expedited card replacement.

[Contractors can charge cardholders a fee for expedited card replacement.](#)

43. Page 44, Section 8, Exhibit B, Product Features, fourth paragraph: "The Card shall allow for no limits on purchase transactions and no limits on teller cash transactions (up to available balance) if requested by the agency."

In accordance with industry standards, may Contractors set velocity/spend limits to reduce potential fraud?

[Yes, within industry standards.](#)

44. Page 47, Section 8, Exhibit C, NOTE: "NOTE: All services free of charge to Payroll and Retirement Cards."

Please confirm this statement prohibits any fees from being charged to Payroll and Retirement Cardholders and not only the fees listed in Exhibit C: Pricing.

[This statement prohibits any fees from being charged to Payroll and Retirement Cardholders except for third-party fees, such as ATM fees.](#)

	UI	Child Support	Payroll	AZ State Retirement		
	***	132,018	585	***		
# of active cards as of March 2021						
	DES UI and Child Support ¹		Payroll	State Retirement		
	2019	2020	2019	2020	2019	2020
# of Cards Issued	78,714	1,270,965	270	143	316	323
Frequency of loads (i.e., weekly, bi weekly, monthly)		Daily		Biweekly	***	
		UI-\$534				
Average load amount	UI-\$234	Child Support-\$197.35	***	***	***	***
Total dollar amount of loads	\$ 457,631,928	\$ 11,966,129,411	***	***	\$ 13,405,154	\$ 13,433,519
		UI-10.62 weeks				
Average length of time benefit issuance	UI-8.23 weeks	Child Support-5.4 years	***	***	***	***
# of IVR Calls ²	N/A	N/A	N/A	N/A	N/A	N/A
# of calls transferred to a customer service representative ³	188,161	1,060,320	N/A	N/A	N/A	N/A
# of POS Pin transactions	5,062,314	22,989,079	N/A	N/A	64,299	58,168
Dollar amount of POS PIN transactions	\$ 129,706,868	\$ 972,901,186	N/A	N/A	\$ 2,493,667	\$ 2,339,245
# of POS sig transactions	5,320,495	30,124,046	N/A	N/A	75,928	74,406
Dollar amount of POS sig transactions	\$ 115,645,448	\$ 1,130,647,064	N/A	N/A	\$ 3,012,717	\$ 2,974,835
# of ATM transactions	910,523	7,192,148	N/A	N/A	16,327	13,917
Dollar amount of ATM transactions	\$ 157,813,339	\$ 2,275,459,942	N/A	N/A	\$ 3,837,526	\$ 3,736,830
# of Teller cash transactions	64,268	376,929	N/A	N/A	2,555	1,897
Dollar amount of Teller cash transactions	\$ 33,495,091	\$ 492,920,729	N/A	N/A	\$ 2,582,989	\$ 2,150,194
Number of in-network and out of network usage for 2020 ²	N/A	N/A	N/A	N/A	N/A	N/A

¹UI and Child Support are a currently a combined program under DES so some information is not available separately.

²Information is not available

³Call center stats are not available as they are combined with all other Cash Pay calls

***Requested information has not been received as of 3/26/2021

	Payment options available by program and percentage used									
	UI		Child Support		Payroll		ASRS			
	Available	%	Available	%	Available	%	Available	%	Available	%
Direct Deposit	Y	***	Y	48.26% ***	Y	***	Y	***	Y	***
Check	Y	***	Y	10.00% ***	Y	***	Y	***	Y	***
Prepaid Card	Y-Default Option	***	Y	41.74% ***	Y	***	Y	***	Y	***

Schedule of Bank Fees

Bank Fees for ASRS Benefit Card transactions will be charged to your account daily.

<i>Purchase Transaction Fees</i>	
Monthly Maintenance	No Fee
Purchase at Merchants (signed or using PIN)	No Fee
Online, phone, mail purchase or bill payments	No Fee
<i>ATM Transaction Fees*</i>	
Bank of America ATM Withdrawal Domestic	No Fee
Non-Bank of America ATM Withdrawal Domestic	\$1.50 each
ATM Withdrawal International (all ATMs)	\$3.50 each
ATM Balance Inquiries	No Fee
ATM Transaction Decline	1 waived per week, \$1.50 thereafter
<i>Other Service Fees</i>	
Automated Customer Service Inquiry	No Fee
Live Customer Service Inquiry	1 waived per month, \$1.50 thereafter
International Customer Service Inquiry**	1 waived per month, \$5.00 thereafter
Online Account Information	No Fee
PIN Changes	No Fee
Emergency Cash Transfer***	\$15.00
Cash Access (via teller) (<i>Available at financial institutions that accept Visa cards</i>) (<i>Limited to available balance only</i>)	1 waived per week, \$5.00 thereafter
Online Funds Transfer	No Fee
Card Replacement Domestic	1 waived per year, \$5.00 thereafter
Card Replacement - Express Delivery (additional charge)	\$15.00
Card Replacement International	Quote provided at time of request, as price varies by country
International Transaction Fee	2% of U.S. Dollar amount of transaction
Account Closure Fee (check issued)	\$5.00
Legal Process Fee	\$100 (or such amount as may be set by law)

Schedule of Bank Fees

Bank Fees for Arizona DES Electronic Payment Card transactions will be charged to your Account as they occur on a daily basis.

SERVICES WITH NO FEES	
Purchase Transactions	Fee
Purchase at Merchants (signed, using PIN, online, phone, or mail purchases)	No Fee
ATM Transactions*	Fee
Bank of America and Allpoint ATM Withdrawal (in the U.S.)	No Fee
ATM Balance Inquiries (all ATMs)	No Fee
Other Services	Fee
Teller Cash Access (Available at financial institutions that accept Visa cards) (Limited to available balance only)	No Fee
Online Funds Transfer	No Fee
Online, Automated, Live or International Customer Service Inquiry	No Fee
Inactive Account	No Fee
SERVICES WITH FEES	
ATM Transactions*	Fee
Non-Bank of America or non-Allpoint ATM Withdrawal (in the U.S.)	No fee for first withdrawal each week, \$1.00 thereafter
ATM Withdrawal International (all ATMs outside the U.S.)	\$3.00 per transaction
Other Services	Fee
Emergency Cash Transfer (in the U.S.)**	\$15.00 per transaction
Card Replacement Domestic	No Fee for first replacement each year, \$3.00 thereafter
Card Replacement - Express Delivery (additional charge)	\$13.00 per request
Card Replacement International (outside the U.S.)	Quote provided at time of request as price varies by country
International Transaction Fee	3% of U.S. Dollar amount of transaction

Schedule of Fees



Purchases at Merchants	
Signature-based Purchase at Visa Merchants**	Free
Pinned POS Purchase at Merchant (Including cash back transactions)	Waived
ATM Fees*	
ATM Withdrawal Domestic	2 free per pay period at Bank of America ATMs \$1.50 for all others
ATM Withdrawal International	\$3.50
ATM Balance Inquiries	Waived
ATM Transaction Decline	Waived
Visa Bank Teller Access	
Cash Access (limited to available balance only) (via Visa bank locations)	2 free each calendar month, \$5.00 for all others**
Other Service Fees	
Monthly Maintenance	Waived
Online Funds Transfer	\$1.50 per transfer
Emergency Cash Transfer for Remaining Account Balance (under \$20.00)	1 free per year
Emergency Cash Transfer Domestic	\$15.00
Emergency Cash Transfer International	\$30.00
International Transaction Fee	2% of U.S. Dollar amount of transaction
Automated Customer Service Inquiry	Waived
Live Customer Service Inquiry	2 free each calendar month, \$1.50 for each additional call
International Customer Service Inquiry	2 free each calendar month, \$1.50 for each additional call
Card Replacement Domestic	1 free, \$2.50 thereafter
Card Replacement – Express Delivery (additional charge)	\$15.00
Card Replacement International	Quote provided at time of request, as price varies by country
Negative Balance Fee	\$10.00
ACH Debits for Bill Payments	Waived
PIN Changes	Waived
Duplicate Statement	Waived
Account Closure Fee (check issued)	Waived
Legal Process Fee	\$100.00 (or such other amount as may be set by law)

Fees for CashPay transactions will be charged to your account daily.

* ATM owners may impose an additional "convenience fee" or "surcharge fee" for certain ATM transactions (a sign should be posted at the ATM to indicate additional fees); however, you will not be charged any additional convenience or surcharge fees at a Bank of America ATM. A Bank of America ATM means an ATM that prominently displays the Bank of America name and logo.

Balance inquiries may not be available at all ATMs outside the U.S.

** This feature is only available with the CashPay Visa Card.