



**STATE OF TENNESSEE  
FINANCE AND ADMINISTRATION**

**REQUEST FOR PROPOSALS  
FOR  
PREPAID DEBIT CARD SERVICES**

**RFP # 31701-03585**

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## 1. INTRODUCTION

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The State of Tennessee, Department of Finance and Administration, hereinafter referred to as “the State,” issues this Request for Proposals (RFP) to define minimum contract requirements; solicit responses; detail response requirements; and, outline the State’s process for evaluating responses and selecting a contractor to provide the needed goods or services.

Through this RFP, the State seeks to procure necessary goods or services at the most favorable, competitive prices and to give ALL qualified respondents, including those that are owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises, an opportunity to do business with the state as contractors, subcontractors or suppliers.

### **Statement of Procurement Purpose**

The State intends to secure a contract for a Prepaid Debit Card (hereinafter called the Card) that is Visa or MasterCard branded to deliver State agency program benefits to recipients (hereinafter called the Cardholder). The Card shall provide a secure, convenient and accurate payment delivery mechanism for State payments sent to Cardholders. Current programs delivering benefits by Card are for child support payments, unemployment insurance payments, Tennessee Consolidated Retirement System (TCRS) retirement payments, Individualized Education Account (IEA) payments, and payroll.

Each program will operate differently regarding the timing between the activation of the Card and posting of the funds. For child support payments, before the State will transfer the funds, the Contractor must send an electronic file to the State verifying the Cardholder has successfully activated the Card. For unemployment insurance payments, once the Contractor issues the Card, the benefits can be posted upon State approval regardless if the Cardholder has activated the Card.

Other State agency programs may be added at the State’s sole discretion. If additional programs are added in the future, the described activation methods, or other methods, will be utilized as directed by the State.

1.1.1. This RFP does not contain any provisions for fees to be charged to the State by the Contractor. The fees charged for the Card will be to the Cardholder and must be structured to ensure convenient and cost-effective services. The State is seeking a low-cost solution that balances program cost with the cost to the Cardholder. As such, the State is requiring that the following services be provided at no cost to the Cardholder:

- a. All In-Network ATM Cash Withdrawals. Note: The Contractor is authorized to pass-through third-party bank and/or network charges related to any Out-of-Network ATM usage to the Cardholder.
- b. Unlimited cash access via a bank teller at participating Visa or MasterCard banks.
- c. 24/7 access to a secure website.
- d. Monthly account access.
- e. All customer service calls.
- f. Electronic transfers to a bank account via the secure website or a bank teller.
- g. If requested, a printed monthly statement.
- h. Balance inquiry.
- i. Online bill pay functionality.
- j. PIN and Signature based purchases.

Additionally, the Contractor shall provide all services free of charge to the Individualized Education Accounts and Payroll Card Accounts. Both programs are discussed in greater detail below.

### 1.1.2. Background:

#### a. Department of Human Services

##### Child Support Overview:

The Child Support Enforcement (CSE) Program works to promote family self-sufficiency and child well-being through the collection of child support. The CSE Program (also referred to as IV-D) is a federal/state/local partnership that locates noncustodial parents, establishes paternity, when necessary, establishes orders for support, and collects child support payments for families.

The CSE Program was established in 1975 in an effort by Congress to reduce public expenditures on welfare. Through a process referred to as "cost recovery," the government retains child support collected on behalf of welfare recipients to help offset welfare benefits. With the passage of legislation by Congress, most notably 1984, 1988 and 1994 legislation, the requirements of the Title IV-D Child Support Program were greatly expanded. During the 1980s and 1990s, welfare was transformed from a cash assistance program that eligible families could rely on indefinitely, to a time-limited benefit (called-Temporary Assistance for Needy Families –TANF) aimed at moving families to work and self-sufficiency. Given the low wages available to many former welfare recipients, child support was increasingly recognized as an important additional source of income for helping families develop and maintain self-sufficiency. As a result, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) included distribution rules that enable former welfare recipients to receive more of the child support collected on their behalf. PRWORA requires each state to establish a central collection unit to process all IV-D child support payments as well as non-IV-D child support payments that are deducted from the employee's wages by the employer through the "income assignment" process. Legislation affecting both the Title IV-D Child Support, and the Temporary Assistance for Needy Families programs has resulted in the routine issuance of a significant number of checks by the state.

The Department of Human Services (DHS) has been participating in the prepaid debit card program for child support payments since 2006 and markets this as the preferred payment vehicle. Attachment 6.7 provides information on transaction activity and active accounts for 2024.

Attachment 6.8 provides the current child support file requirements and layouts for the prepaid debit card program. These will be used for the interface between the DHS system and the Contractor's system.

#### b. Department of Labor and Workforce Development

##### Employment Security Division Overview:

The Employment Security Division of the Tennessee Department of Labor and Workforce Development is responsible for administering the Unemployment Insurance program for the State of Tennessee under the Provisions of Title III of the Social Security Act and Title 50 Chapter 7 of the Tennessee Code Annotated. The program provides weekly benefits to unemployed Tennesseans who have lost their jobs through no fault of their own and have qualifying wages in the base period. The program also provides benefits to people who live out of state but have earned wage credits in Tennessee during the base period. Benefits are funded by a tax paid by employers whose payroll meets the conditions for liability and special funding provided by the federal government.

The Department of Labor and Workforce Development (TDLWD) has been participating in the prepaid debit card program for unemployment benefits since 2010. It is the practice

of the Department to issue benefit payments on a prepaid debit card for the following first-time claimants:

- File via the telephone.
- Employer-filed claims

For first-time claimants filing via the internet, the option for a prepaid debit card or direct deposit payment is given. Claimants who have previously filed in the State of Tennessee will default to the last payment type on record unless they actively change that information online. In very limited instances, claimants receive paper checks.

Attachment 6.7 provides information on transaction activity and active accounts for 2024.

Attachment 6.8 provides the current file requirements and layouts for the prepaid debit card program.

**c. Tennessee Consolidated Retirement System (TCRS)**

TCRS pays monthly retirement benefits by ACH direct deposit, prepaid debit card, or paper check. TCRS' objective is to have all retired members paid by direct deposit. For those retired members that do not authorize TCRS to deposit funds into their bank account, prepaid debit card is used. Paper checks are only issued in special circumstances. A prepaid debit card is issued to new retirees not providing direct deposit authorization or that choose to specifically receive payment via the prepaid debit card.

As part of the payroll process, TCRS sends an enrollment file to the selected vendor for new retired members that do not have bank account information on file. TCRS would expect a file containing a bank routing and account number by the same business day. This would allow TCRS to generate a payment to the Card for the current month.

Attachment 6.7 provides information on transaction activity and active accounts for 2024.

Attachment 6.8 provides the current retirement benefits file requirements and layouts for the prepaid debit card program. These will be used for the interface between the TCRS system and the Contractor's system.

**d. Department of Education**

The Department of Education maintains the Individualized Education Account (IEA) program that allows distribution of the per pupil amount of the state and required local match of the state education funding formula (the BEP) to parents of eligible students with disabilities to use for a variety of educational options, including, but not limited to, tuition at private schools, therapy, and purchase of curriculum and computer hardware. The Tennessee Department of Education (TDOE) is responsible for implementing and administering the program and utilizes the prepaid debit card to distribute funds to parents. Attachment 6.7 provides information on transaction activity and active accounts for 2024.

**e. Department of Finance & Administration**

Payroll Overview:

The Department of Finance & Administration (F&A) utilizes a prepaid debit card program for those employees on the State payroll who are not receiving payment through direct deposit. Approximately twenty-two (22) employees are currently enrolled in our payroll card program. The estimated average payment for each employee is \$1,100.00 per month. Attachment 6.7 provides information on transaction activity and active accounts for 2024.

## 1.2. **Scope of Service, Contract Period, & Required Terms and Conditions**

The RFP Attachment 6.6., *Pro Forma* Contract details the State's requirements:

- Scope of Services and Deliverables (Section A);
- Contract Period (Section B);
- Payment Terms (Section C);
- Standard Terms and Conditions (Section D); and,
- Special Terms and Conditions (Section E).

The *pro forma* contract substantially represents the contract document that the successful Respondent must sign.

## 1.3. **Nondiscrimination**

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a Contract pursuant to this RFP or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Contractor pursuant to this RFP shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

## 1.4. **RFP Communications**

- 1.4.1. The State has assigned the following RFP identification number that must be referenced in all communications regarding this RFP:

**RFP # 31701-03585**

- 1.4.2. **Unauthorized contact about this RFP with employees or officials of the State of Tennessee except as detailed below may result in disqualification from consideration under this procurement process.**

- 1.4.2.1. Prospective Respondents must direct communications concerning this RFP to the following person designated as the Solicitation Coordinator:

Sharon Pope  
Tennessee Department of General Services  
Central Procurement Office  
312 Rosa L. Parks Avenue, 3<sup>rd</sup> Floor  
Nashville, TN 37243  
615.741.9588  
Sharon.Pope@tn.gov

- 1.4.2.2. Notwithstanding the foregoing, Prospective Respondents may alternatively contact:

- a. staff of the Governor's Office of Diversity Business Enterprise for assistance available to minority-owned, woman-owned, service-disabled veteran-owned, businesses owned by persons with disabilities, and small businesses as well as general, public information relating to this RFP (visit <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-go-dbe/about-us.html> for contact information); and
- b. the following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

Helen Crowley  
 Tennessee Department of General Services  
 Central Procurement Office  
 312 Rosa L. Parks Avenue, 3<sup>rd</sup> Floor  
 Nashville, TN 37243  
 615.741.3836  
 Helen.Crowley@tn.gov

- 1.4.3. Only the State's official, written responses and communications with Respondents are binding with regard to this RFP. Oral communications between a State official and one or more Respondents are unofficial and non-binding.
- 1.4.4. Potential Respondents must ensure that the State receives all written questions and comments, including questions and requests for clarification, no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.4.5. Respondents must assume the risk of the method of dispatching any communication or response to the State. The State assumes no responsibility for delays or delivery failures resulting from the Respondent's method of dispatch. Actual or digital "postmarking" of a communication or response to the State by a specified deadline is not a substitute for the State's actual receipt of a communication or response. It is encouraged for Respondents to submit bids digitally.
- 1.4.6. The State will convey all official responses and communications related to this RFP to the prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to RFP Section 1.8).
- 1.4.7. The State reserves the right to determine, at its sole discretion, the method of conveying official, written responses and communications related to this RFP. Such written communications may be transmitted by mail, hand-delivery, facsimile, electronic mail, Internet posting, or any other means deemed reasonable by the State. For internet posting, please refer to the following website: <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>.
- 1.4.8. The State reserves the right to determine, at its sole discretion, the appropriateness and adequacy of responses to written comments, questions, and requests related to this RFP. The State's official, written responses will constitute an amendment of this RFP.
- 1.4.9. Any data or factual information provided by the State (in this RFP, an RFP amendment or any other communication relating to this RFP) is for informational purposes only. The State will make reasonable efforts to ensure the accuracy of such data or information, however it is the Respondent's obligation to independently verify any data or information provided by the State. The State expressly disclaims the accuracy or adequacy of any information or data that it provides to prospective Respondents.

#### 1.5. **Assistance to Respondents With a Handicap or Disability**

Prospective Respondents with a handicap or disability may receive accommodation relating to the communication of this RFP and participating in the RFP process. Prospective Respondents may contact the Solicitation Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 2, Schedule of Events.

#### 1.6. **Respondent Required Review & Waiver of Objections**

- 1.6.1. Each prospective Respondent must carefully review this RFP, including but not limited to, attachments, the RFP Attachment 6.6., *Pro Forma* Contract, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").
- 1.6.2. Any prospective Respondent having questions and comments concerning this RFP must provide them in writing to the State no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.6.3. Protests based on any objection to the RFP shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the Written Questions & Comments Deadline.

#### 1.7. **Notice of Intent to Respond**

Before the Notice of Intent to Respond Deadline detailed in the RFP Section 2, Schedule of Events, prospective Respondents should submit to the Solicitation Coordinator a Notice of Intent to Respond (in the form of a simple e-mail or other written communication). Such notice should include the following information:

- the business or individual's name (as appropriate);
- a contact person's name and title; and
- the contact person's mailing address, telephone number, facsimile number, and e-mail address.

**A Notice of Intent to Respond creates no obligation and is not a prerequisite for submitting a response, however, it is necessary to ensure receipt of any RFP amendments or other notices and communications relating to this RFP.**

#### 1.8. **Response Deadline**

A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events. The State will not accept late responses, and a Respondent's failure to submit a response before the deadline will result in disqualification of the response. It is the responsibility of the Respondent to ascertain any additional security requirements with respect to packaging and delivery to the State of Tennessee. Respondents should be mindful of any potential delays due to security screening procedures, weather, or other filing delays whether foreseeable or unforeseeable.

## 2. RFP SCHEDULE OF EVENTS

2.1. The following RFP Schedule of Events represents the State's best estimate for this RFP.

EVENT	TIME (central time zone)	DATE
1. RFP Issued		May 5, 2025
2. Disability Accommodation Request Deadline	2:00 p.m.	May 8, 2025
3. Notice of Intent to Respond Deadline	2:00 p.m.	May 9, 2025
4. Written "Questions & Comments" Deadline	2:00 p.m.	May 20, 2025
5. State Response to Written "Questions & Comments"		June 10, 2025
6. Response Deadline	2:00 p.m.	June 20, 2025
7. State Completion of Technical Response Evaluations		July 9, 2025
8. State Opening & Scoring of Cost Proposals	2:00 p.m.	July 10, 2025
9. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	July 15, 2025
10. End of Protest Period		July 22, 2025
11. State sends contract to Contractor for signature		July 23, 2025
12. Contractor Signature Deadline	2:00 p.m.	July 30, 2025

2.2. **The State reserves the right, at its sole discretion, to adjust the RFP Schedule of Events as it deems necessary.** Any adjustment of the Schedule of Events shall constitute an RFP amendment, and the State will communicate such to prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to section 1.8).



### 3. RESPONSE REQUIREMENTS

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#### 3.1. Response Form

A response to this RFP must consist of two parts, a Technical Response and a Cost Proposal.

- 3.1.1. **Technical Response.** RFP Attachment 6.2., Technical Response & Evaluation Guide provides the specific requirements for submitting a response. This guide includes mandatory requirement items, general qualifications and experience items, and technical qualifications, experience, and approach items all of which must be addressed with a written response and, in some instances, additional documentation.

**NOTICE: A technical response must not include any pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical response, the state may deem the response to be non-responsive and reject it.**

- 3.1.1.1. A Respondent should duplicate and use the RFP Attachment 6.2., Technical Response & Evaluation Guide to organize, reference, and draft the Technical Response by duplicating the attachment, adding appropriate page numbers as required, and using the guide as a table of contents covering the Technical Response.
- 3.1.1.2. A response should be economically prepared, with emphasis on completeness and clarity. A response, as well as any reference material presented, must be written in English and must be written on standard 8 ½" x 11" pages (although oversize exhibits are permissible) and use a 12 point font for text. All response pages must be numbered.
- 3.1.1.3. All information and documentation included in a Technical Response should correspond to or address a specific requirement detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide. All information must be incorporated into a response to a specific requirement and clearly referenced. Any information not meeting these criteria will be deemed extraneous and will not contribute to evaluations.
- 3.1.1.4. The State may determine a response to be non-responsive and reject it if:
- a. the Respondent fails to organize and properly reference the Technical Response as required by this RFP and the RFP Attachment 6.2., Technical Response & Evaluation Guide; or
  - b. the Technical Response document does not appropriately respond to, address, or meet all of the requirements and response items detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide.
- 3.1.2. **Cost Proposal.** A Cost Proposal must be recorded on an exact duplicate of the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

**NOTICE: If a Respondent fails to submit a cost proposal exactly as required, the State may deem the response to be non-responsive and reject it.**

- 3.1.2.1. A Respondent must only record the proposed cost exactly as required by the RFP Attachment 6.3., Cost Proposal & Scoring Guide and must NOT record any other rates, amounts, or information.

- 3.1.2.2. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period, including any renewals or extensions.
- 3.1.2.3. A Respondent must sign and date the Cost Proposal.
- 3.1.2.4. A Respondent must submit the Cost Proposal to the State in a sealed package separate from the Technical Response (as detailed in RFP Sections 3.2.3., *et seq.*).

## 3.2. Response Delivery

- 3.2.1. A Respondent must ensure that both the original Technical Response and Cost Proposal documents meet all form and content requirements, including all required signatures, as detailed within this RFP, as may be amended.

- 3.2.2. A Respondent must submit their response as specified in one of the two formats below.

### 3.2.2.1. Digital Media Submission

#### 3.2.2.1.1. Technical Response

The Technical Response document should be in the form of one (1) digital document in "PDF" format properly recorded on its own otherwise blank, USB flash drive and should be clearly identified as the:

**"RFP #31701-03585 TECHNICAL RESPONSE ORIGINAL"**

and one (1) digital copies of the Technical Response each in the form of one (1) digital document in "PDF" format properly recorded on its own otherwise blank, USB flash drive clearly labeled:

**"RFP # 31701-03585 TECHNICAL RESPONSE COPY"**

The customer references should be delivered by each reference in accordance with RFP Attachment 6.4. Reference Questionnaire.

#### 3.2.2.1.2. Cost Proposal:

The Cost Proposal should be in the form of one (1) digital document in "PDF" or "XLS" format properly recorded on a separate, otherwise blank, USB flash drive clearly labeled:

**"RFP #31701-03585 COST PROPOSAL"**

An electronic or facsimile signature, as applicable, on the Cost Proposal is acceptable.

### 3.2.2.2. E-mail Submission

#### 3.2.2.2.1. Technical Response

The Technical Response document should be in the form of one (1) digital document in "PDF" format or other easily accessible digital format attached to an e-mail to the Solicitation Coordinator. Both the subject and file name should be clearly identified as follows:

**"RFP #31701-03585 TECHNICAL RESPONSE"**

The customer references should be delivered by each reference in accordance with RFP Attachment 6.4. Reference Questionnaire.

3.2.2.2.2. Cost Proposal:

The Cost Proposal should be in the form of one (1) digital document in “PDF” or “XLS” format or other easily accessible digital format attached to an e-mail to the Solicitation Coordinator. Both the subject and file name should be clearly identified as follows:

**“RFP #31701-03585 COST PROPOSAL”**

An electronic or facsimile signature, as applicable, on the Cost Proposal is acceptable.

- 3.2.3. For e-mail submissions, the Technical Response and Cost Proposal documents must be dispatched to the Solicitation Coordinator in separate e-mail messages. For digital media submissions, a Respondent must separate, seal, package, and label the documents and copies for delivery as follows:
- 3.2.3.1. The Technical Response and copies must be placed in a sealed package that is clearly labeled:
- “DO NOT OPEN... RFP # 31701-03585 TECHNICAL RESPONSE FROM [RESPONDENT LEGAL ENTITY NAME]”**
- 3.2.3.2. The Cost Proposal must be placed in a separate, sealed package that is clearly labeled:
- “DO NOT OPEN... RFP # 31701-03585 COST PROPOSAL FROM [RESPONDENT LEGAL ENTITY NAME]”**
- 3.2.3.3. The separately, sealed Technical Response and Cost Proposal components may be enclosed in a larger package for mailing or delivery, provided that the outermost package is clearly labeled:
- “RFP # 31701-03585 SEALED TECHNICAL RESPONSE & SEALED COST PROPOSAL FROM [RESPONDENT LEGAL ENTITY NAME]”**
- 3.2.3.4. Any Respondent wishing to submit a Response in a format other than digital may do so by contacting the Solicitation Coordinator.
- 3.2.4. A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events at the following address:

Sharon Pope – Sourcing Account Specialist Central Procurement Office  
 Central Procurement Office  
 Tennessee Tower  
 312 Rosa L Parks Avenue, 3<sup>rd</sup> Floor  
 Nashville, TN 37243  
 615.741.9588  
 Sharon.Pope@tn.gov

### 3.3. Response & Respondent Prohibitions

- 3.3.1. A response must not include alternate contract terms and conditions. If a response contains such terms and conditions, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.2. A response must not restrict the rights of the State or otherwise qualify either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal. If a response restricts the rights of the State or otherwise qualifies either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.3. A response must not propose alternative goods or services (*i.e.*, offer services different from those requested and required by this RFP) unless expressly requested in this RFP. The State may consider a response of alternative goods or services to be non-responsive and reject it.
- 3.3.4. A Cost Proposal must be prepared and arrived at independently and must not involve any collusion between Respondents. The State will reject any Cost Proposal that involves collusion, consultation, communication, or agreement between Respondents. Regardless of the time of detection, the State will consider any such actions to be grounds for response rejection or contract termination.
- 3.3.5. A Respondent must not provide, for consideration in this RFP process or subsequent contract negotiations, any information that the Respondent knew or should have known was materially incorrect. If the State determines that a Respondent has provided such incorrect information, the State will deem the Response non-responsive and reject it.
- 3.3.6. A Respondent must not submit more than one Technical Response and one Cost Proposal in response to this RFP, except as expressly requested by the State in this RFP. If a Respondent submits more than one Technical Response or more than one Cost Proposal, the State will deem all of the responses non-responsive and reject them.
- 3.3.7. A Respondent must not submit a response as a prime contractor while also permitting one or more other Respondents to offer the Respondent as a subcontractor in their own responses. Such may result in the disqualification of all Respondents knowingly involved. This restriction does not, however, prohibit different Respondents from offering the same subcontractor as a part of their responses (provided that the subcontractor does not also submit a response as a prime contractor).
- 3.3.8. The State shall not consider a response from an individual who is, or within the past six (6) months has been, a State employee. For purposes of this RFP:
  - 3.3.8.1. An individual shall be deemed a State employee until such time as all compensation for salary, termination pay, and annual leave has been paid;
  - 3.3.8.2. A contract with or a response from a company, corporation, or any other contracting entity in which a controlling interest is held by any State employee shall be considered to be a contract with or proposal from the employee; and
  - 3.3.8.3. A contract with or a response from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six (6) months has been, a State employee shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.
- 3.3.9. This RFP is also subject to Tenn. Code Ann. § 12-4-101—105.

### 3.4. Response Errors & Revisions

A Respondent is responsible for any and all response errors or omissions. A Respondent will not be allowed to alter or revise response documents after the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events unless such is formally requested, in writing, by the State.

**3.5. Response Withdrawal**

A Respondent may withdraw a submitted response at any time before the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events by submitting a written request signed by an authorized Respondent representative. After withdrawing a response, a Respondent may submit another response at any time before the Response Deadline. After the Response Deadline, a Respondent may only withdraw all or a portion of a response where the enforcement of the response would impose an unconscionable hardship on the Respondent.

**3.6. Additional Services**

If a response offers goods or services in addition to those required by and described in this RFP, the State, at its sole discretion, may add such services to the contract awarded as a result of this RFP. Notwithstanding the foregoing, a Respondent must not propose any additional cost amounts or rates for additional goods or services. Regardless of any additional services offered in a response, the Respondent's Cost Proposal must only record the proposed cost as required in this RFP and must not record any other rates, amounts, or information.

**NOTICE: If a Respondent fails to submit a Cost Proposal exactly as required, the State may deem the response non-responsive and reject it.**

**3.7. Response Preparation Costs**

The State will not pay any costs associated with the preparation, submittal, or presentation of any response.

## 4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS

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### 4.1. RFP Amendment

The State at its sole discretion may amend this RFP, in writing, at any time prior to contract award. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential Respondents to meet the response deadline and revise the RFP Schedule of Events if deemed appropriate. If an RFP amendment is issued, the State will convey it to potential Respondents who submitted a Notice of Intent to Respond (refer to RFP Section 1.8). A response must address the final RFP (including its attachments) as amended.

### 4.2. RFP Cancellation

The State reserves the right, at its sole discretion, to cancel the RFP or to cancel and reissue this RFP in accordance with applicable laws and regulations.

### 4.3. State Right of Rejection

4.3.1. Subject to applicable laws and regulations, the State reserves the right to reject, at its sole discretion, any and all responses.

4.3.2. The State may deem as non-responsive and reject any response that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, the State reserves the right to waive, at its sole discretion, minor variances from full compliance with this RFP. If the State waives variances in a response, such waiver shall not modify the RFP requirements or excuse the Respondent from full compliance, and the State may hold any resulting Contractor to strict compliance with this RFP.

### 4.4. Assignment & Subcontracting

4.4.1. The Contractor may not subcontract, transfer, or assign any portion of the Contract awarded as a result of this RFP without prior approval of the State. The State reserves the right to refuse approval, at its sole discretion, of any subcontract, transfer, or assignment.

4.4.2. If a Respondent intends to use subcontractors, the response to this RFP must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFP Attachment 6.2., Section B, General Qualifications & Experience Item B.14.).

4.4.3. Subcontractors identified within a response to this RFP will be deemed as approved by the State unless the State expressly disapproves one or more of the proposed subcontractors prior to signing the Contract.

4.4.4. After contract award, a Contractor may only substitute an approved subcontractor at the discretion of the State and with the State's prior, written approval.

4.4.5. Notwithstanding any State approval relating to subcontracts, the Respondent who is awarded a contract pursuant to this RFP will be the prime contractor and will be responsible for all work under the Contract.

### 4.5. Right to Refuse Personnel or Subcontractors

The State reserves the right to refuse, at its sole discretion and notwithstanding any prior approval, any personnel of the prime contractor or a subcontractor providing goods or services in the performance of a contract resulting from this RFP. The State will document in writing the reason(s) for any rejection of personnel.

#### 4.6. Insurance

The State will require the awarded Contractor to provide a Certificate of Insurance issued by an insurance company licensed or authorized to provide insurance in the State of Tennessee. Each Certificate of Insurance shall indicate current insurance coverages meeting minimum requirements as may be specified by this RFP. A failure to provide a current, Certificate of Insurance will be considered a material breach and grounds for contract termination.

#### 4.7. Professional Licensure and Department of Revenue Registration

- 4.7.1. All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Respondent provides for consideration and evaluation by the State as a part of a response to this RFP, shall be properly licensed to render such opinions.
- 4.7.2. Before the Contract resulting from this RFP is signed, the apparent successful Respondent (and Respondent employees and subcontractors, as applicable) must hold all necessary or appropriate business or professional licenses to provide the goods or services as required by the contract. The State may require any Respondent to submit evidence of proper licensure.
- 4.7.3. Before the Contract resulting from this RFP is signed, the apparent successful Respondent must be registered with the Tennessee Department of Revenue for the collection of Tennessee sales and use tax. The State shall not award a contract unless the Respondent provides proof of such registration or provides documentation from the Department of Revenue that the Contractor is exempt from this registration requirement. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. To register, please visit the Department of Revenue's Tennessee Taxpayer Access Point (TNTAP) website for Online Registration and the Vendor Contract Questionnaire. These resources are available at the following:  
<https://tntap.tn.gov/eservices/#1>

#### 4.8. Disclosure of Response Contents

- 4.8.1. All materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Respondents are cautioned not to provide any materials in response to this RFP that are trade secrets, as defined under Tenn. Code Ann. § 47-25-1702 and any other applicable law. By submitting a response to this RFP, the respondent acknowledges and agrees that the State shall have no liability whatsoever for disclosure of a trade secret under the Uniform Trade Secrets Act, as provided at Tenn. Code Ann. § 47-25-1701-1709, or under any other applicable law. Selection or rejection of a response does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.
- 4.8.2. The State will hold all response information, including both technical and cost information, in confidence during the evaluation process.
- 4.8.3. Upon completion of response evaluations, indicated by public release of a Notice of Intent to Award, the responses and associated materials will be open for review by the public in accordance with Tenn. Code Ann. § 10-7-504(a)(7).

#### 4.9. Contract Approval and Contract Payments

- 4.9.1. After contract award, the Contractor who is awarded the contract must submit appropriate documentation with the Department of Finance and Administration, Division of Accounts.
- 4.9.2. This RFP and its contractor selection processes do not obligate the State and do not create rights, interests, or claims of entitlement in either the Respondent with the apparent best-evaluated response or any other Respondent. State obligations pursuant to a contract award shall commence only after the Contract is signed by the State agency head and the Contractor

and after the Contract is approved by all other state officials as required by applicable laws and regulations.

- 4.9.3. No payment will be obligated or made until the relevant Contract is approved as required by applicable statutes and rules of the State of Tennessee.

4.9.3.1. The State shall not be liable for payment of any type associated with the Contract resulting from this RFP (or any amendment thereof) or responsible for any goods delivered or services rendered by the Contractor, even goods delivered or services rendered in good faith and even if the Contractor is orally directed to proceed with the delivery of goods or the rendering of services, if it occurs before the Contract Effective Date or after the Contract Term.

4.9.3.2. All payments relating to this procurement will be made in accordance with the Payment Terms and Conditions of the Contract resulting from this RFP (refer to RFP Attachment 6.6., *Pro Forma* Contract, Section C).

4.9.3.3. If any provision of the Contract provides direct funding or reimbursement for the competitive purchase of goods or services as a component of contract performance or otherwise provides for the reimbursement of specified, actual costs, the State will employ all reasonable means and will require all such documentation that it deems necessary to ensure that such purchases were competitive and costs were reasonable, necessary, and actual. The Contractor shall provide reasonable assistance and access related to such review. Further, the State shall not remit, as funding or reimbursement pursuant to such provisions, any amounts that it determines do not represent reasonable, necessary, and actual costs.

#### 4.10. **Contractor Performance**

The Contractor who is awarded a contract will be responsible for the delivery of all acceptable goods or the satisfactory completion of all services set out in this RFP (including attachments) as may be amended. All goods or services are subject to inspection and evaluation by the State. The State will employ all reasonable means to ensure that goods delivered or services rendered are in compliance with the Contract, and the Contractor must cooperate with such efforts.

#### 4.11. **Contract Amendment**

After Contract award, the State may request the Contractor to deliver additional goods or perform additional services within the general scope of the Contract and this RFP, but beyond the specified Scope, and for which the Contractor may be compensated. In such instances, the State will provide the Contractor a written description of the additional goods or services. The Contractor must respond to the State with a time schedule for delivering the additional goods or accomplishing the additional services based on the compensable units included in the Contractor's response to this RFP. If the State and the Contractor reach an agreement regarding the goods or services and associated compensation, such agreement must be effected by means of a contract amendment. Further, any such amendment requiring additional goods or services must be signed by both the State agency head and the Contractor and must be approved by other state officials as required by applicable statutes, rules, policies and procedures of the State of Tennessee. The Contractor must not provide additional goods or render additional services until the State has issued a written contract amendment with all required approvals.

#### 4.12. **Severability**

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision will not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the State and Respondents will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.



**4.13. Next Ranked Respondent**

The State reserves the right to initiate negotiations with the next ranked Respondent should the State cease doing business with any Respondent selected via this RFP process.

## 5. EVALUATION & CONTRACT AWARD

### 5.1. Evaluation Categories & Maximum Points

The State will consider qualifications, experience, technical approach, and cost in the evaluation of responses and award points in each of the categories detailed below (up to the maximum evaluation points indicated) to each response deemed by the State to be responsive.

EVALUATION CATEGORY	MAXIMUM POINTS POSSIBLE
<b>General Qualifications &amp; Experience</b> (refer to RFP Attachment 6.2., Section B)	<b>30</b>
<b>Technical Qualifications, Experience &amp; Approach</b> (refer to RFP Attachment 6.2., Section C)	<b>40</b>
<b>Cost Proposal</b> (refer to RFP Attachment 6.3.)	<b>30</b>

### 5.2. Evaluation Process

The evaluation process is designed to award the contract resulting from this RFP not necessarily to the Respondent offering the lowest cost, but rather to the Respondent deemed by the State to be responsive and responsible who offers the best combination of attributes based upon the evaluation criteria. ("Responsive Respondent" is defined as a Respondent that has submitted a response that conforms in all material respects to the RFP. "Responsible Respondent" is defined as a Respondent that has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

5.2.1. **Technical Response Evaluation.** The Solicitation Coordinator and the Proposal Evaluation Team (consisting of three (3) or more State employees) will use the RFP Attachment 6.2., Technical Response & Evaluation Guide to manage the Technical Response Evaluation and maintain evaluation records.

- 5.2.1.1. The State reserves the right, at its sole discretion, to request Respondent clarification of a Technical Response or to conduct clarification discussions with any or all Respondents. Any such clarification or discussion will be limited to specific sections of the response identified by the State. The subject Respondent must put any resulting clarification in writing as may be required and in accordance with any deadline imposed by the State.
- 5.2.1.2. The Solicitation Coordinator will review each Technical Response to determine compliance with RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A— Mandatory Requirements. If the Solicitation Coordinator determines that a response failed to meet one or more of the mandatory requirements, the Solicitation Coordinator will review the response and determine whether:
  - a. the response adequately meets RFP requirements for further evaluation;
  - b. the State will request clarifications or corrections for consideration prior to further evaluation; or,
  - c. the State will determine the response to be non-responsive to the RFP and reject it.
- 5.2.1.3. Proposal Evaluation Team members will independently evaluate each Technical Response (that is responsive to the RFP) against the evaluation criteria in this RFP,

and will score each in accordance with the RFP Attachment 6.2., Technical Response & Evaluation Guide.

- 5.2.1.4. For each response evaluated, the Solicitation Coordinator will calculate the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Response & Evaluation Guide, and record each average as the response score for the respective Technical Response section.
- 5.2.1.5. Before Cost Proposals are opened, the Proposal Evaluation Team and the Solicitation Coordinator will review the Technical Response Evaluation record and any other available information pertinent to whether or not each Respondent is responsive and responsible. If the Proposal Evaluation Team or the Solicitation Coordinator identifies any Respondent that does not meet the responsive and responsible thresholds such that the team or the Solicitation Coordinator would not recommend the Respondent for Cost Proposal Evaluation and potential contract award, the team members or the Solicitation Coordinator will fully document the determination.
- 5.2.2. **Cost Proposal Evaluation.** The Solicitation Coordinator will open for evaluation the Cost Proposal of each Respondent deemed by the State to be responsive and responsible and calculate and record each Cost Proposal score in accordance with the RFP Attachment 6.3., Cost Proposal & Scoring Guide.
- 5.2.3. **Clarifications and Negotiations.** The State reserves the right to award a contract on the basis of initial responses received, therefore, each response shall contain the Respondent's best terms and conditions from a technical and cost standpoint. The State reserves the right to conduct clarifications or negotiations with one or more Respondents. All communications, clarifications, and negotiations shall be conducted in a manner that supports fairness in response improvement.
  - 5.2.3.1. **Clarifications:** The State may identify areas of a response that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications or requirements. The State may seek to clarify those issues identified during one or multiple clarification rounds. Each clarification sought by the State may be unique to an individual Respondent, provided that the process is conducted in a manner that supports fairness in response improvement.
  - 5.2.3.2. **Negotiations:** The State may elect to negotiate with one or more Respondents by requesting revised responses, negotiating costs, or finalizing contract terms and conditions. The State reserves the right to conduct multiple negotiation rounds or no negotiations at all.
  - 5.2.3.3. **Cost Negotiations:** All Respondents, selected for negotiation by the State, will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct target pricing and other goods or services level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that do not reveal individual Respondent pricing. During target price negotiations, Respondents are not obligated to reduce their pricing to target prices, but no Respondent is allowed to increase prices.
  - 5.2.3.4. If the State determines that it is unable to successfully negotiate terms and conditions of a contract with the apparent best evaluated Respondent, the State reserves the right to bypass the apparent best evaluated Respondent and enter into terms and conditions contract negotiations with the next apparent best evaluated Respondent.
- 5.2.4. **Total Response Score.** The Solicitation Coordinator will calculate the sum of the Technical Response section scores and the Cost Proposal score and record the resulting number as the total score for the subject Response (refer to RFP Attachment 6.5., Score Summary Matrix).

### 5.3. Contract Award Process

- 5.3.1 The Solicitation Coordinator will review the Proposal Evaluation Team determinations and scores for consideration along with any other relevant information that might be available and pertinent to contract award.
- 5.3.2 The Solicitation Coordinator will determine the apparent best-evaluated Response using the scoring provided by the Proposal Evaluation Team. To effect a contract award to a Respondent other than the one receiving the highest evaluation process score, the Solicitation Coordinator must provide written justification and obtain the written approval of the Chief Procurement Officer and the Comptroller of the Treasury.
- 5.3.3 The State will issue a Notice of Intent to Award identifying the apparent best-evaluated response and make the RFP files available for public inspection at the time and date specified in the RFP Section 2, Schedule of Events.

**NOTICE: The Notice of Intent to Award shall not create rights, interests, or claims of entitlement in either the apparent best-evaluated Respondent or any other Respondent.**

- 5.3.4 The Respondent identified as offering the apparent best-evaluated response must sign a contract drawn by the State pursuant to this RFP. The Contract shall be substantially the same as the RFP Attachment 6.6., *Pro Forma* Contract. The Respondent must sign the contract by the Contractor Signature Deadline detailed in the RFP Section 2, Schedule of Events. If the Respondent fails to provide the signed Contract by this deadline, the State may determine that the Respondent is non-responsive to this RFP and reject the response.
- 5.3.5 Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited terms and conditions or pricing negotiations prior to Contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, PROVIDED THAT such revision of terms and conditions or performance requirements shall NOT materially affect the basis of response evaluations or negatively impact the competitive nature of the RFP and contractor selection process.
- 5.3.6 If the State determines that a response is non-responsive and rejects it after opening Cost Proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated response.

**RFP ATTACHMENT 6.1.****RFP # 31701-03585 STATEMENT OF CERTIFICATIONS AND ASSURANCES**

The Respondent must sign and complete the Statement of Certifications and Assurances below as required, and it must be included in the Technical Response (as required by RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A, Item A.1.).

**The Respondent does, hereby, expressly affirm, declare, confirm, certify, and assure ALL of the following:**

1. The Respondent will comply with all of the provisions and requirements of the RFP.
2. The Respondent will provide all services as defined in the Scope of the RFP Attachment 6.6., *Pro Forma* Contract for the total Contract Term.
3. The Respondent, except as otherwise provided in this RFP, accepts and agrees to all terms and conditions set out in the RFP Attachment 6.6., *Pro Forma* Contract.
4. The Respondent acknowledges and agrees that a contract resulting from the RFP shall incorporate, by reference, all proposal responses as a part of the Contract.
5. The Respondent will comply with:
  - (a) the laws of the State of Tennessee;
  - (b) Title VI of the federal Civil Rights Act of 1964;
  - (c) Title IX of the federal Education Amendments Act of 1972;
  - (d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government; and,
  - (e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government.
6. To the knowledge of the undersigned, the information detailed within the response submitted to this RFP is accurate.
7. The response submitted to this RFP was independently prepared, without collusion, under penalty of perjury.
8. No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Respondent in connection with this RFP or any resulting contract.
9. Both the Technical Response and the Cost Proposal submitted in response to this RFP shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFP.
10. The Respondent affirms the following statement, as required by the Iran Divestment Act Tenn. Code Ann. § 12-12-111: "By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to §12-12-106." For reference purposes, the list is currently available online at: <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-/public-information-library.html>.

By signing this Statement of Certifications and Assurances, below, the signatory also certifies legal authority to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If the signatory is not the Respondent (if an individual) or the Respondent's company *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to bind the Respondent.

**DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO BIND THE RESPONDENT**

**SIGNATURE:**

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**PRINTED NAME & TITLE:**

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**DATE:**

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**RESPONDENT LEGAL ENTITY  
NAME:**

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**RFP ATTACHMENT 6.2. — Section A****TECHNICAL RESPONSE & EVALUATION GUIDE**

**SECTION A: MANDATORY REQUIREMENTS.** The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review the response to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Solicitation Coordinator must review the response and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFP requirements.

<b>RESPONDENT LEGAL ENTITY NAME:</b>			
<b>Response Page # (Respondent completes)</b>	<b>Item Ref.</b>	<b>Section A— Mandatory Requirement Items</b>	<b>Pass/Fail</b>
		The Response must be delivered to the State no later than the Response Deadline specified in the RFP Section 2, Schedule of Events.	
		The Technical Response and the Cost Proposal documentation must be packaged separately as required (refer to RFP Section 3.2., <i>et. seq.</i> ).	
		The Technical Response must NOT contain cost or pricing information of any type.	
		The Technical Response must NOT contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must NOT submit alternate responses (refer to RFP Section 3.3.).	
		A Respondent must NOT submit multiple responses in different forms (as a prime and a subcontractor) (refer to RFP Section 3.3.).	
	<b>A.1.</b>	Provide the Statement of Certifications and Assurances (RFP Attachment 6.1.) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFP and any resulting contract. The document must be signed without exception or qualification.	
	<b>A.2.</b>	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall cause to deliver goods or perform services under the contract has a possible conflict of interest ( <i>e.g.</i> , employment by the State of Tennessee) and, if so, the nature of that conflict.  NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	<b>A.3.</b>	Provide a current bank reference indicating that the Respondent maintains a satisfactory business relationship with the financial institution. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months.  If the Respondent is a financial institution that maintains no relationships with other financial institutions, and thus cannot provide the requisite bank reference letter, the Respondent must (1) provide an explanation of this in its Proposal; and (2) in lieu of a bank reference letter, furnish the State with a balance sheet and income statement reflecting Respondent's most recent	

<b>RESPONDENT LEGAL ENTITY NAME:</b>			
<b>Response Page # (Respondent completes)</b>	<b>Item Ref.</b>	<b>Section A— Mandatory Requirement Items</b>	<b>Pass/Fail</b>
		full fiscal period. Said financial statements must evidence the Respondent's financial ability to undertake and fulfill all obligations under the contract.	
	<b>A.4.</b>	<p>Provide at least one of the following financial documents dated within the last three (3) months: (1) an official document or letter from an accredited credit bureau, indicating a satisfactory credit score for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will <u>not</u> be considered responsive.); (2) income statement, indicating the Respondent's financial operations; or (3) balance sheet, showing the Respondent's flow of funds.</p> <p>Any documentation disclosing the amount of cash flows from operating activities should be for the Respondent's most current operating period and must indicate whether the cash flows are positive or negative. If the cash flows are negative for the most recent operating period, the documentation must include a detailed explanation of the factors contributing to the negative cash flows.</p> <p>NOTICE: All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status <u>must</u> be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders the opinions.</p>	
	<b>A.5.</b>	Provide a statement, confirming that the Respondent will have the system fully implemented and operational, which includes the production volume of approximately 350,000 cards, by the November 30, 2025, Transition Deadline.	
	<b>A.6.</b>	Provide a statement, confirming that the Respondent can meet a debit card production volume of approximately 350,000 cards by the November 30, 2025, Transition Deadline.	
<i>State Use – Solicitation Coordinator Signature, Printed Name &amp; Date:</i>			

**RFP ATTACHMENT 6.2. — SECTION B****TECHNICAL RESPONSE & EVALUATION GUIDE**

**SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE.** The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below. Proposal Evaluation Team members will independently evaluate and assign one score for all responses to Section B— General Qualifications & Experience Items.

<b>RESPONDENT LEGAL ENTITY NAME:</b>		
<b>Response Page #</b> (Respondent completes)	<b>Item Ref.</b>	<b>Section B— General Qualifications &amp; Experience Items</b>
	<b>B.1.</b>	Detail the name, e-mail address, mailing address, telephone number, and facsimile number, if applicable, of the person the State should contact regarding the response.
	<b>B.2.</b>	Describe the Respondent's form of business ( <i>i.e.</i> , individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	<b>B.3.</b>	Detail the number of years the Respondent has been in business.
	<b>B.4.</b>	Briefly describe how long the Respondent has been providing the goods or services required by this RFP.
	<b>B.5.</b>	Describe the Respondent's number of employees, client base, and location of offices.
	<b>B.6.</b>	Provide a statement of whether there have been any mergers, acquisitions, or change of control of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	<b>B.7.</b>	Provide a statement of whether the Respondent or, to the Respondent's knowledge, any of the Respondent's employees, agents, independent contractors, or subcontractors, involved in the delivery of goods or performance of services on a contract pursuant to this RFP, have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony. If so, include an explanation providing relevant details.
	<b>B.8.</b>	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	<b>B.9.</b>	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFP or is likely to have a material adverse effect on the Respondent's financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent's performance in a contract pursuant to this RFP.  NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	<b>B.10.</b>	Provide a statement of whether there are any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent's performance in a contract pursuant to this RFP.



**RFP ATTACHMENT 6.2. — SECTION B (continued)**

<b>RESPONDENT LEGAL ENTITY NAME:</b>		
<b>Response Page #</b> (Respondent completes)	<b>Item Ref.</b>	<b>Section B— General Qualifications &amp; Experience Items</b>
		NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	<b>B.11.</b>	Provide a brief, descriptive statement detailing evidence of the Respondent's ability to deliver the goods or services sought under this RFP (e.g., prior experience, training, certifications, resources, program and quality management systems, etc.).
	<b>B.12.</b>	Provide a narrative description of the proposed project team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to deliver the goods or services required by this RFP.
	<b>B.13.</b>	Provide a personnel roster listing the names of key people who the Respondent will assign to meet the Respondent's requirements under this RFP along with the estimated number of hours that each individual will devote to that performance. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Respondent, and employment history.
	<b>B.14.</b>	Provide a statement of whether the Respondent intends to use subcontractors to meet the Respondent's requirements of any contract awarded pursuant to this RFP, and if so, detail: (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the goods each subcontractor involved in the delivery of goods or performance of the services each subcontractor will perform; <u>and</u> (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent's response to this RFP.
	<b>B.15.</b>	Provide documentation of the Respondent's commitment to diversity as represented by the following: (a) <u>Business Strategy</u> . Provide a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please also include a list of the Respondent's certifications as a diversity business, if applicable. (b) <u>Business Relationships</u> . Provide a listing of the Respondent's current contracts with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please include the following information: (i) contract description; (ii) contractor name and ownership characteristics (i.e., ethnicity, gender, service-disabled veteran-owned or persons with disabilities); (iii) contractor contact name and telephone number. (c) <u>Estimated Participation</u> . Provide an estimated level of participation by business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises if a contract is awarded to the Respondent pursuant to this RFP. Please include the following information: (i) a percentage (%) indicating the participation estimate. (Express the estimated participation number as a percentage of the total estimated contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics only and <b>DO NOT INCLUDE DOLLAR AMOUNTS</b> ); (ii) anticipated goods or services contract descriptions;

## RFP ATTACHMENT 6.2. — SECTION B (continued)

<b>RESPONDENT LEGAL ENTITY NAME:</b>		
<b>Response Page #</b> (Respondent completes)	<b>Item Ref.</b>	<b>Section B— General Qualifications &amp; Experience Items</b>
		<p>(iii) names and ownership characteristics (i.e., ethnicity, gender, service-disabled veterans, or disability) of anticipated subcontractors and supply contractors.</p> <p>NOTE: In order to claim status as a Diversity Business Enterprise under this contract, businesses must be certified by the Governor's Office of Diversity Business Enterprise (Go-DBE). Please visit the Go-DBE website at <a href="https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&amp;XID=9810">https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&amp;XID=9810</a> for more information.</p> <p>(d) <u>Workforce</u>. Provide the percentage of the Respondent's total current employees by ethnicity and gender.</p> <p>NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will recognize the positive qualifications and experience of a Respondent that does business with enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises and who offer a diverse workforce.</p>
	<b>B.16.</b>	<p>Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous five (5) year period. If so, provide the following information for all of the current and completed contracts:</p> <p>(a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract;</p> <p>(b) the procuring State agency name;</p> <p>(c) a brief description of the contract's scope of services;</p> <p>(d) the contract period; and</p> <p>(e) the contract number.</p>
	<b>B.17.</b>	<p>Provide a statement and any relevant details addressing whether the Respondent is any of the following:</p> <p>(a) is presently debarred, suspended, proposed for debarment, or voluntarily excluded from covered transactions by any federal or state department or agency;</p> <p>(b) has within the past three (3) years, been convicted of, or had a civil judgment rendered against the contracting party from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;</p> <p>(c) is presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above; and</p> <p>(d) has within a three (3) year period preceding the contract had one or more public transactions (federal, state, or local) terminated for cause or default.</p>
		<p><b>SCORE (for <u>all</u> Section B—Qualifications &amp; Experience Items above):</b> (maximum possible score = 30)</p>

**RFP ATTACHMENT 6.2. — SECTION B (continued)**

<b>RESPONDENT LEGAL ENTITY NAME:</b>		
<b>Response Page #</b> (Respondent completes)	<b>Item Ref.</b>	<b>Section B— General Qualifications &amp; Experience Items</b>
<i>State Use – Evaluator Identification:</i>		

## RFP ATTACHMENT 6.2. — SECTION C

## TECHNICAL RESPONSE &amp; EVALUATION GUIDE

**SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH.** The Respondent must address all items (below) and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below.

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

**0 = little value      1 = poor      2 = fair      3 = satisfactory      4 = good      5 = excellent**

The Solicitation Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's Raw Weighted Score for purposes of calculating the section score as indicated.

<b>RESPONDENT LEGAL ENTITY NAME:</b>					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	<b>C.1.</b>	Provide a narrative that illustrates the Respondent's understanding of the State's requirements and project schedule.		<b>1</b>	
	<b>C.2.</b>	Provide a narrative that illustrates how the Respondent will complete the scope of services, accomplish required objectives, and meet the State's project schedule.		<b>1</b>	
	<b>C.3.</b>	Provide a narrative that illustrates how the Respondent will manage the project, ensure completion of the scope of services, and accomplish required objectives within the State's project schedule.		<b>1</b>	
	<b>C.4.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.3. Program Participation.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>2</b>	
	<b>C.5</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.4. General Program Requirements.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>5</b>	
	<b>C.6</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.4.m.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>10</b>	

## RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	<b>C.7.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.4.p.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans providing the requested services including what, when, and how the services will be performed and screen shots of the online tool.		<b>10</b>	
	<b>C.8.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.5. Operating Procedures.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>1</b>	
	<b>C.9.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.6. System Communications.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>3</b>	
	<b>C.10.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.7. Program Implementation.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>3</b>	
	<b>C.11.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.8. Card Issuance.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>3</b>	
	<b>C.12.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.9. Alternate Site and System.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>2</b>	

## RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	<b>C.13.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.10. Continuous Processing.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>2</b>	
	<b>C.14.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.11. Technical Assistance and Instructional Materials.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>2</b>	
	<b>C.15.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.12. Reporting.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>1</b>	
	<b>C.16.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.13. Communications.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>5</b>	
	<b>C.17.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.14. Transition Services.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>4</b>	
	<b>C.18.</b>	Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.15. Unclaimed Property.</b>  The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.		<b>2</b>	

## RFP ATTACHMENT 6.2. — SECTION C (continued)

<b>RESPONDENT LEGAL ENTITY NAME:</b>					
<b>Response Page # (Respondent completes)</b>	<b>Item Ref.</b>	<b>Section C— Technical Qualifications, Experience &amp; Approach Items</b>	<b>Item Score</b>	<b>Evaluation Factor</b>	<b>Raw Weighted Score</b>
	<b>C.19.</b>	<p>Provide a narrative that illustrates how the Respondent will comply with RFP Attachment 6.6 – <i>Pro Forma</i> Contract Scope of Services, <b>Section A.16. MyTN.gov Interface.</b></p> <p>The narrative should explain in detail how the contract requirements will be met including specific plans for providing the requested services including what, when, and how the services will be performed.</p>		<b>1</b>	
<i>The Solicitation Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.</i>					<b>Total Raw Weighted Score:</b> <i>(sum of Raw Weighted Scores above)</i>
<b>Total Raw Weighted Score</b>					
<b>Maximum Possible Raw Weighted Score</b> <i>(i.e., 5 x the sum of item weights above)</i>					<b>X 40</b> <i>(maximum possible score)</i>
					<b>= SCORE:</b>
<i>State Use – Evaluator Identification:</i>					
<i>State Use – Solicitation Coordinator Signature, Printed Name &amp; Date:</i>					

**RFP ATTACHMENT 6.3.****COST PROPOSAL & SCORING GUIDE****NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED**

**COST PROPOSAL SCHEDULE—** The Cost Proposal, detailed below, shall indicate the proposed price for goods or services defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma* Contract and for the entire contract period. The Cost Proposal shall remain valid for at least one hundred twenty (120) days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFP. All monetary amounts shall be in U.S. currency and limited to two (2) places to the right of the decimal point.

The Respondent may propose an amount of zero in a Proposal cell but should NOT leave any Proposal cells blank. For evaluations purposes, the State will interpret a balance in a Proposal cell as a proposed amount of zero (0) for the item in question.

In any given cell, do NOT propose more than a single Fee and do NOT propose a range of fees.

**NOTICE:** The Evaluation Factor associated with each cost item is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Respondent.

Notwithstanding the cost items herein, pursuant to the second paragraph of the *Pro Forma* Contract section C.1. (refer to RFP Attachment 6.6.), the State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the Respondent to the provisions of this RFP and any contract awarded pursuant to it. If said individual is not the *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to legally bind the Respondent.

<b>RESPONDENT SIGNATURE:</b>								
<b>PRINTED NAME &amp; TITLE:</b>								
<b>DATE:</b>								
<b>RESPONDENT LEGAL ENTITY NAME:</b>								
Cost Item Description	Proposed Cost					State Use ONLY		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (sum x factor)
Out-of-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 2 <sup>nd</sup> withdrawal of the month, per Card (See Contract Section A.4.c.)	\$ Number / 2 <sup>nd</sup> Withdrawal per Card	\$ Number / 2 <sup>nd</sup> Withdrawal per Card	\$ Number / 2 <sup>nd</sup> Withdrawal per Card	\$ Number / 2 <sup>nd</sup> Withdrawal per Card	\$ Number / 2 <sup>nd</sup> Withdrawal per Card		30	



## RFP ATTACHMENT 6.3. (continued)

RESPONDENT LEGAL ENTITY NAME:								
Cost Item Description	Proposed Cost					State Use ONLY		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Evaluation Factor	Evaluation Cost (sum x factor)
Out-of-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 3 <sup>rd</sup> withdrawal or each one thereafter of the month, per Card (See Contract Section A.4.c.)	\$ Number / 3 <sup>rd</sup> Withdrawal or More per Card	\$ Number / 3 <sup>rd</sup> Withdrawal or More per Card	\$ Number / 3 <sup>rd</sup> Withdrawal or More per Card	\$ Number / 3 <sup>rd</sup> Withdrawal or More per Card	\$ Number / 3 <sup>rd</sup> Withdrawal or More per Card		30	
Out-of-Network ATM Balance Inquiry	\$ Number / per Inquiry	\$ Number / per Inquiry	\$ Number / per Inquiry	\$ Number / per Inquiry	\$ Number / per Inquiry		30	
Overdraft Charge (See Contract Section A.4.i.)	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each		30	
Duplicate Cards on Account (See Contract Section A.8.)	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each		10	
Companion Card Fee (See Contract Section A.8.)	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each		10	
Replacement Card Fee (See Contract Section A.8.)	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each		20	
Expedited Card Fee (See Contract Section A.8.)	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each	\$ Number / per Each		10	
<b>TOTAL EVALUATION COST AMOUNT</b> (sum of evaluation costs above): The Solicitation Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.								
$\frac{\text{lowest evaluation cost amount from all proposals}}{\text{evaluation cost amount being evaluated}}$						$\times 30$ (maximum possible score)	= <b>SCORE</b> :	

**RFP ATTACHMENT 6.3. (continued)**

<b>RESPONDENT LEGAL ENTITY NAME:</b>								
<b>Cost Item Description</b>	<b>Proposed Cost</b>					<b>State Use ONLY</b>		
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Sum</b>	<b>Evaluation Factor</b>	<b>Evaluation Cost (sum x factor)</b>
<i>State Use – Solicitation Coordinator Signature, Printed Name &amp; Date:</i>								

**REFERENCE QUESTIONNAIRE**

**The standard reference questionnaire provided on the following pages of this attachment should be completed by all individuals offering a reference for the Respondent.**

The Respondent will be solely responsible for obtaining completed reference questionnaires as detailed below. Provide references from individuals who are not current State employees of the procuring State Agency for projects similar to the goods or services sought under this RFP and which represent:

- two (2) contracts Respondent currently services that are similar in size and scope to the services required by this RFP; and
- three (3) completed contracts that are similar in size and scope to the services required by this RFP.

References from at least three (3) different individuals are required to satisfy the requirements above, e.g., an individual may provide a reference about a completed project and another reference about a currently serviced account. The individual contact reference provided for each contract or project shall not be a current State employee of the procuring State agency. Procuring State agencies that accept references from another State agency shall document, in writing, a plan to ensure that no contact is made between the procuring State agency and a referring State agency. The standard reference questionnaire, should be used and completed, and is provided on the next page of this RFP Attachment 6.4.

In order to obtain and submit the completed reference questionnaires following one of the two processes below.

Written:

- (a) Add the Respondent's name to the standard reference questionnaire at RFP Attachment 6.4. and make a copy for each reference.
- (b) Send a reference questionnaire and new, standard #10 envelope to each reference.
- (c) Instruct the reference to:
  - (i) complete the reference questionnaire;
  - (ii) sign and date the completed reference questionnaire;
  - (iii) seal the completed, signed, and dated reference questionnaire within the envelope provided;
  - (iv) sign his or her name in ink across the sealed portion of the envelope; and
  - (v) return the sealed envelope directly to the Respondent (the Respondent may wish to give each reference a deadline, such that the Respondent will be able to collect all required references in time to include them within the sealed Technical Response).
- (d) Do NOT open the sealed references upon receipt.
- (e) Enclose all sealed reference envelopes within a larger, labeled envelope for inclusion in the Technical Response as required.

Email:

- (a) Add the Respondent's name to the standard reference questionnaire at RFP Attachment 6.4. and make a copy for each reference.
- (b) E-mail a reference questionnaire to each reference.
- (c) Instruct the reference to:
  - (i) complete the reference questionnaire;
  - (ii) sign and date the completed reference questionnaire;
  - (iii) E-mail the reference directly to the Solicitation Coordinator by the RFP Technical Response Deadline with the Subject line of the e-mail as "[Respondent's Name] Reference for RFP # **31701-03585**".

NOTES:

- The State will not accept late references or references submitted by any means other than the two which are described above, and each reference questionnaire submitted must be completed as required.

- The State will not review more than the number of required references indicated above.
- While the State will base its reference check on the contents of the reference e-mails or sealed reference envelopes included in the Technical Response package, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references.
- The State is under no obligation to clarify any reference information.

**RFP # 31701-03585 REFERENCE QUESTIONNAIRE****REFERENCE SUBJECT:** RESPONDENT NAME (completed by Respondent before reference is requested)

The "reference subject" specified above, intends to submit a response to the State of Tennessee in response to the Request for Proposals (RFP) indicated. As a part of such response, the reference subject must include a number of completed and sealed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
- sign and date the completed questionnaire and follow either process outlined below;

**Physical:**

- seal the completed, signed, and dated questionnaire in a new standard #10 envelope;
- sign in ink across the sealed portion of the envelope; and
- return the sealed envelope containing the completed questionnaire directly to the reference subject.

**E-Mail:**

- e-mail the completed questionnaire to:  
Sharon Pope, Sharon.Pope@tn.gov

(1) **What is the name of the individual, company, organization, or entity responding to this reference questionnaire?**

(2) **Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.**

<b>NAME:</b>	
<b>TITLE:</b>	
<b>TELEPHONE #</b>	
<b>E-MAIL ADDRESS:</b>	

(3) **What goods or services does/did the reference subject provide to your company or organization?**

- (4) If the goods or services that the reference subject provided to your company or organization are completed, were the goods or services provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.
- (5) If the reference subject is still providing goods or services to your company or organization, are these goods or services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.
- (6) How satisfied are you with the reference subject's ability to perform based on your expectations and according to the contractual arrangements?

**REFERENCE SIGNATURE:**

(by the individual completing this  
request for reference information)

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(must be the same as the signature across the envelope seal)

**DATE:**

**RFP ATTACHMENT 6.5.****SCORE SUMMARY MATRIX**

	<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>	
<b>GENERAL QUALIFICATIONS &amp; EXPERIENCE</b> (maximum: 30)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>REPEAT AS NECESSARY</i>						
	<b>AVERAGE:</b>		<b>AVERAGE:</b>		<b>AVERAGE:</b>	
<b>TECHNICAL QUALIFICATIONS, EXPERIENCE &amp; APPROACH</b> (maximum: 40)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>REPEAT AS NECESSARY</i>						
	<b>AVERAGE:</b>		<b>AVERAGE:</b>		<b>AVERAGE:</b>	
<b>COST PROPOSAL</b> (maximum: 30)	<b>SCORE:</b>		<b>SCORE:</b>		<b>SCORE:</b>	
<b>TOTAL RESPONSE EVALUATION SCORE:</b> (maximum: 100)						
<i>Solicitation Coordinator Signature, Printed Name &amp; Date:</i>						

**RFP # 31701-03585 *PRO FORMA* CONTRACT**

The *Pro Forma* Contract detailed in following pages of this exhibit contains some “blanks” (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFP.



**CONTRACT**  
**BETWEEN THE STATE OF TENNESSEE,**  
**DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**AND**  
**CONTRACTOR NAME**

This Contract, by and between the State of Tennessee, Department of Finance and Administration ("State") and **Contractor Legal Entity Name** ("Contractor") is for the provision of prepaid debit card services, as further defined in the "SCOPE OF SERVICES." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is **a/an Individual, For-Profit Corporation, Non-Profit Corporation, Special Purpose Corporation Or Association, Partnership, Joint Venture, Or Limited Liability Company.**

Contractor Place of Incorporation or Organization: **Location**

Contractor Edison Registration ID # **Number**

**A. SCOPE OF SERVICES:**

A.1. The Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.

A.2. Definitions. For purposes of this Contract, definitions shall be as follows and as set forth in the Contract:

- a. Card means a reloadable prepaid debit card provided by the Contractor.
- b. Cardholder means the recipient of State agency payments delivered via a prepaid debit card.
- c. Expedited Card Fee means a fee paid to have a replacement Card shipped with faster than standard shipping.
- d. Individualized Education Account (IEA) means an account established for eligible students with disabilities for deposit of state and required local match funds to be deposited and used for educational purposes of that student.
- e. Merchant Category Code (MCC) means a four-digit number listed in ISO 18245 for retail financial services used to classify a business by the types of goods or services it provides.
- f. National Automated Clearinghouse Association (NACHA) means the organization that manages the development, administration, and governance of the ACH network.
- g. Operating Procedures means a mutually agreed upon document that provides a summary of all standard procedures and protocols used in the daily operations of the Card program.
- h. Overdraft Charge means a fee charged when a payment or withdrawal exceeds the available balance.
- i. Payroll Card Account means a prepaid debit card established for the electronic deposit of employee related payments.
- j. Regulation E means a Federal Reserve regulation that outlines rules and procedures for electronic funds transfers (EFTs) and provides guidelines for issuers and sellers of electronic debit cards.

- k. Replacement Card Fee means a fee paid to have a replacement Card produced in the event the Card is lost, stolen, or damaged.
- l. Security Assessment Activities means an assessment performed to identify the current security posture of information.
- m. Transition-In Services means the implementation plan and services provided by the Contractor at the inception of the Contract.
- n. Transition Out Services means the phase out services provided by the Contractor at the conclusion of the Contract.
- o. Unclaimed Property means any money whose rightful owner cannot be located that is required to be turned over to the government after a specific period of time.

A.3. Program Participation. The Contractor shall provide a prepaid debit Card that is Visa or MasterCard branded to deliver State agency program benefits to recipients. The Contractor shall have the ability to provide all services necessary to continue debit Card services as of the Contract Effective Date and to expand services to meet future needs. Implementation shall be executed in accordance with Section A.14. Transition Services.

During the Contract Term, other State agency programs may be added through the mutual agreement of the State and the Contractor with the State having the final discretion, and such requested programs will be added in accordance with Section A.7. Program Implementation.

The State is under no obligation to request additional programs be added during any period of the Contract.

A.4. General Program Requirements. The Contractor shall provide a Card in accordance with the following provisions:

- a. The Card shall operate via the Visa or MasterCard networks, shall be accepted by any participating merchant, and shall allow for Personal Identification Number (PIN)-based and signature-based purchases. The Contractor shall process and credit State agency payments delivered via the Card to the Cardholder. All PIN-based and signature-based purchases shall be provided by the Contractor at no cost to the Cardholder per Section C.2.a.
- b. The Contractor shall assume all responsibility for compliance with all applicable federal, state, and local regulations, including but not limited to NACHA security framework, "Regulation E", and FDIC. The Contractor shall inform Cardholders of "Regulation E" compliance as described in Section A.11.b. of this Contract.
- c. The Contractor shall utilize an Automated Teller Machine (ATM) network and shall allow for nationwide/international ATM access and the withdraw of cash through normal ATM transactions. The Contractor shall ensure the operating network is accessible to the Cardholder and the ATM network technology will be currently active and available within the State of Tennessee as well as other states. Withdrawals made within the ATM network used by the Contractor shall be deemed an In-Network ATM cash withdrawal and shall be provided at no cost to the Cardholder per Section C.2.a.
- d. Cash access must also be made available via a bank teller at participating Visa or MasterCard banks. Additionally, the Cardholder shall have the ability to execute a transfer to a bank account via a bank teller or through the online account. All teller

provided services shall be provided by the Contractor at no cost to the Cardholder per Section C.2.a

- e. The Card may operate as a debit card, a stored value card, or another electronic access-type Card and shall have no line of credit.
- f. The Cardholder shall not be able to make additional deposits (that are not State funds) or add value to the Card.
- g. The Cardholder shall not be able to obtain checks or negotiate checks against the Card or underlying account.
- h. The Cardholder shall have the ability to request a new PIN. The Contractor shall provide a simple means for establishing and changing the PIN.
- i. The operating network shall, to the extent possible, disallow any transaction that causes the Cardholder to exceed the amount available in the account. In the event the Card is overdrawn, the Contractor may charge the Cardholder a fee per Section C.2.b.
- j. Balance inquiries by the Cardholders shall be available by In-Network ATM, 1-800 number service, and web-based application. All balance inquiry services shall be provided by the Contractor at no cost to the Cardholder per Section C.2.a.
- k. The Contractor shall notify Cardholders in writing at least thirty (30) days in advance of changes in account policy and provide materials to Cardholders at a basic 5<sup>th</sup> grade level in both English and Spanish. Prior to sending this communication to the Cardholders, the Contractor shall provide the materials to the State for review and comment.
- l. The Contractor shall provide 24/7/365 customer service access in both English and Spanish via toll free phone access to an Integrated Voice Response (IVR) System.

The IVR system will be capable of tracking the State agency program to which the call pertains.

- m. If the Cardholder cannot obtain the resolution or information that the Cardholder is seeking through the IVR system, the IVR system shall provide a main menu option for the Cardholder to access a live representative.
  - i. At a minimum, the Contractor shall ensure live representatives who are bilingual in English and Spanish are available from 8:00 AM to 5:00 PM, Central Time, Monday through Friday, excluding Federal holidays. It is acceptable for the Cardholder to be transferred to bilingual staff. If the call occurs outside of this available window, the IVR shall provide a message informing the Cardholder of the hours during which a live representative will be available.
  - ii. The Contractor's customer service center and the customer service center live representatives shall be located in the United States.
  - iii. The Contractor shall develop and provide service level standards that are comparable to industry standards and shall be provided to the State upon Contract execution. At a minimum, the standards shall include:
    - a. Defined Standard for Average Wait Time.
    - b. Defined Standard for Abandonment Rate.

- c. Specified escalation procedures to bring standards back within an acceptable range in the event defined standards are not met for fourteen (14) consecutive calendar days.
  - d. The Contractor shall provide a monthly report, or more often at the State's request, to include at a minimum the following:
    - i. Total calls received.
    - ii. Number of calls requiring live representative.
    - iii. Average wait time per call.
    - iv. Abandonment rate.
    - v. Number of calls requiring bi-lingual representative.
- n. During the term of the Contract if a program requests a redesign of their card, the Contractor shall provide a redesigned Card within thirty (30) calendar days of receiving a written request from the State. All redesign services shall be provided at no cost to the State and shall meet the minimum requirements as specified in A.8. Card Issuance.
- o. The Contractor shall provide for a means for account establishment. In addition, the Contractor shall provide for a means for secured Card activation by the Cardholder prior to use.
- p. The Contractor shall provide a secure website for the Cardholder to access information on their account. Information available on this secure website shall include but should not be limited to:
  - i. Available balance on the Card.
  - ii. Transactional information for the last 12 months.
  - iii. Ability to execute electronic transfers to a bank account.
  - iv. Ability to update address, e-mail, and phone number associated with the account.

The Cardholders shall also have the option to request a printed monthly Cardholder Statement. Account activity information shall be provided at no cost to the Cardholder per Section C.2.a.
- q. The Contractor shall not charge a monthly account fee to the Cardholder as outlined in Section C.2.a.
- r. The Contractor shall address all customer service calls via a toll-free number referenced in Section A.4.j. above, at no cost to the Cardholder as outlined in Section C.2.a.
- s. In the event a Cardholder is a recipient of program benefits from more than one program, such as child support and unemployment insurance benefits, the Contractor shall provide separate Cardholder accounts for each program, unless otherwise agreed to by the State.
- t. The Contractor shall support the following methods of deposit to Cardholder accounts:
  - i. Utilization of the ACH network to credit individual Cardholder Accounts.

- ii. Provide an option for the State to submit a single ACH deposit to the Contractor with the Contractor assuming the responsibility to credit individual Cardholder Accounts. The Contractor shall credit the individual Cardholder Accounts within 24 hours of receiving the deposit from the State.
- u. The State currently has two activation methods as follows:
  - i. Before the State will transfer the funds, the Contractor must send an electronic file to the State verifying the Cardholder has successfully activated the Card. The electronic file must be sent to the State within twenty-four (24) hours of activation.
  - ii. Once the Contractor issues the Card, the benefits can be posted upon State approval regardless of whether or not the Cardholder has activated the Card.
  - iii. If additional programs are added in the future, the above described activation methods, or other methods, will be utilized as directed by the State.
- v. The State agencies will transmit account data changes, such as name and address, to the Contractor according to the schedule developed by each program. The Contractor shall maintain a system that can accept data changes as frequent as daily. The Contractor will make appropriate data changes within twenty-four (24) hours after receipt or earlier if the Contractor so provides.
- w. The Contractor shall provide a daily list of Cards returned by the U.S. Postal Service as undeliverable. Procedures for re-issuing Cards shall be established in accordance with Section A.5. Operating Procedures.
- x. A Card shall be designated as lost or stolen upon notification by the Cardholder. Procedures to address the Card replacement process shall be established in accordance with Section A.5. Operating Procedures.
- y. The Contractor shall provide a secure on-line bill pay function to facilitate use of the Card at no cost to the Cardholder per Section C.2.a.
- z. At the option of the State, the Contractor shall be able to provide for the following functionality to be exercised at the program level:
  - i. Restrict Card access through Merchant Category Code (MCC) blocks and restrict cash access through limited or no ATM withdrawals. Department personnel shall provide the necessary MCC restrictions to the Contractor upon exercising this option.
  - ii. Review Card transaction history, with approval of the Cardholder, to ensure deposited funds are used for appropriate program services.
  - iii. Inactivate the card, with the approval of the Cardholder, at the direction of the State.
  - iv. For programs with restricted cash access, permit transfers from a Cardholder's account back to the State based on the written request of the Cardholder.

A.5 Operating Procedures. The Contractor and the State shall mutually agree upon Standard Operating Procedures that summarize the procedures and protocols used in the daily operations of the Card program and shall at a minimum detail the following:

- i. Procedures for contacting the Client Services Representative as well as clearly documented escalation procedures when timely response is not received from the CSR.
- ii. Procedures and contact information for customers living internationally.

During the term of the Contract, the State reserves the right to request the Standard Operating Procedures be amended to include additional items.

A.6. System Communications. The Contractor shall provide system functionality to allow State agencies to establish new accounts (as required by Section A.4.o) or update to existing accounts. At a minimum, the following methods shall be provided by the Contractor:

- a. An administrative portal that will allow for manual establishment of new accounts or manual update of existing accounts.
- b. An automated procedure for using an industry standard electronically secure data connection using point-to-point data encryption which allows the State agencies to transmit account information to the Contractor on a daily basis. The data file transfer must be automated, requiring no manual intervention by the State agencies. The Contractor shall provide the required data fields utilizing the file format provided by the State agencies or a file format agreed to by both the Contractor and the State agencies for transmitting account and payment information data to the Contractor. In the event of any dispute in format, the State agencies shall have the final decision. The Contractor shall electronically accept transactions in the National Automated Clearinghouse Associations' (known as "NACHA – the Electronic Payments Association" approved) format.

The Contractor shall communicate daily with the various State agencies to establish and maintain accounts via an industry standard electronically secure data connection using point-to-point encryption.

A.7. Program Implementation.

An authorized designee of the State, as specified in Section D.2, shall notify the Contractor in writing when a new program implementation is needed. Within ten (10) calendar days of being notified, the Contractor shall assign a dedicated resource to oversee the program implementation. The Contractor shall provide in writing a detailed implementation plan mutually acceptable to the State and the Contractor. At a minimum, the implementation plan shall specify programmatic needs and an implementation timeline.

A.8. Card Issuance. The Contractor shall mail the initial Cards within three (3) business days of receiving account data from the State agencies. At a minimum, the cards shall have the following:

- i. The customer service toll free number for both domestic and international cardholders shall be presented on the back of the Card.
- ii. The Cards shall be magnetic stripe and EMV/chip PIN enabled.

The Contractor shall provide for additional or replacement cards as follows:

- a. Duplicate Cards. The Cardholder shall have the option to request duplicate Cards upon establishment of the Account and Cards shall be issued in the name of the Cardholder. A duplicate Card is defined as an additional Card for a custodian or guardian, or family member. See also Section C.2.b. which describes the fee for this additional service. The

Contractor shall mail the duplicate Cards upon the Cardholder's request within five (5) business days after receipt of the request from the Cardholder.

- b. Companion Cards. The Cardholder shall have the option to request additional Cards upon establishment of the Account, and the Cards shall be issued in the name the Cardholder designates. The Companion Card is defined as a Card issued in the name the Cardholder designates but is tied to the account of the Cardholder. The Contractor shall provide all system functionality to allow for the transfer and withdraw of funds to Companion Cards, and the Cardholder shall be solely responsible for the transfer and withdraw of funds to the Companion Card. See also Section C.2 b. which describes the fee for these additional services. The Contractor shall mail the Companion Card upon the Cardholder's request within five (5) business days of receipt of the request from the Cardholder.
  - c. Replacement Cards. The Contractor shall mail replacement Cards upon the Cardholder's request within three (3) business days after receipt of the request from the Cardholder. Replacement cards are intended to replace lost or stolen cards. See also Sections A.4.x. and C.2.b.
  - d. Expedited Cards. At the Cardholder's request, shipping of any Card may be expedited at the Cardholder's expense. Expedited delivery means delivered the next business day. See also Section C.2.b.
  - e. Expiring Cards. The Contractor shall automatically issue replacement cards for Cardholders within sixty (60) days of the Card expiring. Automatic issuance of replacement cards for expiring cards shall be determined at the program level based on criteria documented in A.5. Standard Operating Procedures, as mutually agreed upon by the Contractor and the State.
- A.9. Alternate Site and System. The Contractor shall establish and maintain an alternative processing arrangement adequate to resume immediately its Card authorization and processing services provided under this agreement in the event the Contractor's primary operations site or equipment is unavailable due to human error, equipment failure, manmade or natural disaster.
- A.10. Continuous Processing. In the event the Contractor's ability to process Card transactions fails, the Contractor shall notify the State via the State's Service Desk within two (2) hours of cessation. Procedures for such reporting shall be established in accordance with Section A.5. Operating Procedures.
- A.11. Technical Assistance and Instructional Materials.
- a. The Contractor, at the request of the State, shall be available to provide technical assistance to the State regarding implementation issues, secure file transfers, reporting sessions on communications, or any other aspects of the program. This assistance shall be through regular conference calls unless otherwise agreed to by the State and the Contractor.
  - b. The Contractor will provide instructional materials to be mailed out initially with the Cards to inform Cardholders of Card usage, cash access, Cardholder fees and "Regulation E" compliance. Such information must be available in both English and Spanish. The Contractor agrees the State will have final approval of instructional materials provided with the Card. See also Section A.4.b.
  - c. The Contractor will provide the State with written biannual updates on upcoming changes or advancements in industry standards and technology. Such information can be communicated in the form of a newsletter or individually drafted communication sent to the Contract Administrator as designated in Section D.2.

A.12. Reporting. The Contractor shall provide timely and accurate reporting information as mutually agreed upon by the State agencies and Contractor.

a. At a minimum, the following reports shall be available to the State:

- |       |  |   |
|-------|--|---|
| i.    | Listing of current Cardholder Accounts   | Daily   |
| ii.   | Listing of Cards returned undeliverable  | Daily   |
| iii.  | Listing of Cards activated by day  | Daily   |
| iv.   | Summary of closed, activated, active, and inactive cards   | Daily   |
| v.    | Card Issuance: summary of cards issued (initial, not activated, cancelled)   | Monthly   |
| vi.   | Customer Service Activity – summary of live calls accepted, answered, and abandoned after twenty (20) seconds and average speed of response.   | Monthly   |
| vii.  | Customer Service Activity – summary of IVR calls accepted and total time for accepted calls  | Monthly   |
| viii. | Quarterly Comprehensive Report: Unless otherwise agreed to between the State and the Contractor, the Contractor shall provide a quarterly comprehensive report to the State on each program including: |   |
|       | (1)  | account volume (active accounts, accounts with deposits, new accounts); |
|       | (2)  | Card issuance and replacement;  |
|       | (3)  | monthly transactions by type; e.g., ATM, POS, POS/PIN, OTC;             |
|       | (4)  | customer service call frequency; and                                    |
|       | (5)  | payments (monthly spend).   |

b. The Contractor shall provide separate reporting for each State agency's program. Access to reporting information will be determined by the State. Referenced reports shall be provided at the specified date and time agreed to between the State and the Contractor.

c. The State reserves the right to request additional recurring and ad hoc reports be provided by the Contractor throughout the term of the Contract. Such reports shall be provided for the time period and at the frequency requested by the State.

A.13. Communications. The Contractor must keep the State Contract administrator, with the Department of Finance and Administration, informed of any meetings with other State agencies, as it pertains to this Contract. Permission must be obtained from the State Contract administrator prior to establishing the meeting.

A.14. Transition Services.



- a. Transition-In Services. The Contractor shall work with the State and the existing prepaid debit Card Contractor to assume full responsibility for day-to-day Card operations no later than November 30, 2025.
  - b. The Contractor shall develop and submit an Implementation Plan and Schedule to the State for the State's approval within ten (10) calendar days after the Contract Start Date. The Implementation Plan shall include the following:
    - i. A detailed timeline description of all work to be performed by both the Contractor and State. This plan shall require written approval by the State.
    - ii. A description of the members on the transition team and their roles.
    - iii. A description of system testing that will be performed on all components and functional areas of the Card programs, including pilot test of selected Cardholders for each State agency. Prior to the pilot, the Contractor should conduct an interface test(s) between the State agency systems and the Contractor's system to ensure the files transmitted from the State to the Contractor are properly received, accepted, and processed.
    - iv. Validation to the State that the automated response unit properly accepts, processes, and responds to calls within the Contract specifications.
    - v. Validation that reporting capabilities are operational.
    - vi. Validation that Point-Of-Sale and cash access is operational.
    - vii. Preparation of the Operating Procedures referenced in Section A.5.
    - viii. Upon conclusion of the testing, the State shall provide the Contractor with a summary of findings that may include areas requiring corrective action prior to the implementation.
    - ix. Preliminary design for program specific cards. The design shall be submitted to the State for approval within thirty (30) calendar days after the Contract Start Date.
  - c. Transition Out Services. The final six (6) months of the Contract term are designated as a Transition Out period to be invoked in the event that the State awards a subsequent prepaid debit Card Contract to a vendor other than the Contractor.
    - i. The Contractor shall cooperate with the State and assist in planning for an orderly exit strategy in the event a different Contractor is awarded the subsequent Contract and the Contractor shall provide continuing services as the State transitions itself to receive such services from the new Contractor.
    - ii. The Contractor shall continue to service all existing accounts with a balance after the Contract End Date. Also see Contract Section E.5.a.(8).
    - iii. The Contractor shall continue to provide information, as requested by the State, for the number of active accounts (with benefits) and the number of transaction accounts for six (6) months following termination.
- A.15. Unclaimed Property. The Contractor shall be responsible for performing all Unclaimed Property reporting and remittance of obligations under all applicable jurisdictions. All reporting and remittance shall be performed according to the Unclaimed Property rules of the state of the last

known address of the Cardholder. In the event of an Unclaimed Property audit of records derived under this Contract, any fines, penalties, or interest assessed for incorrect or incomplete reporting shall be the responsibility of the Contractor, though they may be assessed directly to the State.

A.16. MyTN.gov Interface.

- a. The State may require the software developed or provided by the Contractor under this Contract to interface with the State's customer-facing portal, MyTN.gov. This may occur at any time during the Term of the Contract. If so, the Contractor may have to comply with one, or more, of the following requirements:
  - (1) All web applications must be Responsive. "Responsive" is an industry standard term that refers to a web design that makes web pages render well on a variety of devices and window or screen sizes.
  - (2) All web applications must have the capability to use a single-sign on server utilizing the following industry standard protocols: Security Assertion Markup Language ("SAML") or minimum of OAuth 2.0.
- b. Any of the obligations in Section A.16.a that were known and required prior to Contract Effective Date will be specified herein, including necessary compensation methods and amounts.
- c. For any of the obligations in Section A.16.a that were unknown or not required at Contract Effective Date, it will be necessary to add lines, items, or options to the Contract to accommodate one or more of the new interface requirements. The State shall add these lines, items, or options in accordance with the MOU process described in Section E.2 below. If the Contractor requires additional compensation for the interface tasks, such compensation shall be negotiated and specified through this same MOU process.

A.17. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be the greater of the Term of this Contract or any other warranty generally offered by Contractor, its suppliers, or manufacturers to customers of its goods or services. The goods or services provided under this Contract shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

A.18. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver

the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any Defects, the goods or services shall be deemed to have been accepted by the State.

**B. TERM OF CONTRACT:**

This Contract shall be effective on August 1, 2025 ("Effective Date"), and extend for a period of sixty (60) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**C. PAYMENT TERMS AND CONDITIONS:**

C.1 There shall be no cost to the State for the performance of services under this Contract.

C.2. a. The Contractor must provide all services to the Individualized Education Accounts and Payroll Card Accounts, as defined in Section A.2. at no cost to the Cardholder. For all other participating programs, the Contractor must provide the following services at no cost to the Cardholder:

- i. All In-Network ATM Cash Withdrawals as described in Section A.4.c. Note: the Contractor is authorized to pass through third party bank and/or network charges related to any Out-of-Network ATM usage to the Cardholder.
- ii. Unlimited cash access via a bank teller at participating Visa or MasterCard banks as described in Section A.4.d.
- iii. 24/7 access to a secure website as described in Section A.4.p.
- iv. Monthly account access as described in Section A.4.p.
- v. All customer service calls as described in Section A.4.r.
- vi. Electronic transfers to a bank account via the secure website or a bank teller as described in Section A.4.d.
- vii. If requested, a printed monthly statement as described in Section A.4.p.
- viii. Balance inquiries as described in Section A.4.j.
- ix. Online bill pay functionality as described in Section A.4.y.
- x. PIN and Signature based purchases as described in Section A.4.a.

b. With the exception of the Individualized Education Accounts and Payroll Card Accounts, as defined in Section A.2., the Contractor is authorized to charge the Cardholders the following usage and replacement fees:

Service Description	Amount (per compensable increment)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Out-of-Network ATM Cash Withdrawal fee (fee charged by Contractor) for the 2 <sup>nd</sup> withdrawal, within a given month, per Card	\$ Number per 2 <sup>nd</sup> Withdrawal per Card	\$ Number per 2 <sup>nd</sup> Withdrawal per Card	\$ Number per 2 <sup>nd</sup> Withdrawal per Card	\$ Number per 2 <sup>nd</sup> Withdrawal per Card	\$ Number per 2 <sup>nd</sup> Withdrawal per Card

Service Description	Amount (per compensable increment)				
Out-of-Network ATM Cash withdrawal fee (fee charged by Contractor) for the 3 <sup>rd</sup> withdrawal or each one thereafter, within a given month, per Card	\$ Number per 3 <sup>rd</sup> Withdrawal or More per Card	\$ Number per 3 <sup>rd</sup> Withdrawal or More per Card	\$ Number per 3 <sup>rd</sup> Withdrawal or More per Card	\$ Number per 3 <sup>rd</sup> Withdrawal or More per Card	\$ Number per 3 <sup>rd</sup> Withdrawal or More per Card
Out-of-Network ATM Balance Inquiry	\$ Number per Inquiry	\$ Number per Inquiry	\$ Number per Inquiry	\$ Number per Inquiry	\$ Number per Inquiry
Overdraft Charge (See Contract Section A.4.i.)	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Duplicate Cards on account (See Contract Section A.8.)	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Companion Card Fee (See Contract Section A.8.)	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Replacement Card Fee (See Contract Section A.8.)	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each
Expedited Card Fee (See Contract Section A.8.)	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each	\$ Number per Each

- c. With the exception of the Individualized Education Accounts and Payroll Card Accounts, as defined in Section A.2., the Contractor is authorized to pass-through foreign network and Out-of-Network charges and fees to the Cardholders.

C.3. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.

**D. MANDATORY TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.

- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Paige Dye, Fiscal Director 3  
 Department of Finance and Administration  
 312 Rosa L. Parks Avenue  
 21<sup>st</sup> Floor  
 Nashville, TN 37243  
 Paige.E.Dye@tn.gov  
 Telephone # 615.837.5590  
 FAX # 615.532.2332

The Contractor:

Contractor Contact Name & Title  
 Contractor Name  
 Address  
 Email Address  
 Telephone # Number  
 FAX # Number

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.5. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for beach of this Contract.
- D.6. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part of the use of subcontractors in fulfilling the Contractor's obligations under this Contract.

- D.7. Conflicts of Interest. The Contractor warrants that no amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.8. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.9. Prohibition of Illegal Immigrants. The requirements of Tennessee Code Ann. §12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

- a. The Contractor hereby agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation by submitting to the State a completed Attestation (accessible through the Edison Supplier Portal) and included at Attachment A, hereto, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
- c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
- d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tennessee Code Ann. § 12-3-309 for acts or omissions occurring after its effective date. This law requires the Chief Procurement Officer to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.
- e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose

physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.

- D.10. Records. The Contractor shall maintain documentation of services rendered under this Contract. The books, records and documents of the Contractor, insofar as they relate to work performed under this Contract, shall be maintained for a period of five (5) full years from the final date of this Contract and shall be subject to audit, at any reasonable time and upon reasonable notice, by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.11. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.12. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.13. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.14. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the Parties that such Parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.  
  
The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.
- D.15. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless from any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.16. State Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise.
- D.17. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.

- D.18. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.19. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tennessee Code Ann. §§ 9-8-101-408.
- D.20. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.21. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.22. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.23. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance of this Contract, these items shall govern in the order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
  - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below), which includes Attachment A;
  - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
  - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
  - e. any technical specifications provided to proposers during the procurement process to award this Contract; and
  - f. the Contractor's response seeking this Contract.
- D.24. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor's failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) acceptable to the State; (b) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (c) rated A- / VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. All policies must contain an endorsement for a waiver of subrogation in favor of the State. Any deductible or self insured retention ("SIR") over fifty thousand dollars (\$50,000) must be approved by the State. The deductible or SIR and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.



To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area. In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred). The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3<sup>rd</sup> floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again thirty (30) calendar days before renewal or replacement of coverage. Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy. At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required is a material breach of this Contract. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses. The State reserves the right to require complete copies of all required insurance policies, including endorsements required by these specifications, at any time.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

**The insurance obligations under this Contract shall be: (1)—all the insurance coverage and policy limits carried by the Contractor; or (2)—the minimum insurance coverage requirements and policy limits shown in this Contract; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and minimum required policy limits, which are applicable to a given loss, shall be available to the State. No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.**

a. Commercial General Liability ("CGL") Insurance

- 1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and

shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

- 2) The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project or location of occurrence or the general aggregate limit shall be twice the required occurrence limit.

b. Workers' Compensation and Employer's Liability Insurance

- 1) For Contractors statutorily required to carry workers' compensation and employer's liability insurance, the Contractor shall maintain:
  - i. Workers' compensation and employer's liability insurance in the amounts required by applicable state statutes.
- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;
  - iv. The Contractor is in the coal mining industry with no employees;
  - v. The Contractor is a state or local government; or
  - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Automobile Liability Insurance

- 1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- 2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit. Notwithstanding the foregoing, if neither the Contractor nor anyone working on its behalf will operate or use a motor vehicle in connection with this Contract, in lieu of evidence of automobile liability coverage the Contractor may provide a signed, written letter attesting to that fact.

d. Cyber Liability Insurance

- 1) The Contractor shall maintain cyber liability in an amount not less than three million dollars (\$3,000,000) per occurrence or claim and five million dollars (\$5,000,000) annual aggregate. Such insurance shall be sufficiently broad to respond to the Contractor's duties and obligations under this Contract, and shall include coverage for all acts, claims, errors, omissions, negligence, infringement of intellectual property (including copyright, patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, information theft, damage to destruction of or alteration of electronic information, breach of privacy perils, wrongful disclosure and release of private information, collection, or other negligence in the handling of confidential information, and including coverage for related regulatory fines, defenses, and penalties.
- 2) Such coverage shall include data breach response expenses, in an amount not less than three million dollars (\$3,000,000) and payable whether incurred by the State or Contractor, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services and expenses in the performance of services for the State or on behalf of the State hereunder.

e. Crime Insurance

- 1) The Contractor shall maintain crime insurance, which shall be written on a "loss sustained form" or "loss discovered form" providing coverage for third-party fidelity, including cyber theft and extortion. The policy must allow for reporting of circumstances or incidents that may give rise to future claims, include an extended reporting period of no less than two (2) years with respect to events which occurred but were not reported during the term of the policy, and not contain a condition requiring an arrest or conviction. Such policy shall include, or be endorsed to include, the State as a loss payee.
- 2) Any crime insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and one million dollars (\$1,000,000) in the aggregate. Any crime insurance policy shall contain a Social Engineering Fraud Endorsement with a limit of not less than two hundred and fifty thousand dollars (\$250,000). This insurance may be written on a claims-made basis, but in the event that coverage is cancelled or non-renewed, the Contractor shall purchase an extended reporting or "tail coverage" of at least two (2) years after the Term.

D.25. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys' fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.26. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this section shall survive the termination of the Contract.
- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
  - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
  - c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another such document.
  - d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.
- D.27. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. § 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.28. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its

principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.29. Prohibited Contract Terms. The prohibited contract terms and conditions enumerated in Tenn. Code Ann. § 12-3-515, shall be a material provision of this Contract. The Contractor acknowledges, understands, and agrees that the inclusion of a term or condition prohibited by Tenn. Code Ann. § 12-3-515, shall be null and void and the Contract shall be enforceable as if the Contract did not contain such term or condition.

## **E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.
- E.2. Additional lines, items, or options. At its sole discretion, the State may make written requests to the Contractor to add lines, items, or options that are needed and within the Scope but were not included in the original Contract. Such lines, items, or options will be added to the Contract through a Memorandum of Understanding ("MOU"), not an amendment.
- a. After the Contractor receives a written request to add lines, items, or options, the Contractor shall have ten (10) business days to respond with a written proposal. The Contractor's written proposal shall include:
    - (1) The effect, if any, of adding the lines, items, or options on the other goods or services required under the Contract;
    - (2) Any pricing related to the new lines, items, or options;
    - (3) The expected effective date for the availability of the new lines, items, or options; and
    - (4) Any additional information requested by the State.
  - b. The State may negotiate the terms of the Contractor's proposal by requesting revisions to the proposal.
  - c. To indicate acceptance of a proposal, the State will sign it. The signed proposal shall constitute a MOU between the Parties, and the lines, items, or options shall be incorporated into the Contract as if set forth verbatim.
  - d. Only after a MOU has been executed shall the Contractor perform or deliver the new lines, items, or options.
- E.3. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives

where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. The State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII and Contractor shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify or ensure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of such PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Contract.

#### E.4. Comptroller Audit Requirements.

When requested by the State or the Comptroller of the Treasury, the Contractor must provide the State or the Comptroller of the Treasury with a detailed written description of the Contractor's information technology control environment, including a description of general controls and application controls. The Contractor must also assist the State or the Comptroller of the Treasury with obtaining a detailed written description of the information technology control environment for any third or fourth parties, or Subcontractors, used by the Contractor to process State data and/or provide services under this Contract.

Contractor will maintain and cause its Subcontractors to maintain a complete audit trail of all transactions and activities in connection with this Contract, including all information technology logging and scanning conducted within the Contractor's and Subcontractor's information technology control environment. Upon reasonable notice and at any reasonable time, the Contractor grants the State or the Comptroller of the Treasury with the right to audit the Contractor's information technology control environment, including general controls and application controls. The audit may include testing the general and application controls within the Contractor's information technology control environment and may also include testing general and application controls for any third or fourth parties, or Subcontractors, used by the Contractor to process State data and/or provide services under this Contract. The audit may include the Contractor's and Subcontractor's compliance with the State's Enterprise Information Security Policy and all applicable requirements, laws, regulations, or policies.

Upon reasonable notice and at any reasonable time, the Contractor and Subcontractor(s) agree to allow the State, the Comptroller of the Treasury, or their duly appointed representatives to perform information technology control audits of the Contractor and all Subcontractors used by the Contractor. Contractor will provide to the State, the Comptroller of the Treasury, or their duly appointed representatives access to Contractor and Subcontractor(s) personnel for the purpose of performing the information technology control audit. The audit may include interviews with technical and management personnel, physical or virtual inspection of controls, and review of paper or electronic documentation.

The Contractor must have a process for correcting control deficiencies that were identified in the State's or Comptroller of the Treasury's information technology audit. For any audit issues identified, the Contractor and Subcontractor(s) shall submit a corrective action plan to the State or the Comptroller of the Treasury which addresses the actions taken, or to be taken, and the anticipated completion date in response to each of the audit issues and related recommendations of the State or the Comptroller of the Treasury. The corrective action plan shall be provided to the State or the Comptroller of the Treasury upon request from the State or Comptroller of the Treasury and within 30 days from the issuance of the audit report or communication of the audit issues and recommendations. Upon request from the State or Comptroller of the Treasury, the Contractor and Subcontractor(s) shall provide documentation and evidence that the audit issues were corrected.

Each party shall bear its own expenses incurred while conducting the information technology controls audit.

**E.5. Information Technology Security Requirements (State Data, Audit, and Other Requirements).**

**a. The Contractor shall protect State Data as follows:**

- (1) The Contractor shall ensure that all State Data is housed in the continental United States, inclusive of backup data. All State data must remain in the United States, regardless of whether the data is processed, stored, in-transit, or at rest. Access to State data shall be limited to US-based (onshore) resources only.

All system and application administration must be performed in the continental United States. Configuration or development of software and code is permitted outside of the United States. However, software applications designed, developed, manufactured, or supplied by persons owned or controlled by, or subject to the jurisdiction or direction of, a foreign adversary, which the U.S. Secretary of Commerce acting pursuant to 15 CFR 7 has defined to include the People's Republic of China, among others are prohibited. Any testing of code outside of the United States must use fake data. A copy of production data may not be transmitted or used outside the United States.

- (2) The Contractor shall encrypt Confidential State Data at rest and in transit using the current version of Federal Information Processing Standard ("FIPS") 140-2 ~~or~~ 140-3 (or current applicable version) validated encryption technologies. The State shall control all access to encryption keys. The Contractor shall provide installation and maintenance support at no cost to the State.
- (3) The Contractor and any Subcontractor used by the Contractor to host State data, including data center vendors, shall be subject to an annual engagement by a licensed CPA firm in accordance with the standards of the American Institute of Certified Public Accountants ("AICPA") for a System and Organization Controls for service organizations ("SOC") 2 Type 2 examination. The scope of the SOC 2 Type 2 examination engagement must include the Security, Availability, Confidentiality, and Processing Integrity Trust Services Criteria. In addition, the Contractor services that are part of this Contract, including any processing or storage services, must be included in the scope of the SOC 2 Type 2 examination engagement(s).
- (4) The Contractor must annually review its SOC 2 Type 2 examination reports. Within 30 days of receipt of the examination report, or upon request from the State or the Comptroller of the Treasury, the Contractor must provide the State or the Comptroller of the Treasury a non-redacted copy of the Contractor's SOC 2 Type 2 examination report(s). The Contractor must review the annual SOC 2 Type 2 examination reports for each of its Subcontractors and must also assist the State or Comptroller of the Treasury with obtaining a non-redacted copy of any

SOC examination reports for each of its Subcontractors, including data centers used by the Contractor to host or process State data.

If the Contractor's SOC 2 Type 2 examination report includes a modified opinion, meaning that the opinion is qualified, adverse, or disclaimed, the Contractor must share the SOC report and the Contractor's plan to address the modified opinion with the State or the Comptroller of the Treasury within 30 days of the Contractor's receipt of the SOC report or upon request from the State or the Comptroller of the Treasury. If any Subcontractor(s) SOC 2 Type 2 examination report includes a modified opinion, the Contractor must assist the State or Comptroller of the Treasury with obtaining the Subcontractor(s) SOC report and the Subcontractor(s) plan to address the modified opinion.

The Contractor must have a process for correcting control deficiencies that were identified in the SOC 2 Type 2 examination, including follow-up documentation providing evidence of such corrections. Within 30 days of receipt of the examination report, or upon request from the State or the Comptroller of the Treasury, the Contractor must provide the State or the Comptroller of the Treasury with a corrective action plan and evidence of correcting the control deficiencies. The Contractor must require each of its Subcontractors, including data centers used by the Contractor to host State data, to have a process for correcting control deficiencies identified in their SOC examination reports and must assist the State or Comptroller of the Treasury with obtaining a corrective action plan and obtaining evidence of correcting control deficiencies identified in Subcontractor(s) SOC reports.

No additional funding shall be allocated for these examinations as they are included in the Maximum Liability of this Contract.

- (5) Contractor shall be certified to host Payment Card Industry ("PCI") data in accordance with the current version of PCI DSS ("Data Security Standard"), maintained by the PCI Security Standards Council.
- (6) The Contractor must annually perform Penetration Tests and Vulnerability Assessments against its Processing Environment per the NIST 800-115 definition. "Processing Environment" shall mean the combination of software and hardware on which the Application runs. "Application" shall mean the computer code that supports and accomplishes the State's requirements as set forth in this Contract. "Penetration Tests" shall be in the form of attacks on the Contractor's computer system, with the purpose of discovering security weaknesses which have the potential to gain access to the Processing Environment's features and data. The "Vulnerability Assessment" shall be designed and executed to define, identify, and classify the security holes (vulnerabilities) in the Processing Environment. The Contractor shall allow the State, at its option, to perform Penetration Tests and Vulnerability Assessments on the Processing Environment. The Contractor shall provide a letter of attestation on its processing environment that penetration tests and vulnerability assessments has been performed on an annual basis and taken corrective action to evaluate and address any findings.

In the event of an unauthorized disclosure or unauthorized access to State data, the State Strategic Technology Solutions (STS) Security Incident Response Team (SIRT) must be notified and engaged by calling the State Customer Care Center (CCC) at 615-741-1001. Any such event must be reported by the Contractor within twenty-four (24) hours after the unauthorized disclosure has come to the attention of the Contractor.

- (7) If a breach has been confirmed a fully un-modified third-party forensics report must be supplied to the State and through the STS SIRT. This report must include indicators of compromise (IOCs) as well as plan of actions for remediation and restoration. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures.



- (8) Upon State request, the Contractor shall provide a copy of all Confidential State Data it holds. The Contractor shall provide such data on media and in a format determined by the State
- (9) Upon termination of this Contract and in consultation with the State, the Contractor shall destroy, and ensure all subcontractors shall destroy, all Confidential State Data it holds (including any copies such as backups) in accordance with the current version of National Institute of Standards and Technology ("NIST") Special Publication 800-88. The Contractor shall provide a written confirmation of destruction to the State within ten (10) business days after destruction.

b. Minimum Requirements

- (1) The Contractor and all data centers used by the Contractor to host State data, including those of all Subcontractors, must comply with the State's Enterprise Information Security Policies as amended periodically. The State's Enterprise Information Security Policies document is found at the following URL: <https://www.tn.gov/finance/strategic-technology-solutions/strategic-technology-solutions/sts-security-policies.html>.
- (2) The Contractor agrees to maintain the Application so that it will run on a current, manufacturer-supported Operating System. "Operating System" shall mean the software that supports a computer's basic functions, such as scheduling tasks, executing applications, and controlling peripherals.
- (3) If the Application requires middleware or database software, Contractor shall maintain middleware and database software versions that are always fully compatible with current versions of the Operating System and Application to ensure that security vulnerabilities are not introduced.
- (4) In the event of drive/media failure, if the drive/media is replaced, it remains with the State and it is the State's responsibility to destroy the drive/media, or the Contractor shall provide written confirmation of the sanitization/destruction of data according to NIST 800-88.

c. Business Continuity Requirements. The Contractor shall maintain set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations ("Business Continuity Requirements"). Business Continuity Requirements shall include:

- (1) "Disaster Recovery Capabilities" refer to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:
  - i. Recovery Point Objective ("RPO"). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident  
 24 hours
  - ii. Recovery Time Objective ("RTO"). The RTO is defined as the targeted duration of time and a service level within which a business process must be restored after a disaster (or disruption) in order to avoid unacceptable consequences associated with a break in business continuity:  
 24 hours

The Contractor and the Subcontractor(s) shall maintain a documented Disaster Recovery plan and shall share this document with the State when requested. The Contractor and the Subcontractor(s) shall perform at least one Disaster Recovery Test every three hundred sixty-five (365) days. A "Disaster Recovery Test" shall mean the process of verifying the success of the

restoration procedures that are executed after a critical IT failure or disruption occurs. The Disaster Recovery Test shall use actual State Data Sets that mirror production data, and success shall be defined as the Contractor verifying that the Contractor can meet the State's RPO and RTO requirements. A "Data Set" is defined as a collection of related sets of information that is composed of separate elements but can be manipulated as a unit by a computer. The Contractor shall provide written confirmation to the State after each Disaster Recovery Test that its Disaster Recovery Capabilities meet the RPO and RTO requirements.

- E.6. Americans with Disabilities Act. The Contractor must comply with the Americans with Disabilities Act (ADA) of 1990, as amended, including implementing regulations codified at 28 CFR Part 35 "Nondiscrimination on the Basis of Disability in State and Local Government Services" and at 28 CFR Part 36 "Nondiscrimination on the Basis of Disability in Public Accommodations and Commercial Facilities," and any other laws or regulations governing the provision of services to persons with a disability, as applicable. For more information, please visit the ADA website: <http://www.ada.gov>.
- E.7. Software License Warranty. Contractor grants a license to the State to use all software provided under this Contract in the course of the State's business and purposes.
- E.8. Software Support and Maintenance Warranty. Contractor shall provide to the State all software upgrades, modifications, bug fixes, or other improvements in its software that it makes generally available to its customers.

IN WITNESS WHEREOF,

**CONTRACTOR LEGAL ENTITY NAME:**

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**CONTRACTOR SIGNATURE**

**DATE**

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**PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)**

**FINANCE AND ADMINISTRATION:**

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**NAME & TITLE**

**DATE**

**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

<b>SUBJECT CONTRACT NUMBER:</b>	
<b>CONTRACTOR LEGAL ENTITY NAME:</b>	
<b>EDISON VENDOR IDENTIFICATION NUMBER:</b>	

**The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.**

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**CONTRACTOR SIGNATURE**

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

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**PRINTED NAME AND TITLE OF SIGNATORY**

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**DATE OF ATTESTATION**