

SOLICITATION, OFFER, AND AWARD		1. Caption Child Support Collection and Disbursement Unit			Page of Pages 1 116	
		2. Contract Number	3. Solicitation Number DCCB-2010-R-7002	4. Type of Solicitation <input type="checkbox"/> Sealed Bid (IFB) <input checked="" type="checkbox"/> Sealed Proposals (RFP) <input type="checkbox"/> Sole Source	5. Date Issued 2/8/2010	6. Type of Market <input checked="" type="checkbox"/> Open <input type="checkbox"/> Set Aside - See Section B.3 <input type="checkbox"/> Open with Subcontracting Set Aside
7. Issued by: Office of Contracting and Procurement Financial Legal and Consulting Commodity Group 441 4th Street, NW., Suite 700 South Washington, DC 20001			8. Address Offer to: Office of Contracting and Procurement Financial Legal and Consulting Commodity Group 441 4th Street, NW., Suite 700 South Washington, DC 20001			

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and 3 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if hand carried to the bid counter located at 441 4th Street NW., Suite 703 South until 2:00 PM local time March 11, 2010
(Hour) (Date)

CAUTION: Late Submissions, Modifications and Withdrawals: See 27 DCMR chapters 15 & 16 as applicable. All offers are subject to all terms & conditions contained in this solicitation.

10. For Information Contact	A. Name	B. Telephone		C. E-mail Address
	Shafiq Choudhary	(Area Code) 202	(Number) 724-5248 (Ext)	shafiq.choudhary@dc.gov

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OFFER

12. In compliance with the above, the undersigned agrees, if this offer is accepted within 120 calendar days from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified herein.

13. Discount for Prompt Payment	<input type="checkbox"/> 10 Calendar days %	<input type="checkbox"/> 20 Calendar days %	<input type="checkbox"/> 30 Calendar days %	<input type="checkbox"/> Calendar days %
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14. Acknowledgement of Amendments (The offeror acknowledges receipt of amendments to the SOLICITATION):	Amendment Number	Date	Amendment Number	Date

15A. Name and Address of Offeror	16. Name and Title of Person Authorized to Sign Offer/Contract		
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15B. Telephone (Area Code) (Number) (Ext)	15 C. Check if remittance address is different from above - Refer to Section G	17. Signature	18. Offer Date
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AWARD (TO BE COMPLETED BY GOVERNMENT)

19. Accepted as to Items Numbered	20. Amount	21. Accounting and Appropriation

22. Name of Contracting Officer (Type or Print)	23. Signature of Contracting Officer (District of Columbia)	24. Award Date
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SECTION B
SUPPLIES OR SERVICES AND PRICE/COST

B.1 INTRODUCTION

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

B.2 CONTRACT TYPE

The District contemplates the award of a requirements type contract based on fixed unit prices.

B.2.1 REQUIREMENTS

The District will purchase its requirements of the articles or services included herein from the Contractor. The estimated quantities stated herein reflect the best estimates available. The estimate shall not be construed as a representation that the estimated quantity will be required or ordered, or that conditions affecting requirements will be stable. They shall not be construed to limit the quantities which may be ordered from the Contractor by the District or to relieve the Contractor of its obligation to fill all such orders.

B.2.1.1 Delivery or performance shall be made only as authorized in accordance with the Ordering Clause, G.10. The District may issue orders requiring delivery to multiple destinations or performance at multiple locations. If the District urgently requires delivery before the earliest date that delivery may be specified under this contract, and if the Contractor shall not accept an order providing for the accelerated delivery, the District may acquire the urgently required goods or services from another source.

B.2.1.2 There is no limit on the number of orders that may be issued. The District may issue orders requiring delivery to multiple destinations or performance at multiple locations.

B.2.1.3 Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and District's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after the contract's expiration date.

B.3 PRICE SCHEDULE

B.3.1 Base Period of Performance (Date of award through three (3) years thereafter)

B.3.1.1 Base Period of Performance – Year One (1)

Contract Line Item Number (CLIN)	Item Description	Unit	Unit Price	Quantity Per Year	Extended Price
0001	Establish and operate the District’s centralized state disbursement unit (SDU) as described in Section C.3.				
0001AA		Per Collection	\$ _____	First 200,000	\$ _____
0001AB		Per Collection	\$ _____	200,001 – 220,000	\$ _____
0001AC		Per Collection	\$ _____	220,001 – 240,000	\$ _____
0001AD		Per Collection	\$ _____	240,001 – 260,000	\$ _____
0001AE		Per Collection	\$ _____	260,001 – 280,000	\$ _____
0001AF		Per Collection	\$ _____	280,001 – 300,000	\$ _____
0001AG		Per Collection	\$ _____	300,001 – 320,000	\$ _____
0001AH		Per Collection	\$ _____	320,001 – 340,000	\$ _____
0001AI		Per Collection	\$ _____	340,001 – 360,000	\$ _____
0001AJ		Per Collection	\$ _____	360,001 – 380,000	\$ _____
0001AK		Per Collection	\$ _____	380,001 – 400,000	\$ _____
0001AL		Per Collection	\$ _____	400,001 – Above	\$ _____
0002	Implementation and transition of the state disbursement unit as described in C.3.5.13 (Base Period of Performance Year One Only)				\$ _____

B.3.1.2 Base Period of Performance – Year Two (2)

Contract Line Item Number (CLIN)	Item Description	Unit	Unit Price	Quantity Per Year	Extended Price
0101	Establish and operate the District’s centralized state disbursement unit (SDU) as described in Section C.3.				
0101AA		Per Collection	\$ _____	First 200,000	\$ _____
0101AB		Per Collection	\$ _____	200,001 – 220,000	\$ _____
0101AC		Per Collection	\$ _____	220,001 – 240,000	\$ _____
0101AD		Per Collection	\$ _____	240,001 – 260,000	\$ _____
0101AE		Per Collection	\$ _____	260,001 – 280,000	\$ _____
0101AF		Per Collection	\$ _____	280,001 – 300,000	\$ _____
0101AG		Per Collection	\$ _____	300,001 – 320,000	\$ _____
0101AH		Per Collection	\$ _____	320,001 – 340,000	\$ _____
0101AI		Per Collection	\$ _____	340,001 – 360,000	\$ _____
0101AJ		Per Collection	\$ _____	360,001 – 380,000	\$ _____
0101AK		Per Collection	\$ _____	380,001 – 400,000	\$ _____
0101AL		Per Collection	\$ _____	400,001 – Above	\$ _____

B.3.1.3 Base Period of Performance – Year Three (3)

Contract Line Item Number (CLIN)	Item Description	Unit	Unit Price	Quantity Per Year	Extended Price
0201	Establish and Operate the District’s centralized state disbursement unit (SDU) as described in Section C.3.				
0201AA		Per Collection	\$ _____	First 200,000	\$ _____
0201AB		Per Collection	\$ _____	200,001 – 220,000	\$ _____
0201AC		Per Collection	\$ _____	220,001 – 240,000	\$ _____
0201AD		Per Collection	\$ _____	240,001 – 260,000	\$ _____
0201AE		Per Collection	\$ _____	260,001 – 280,000	\$ _____
0201AF		Per Collection	\$ _____	280,001 – 300,000	\$ _____
0201AG		Per Collection	\$ _____	300,001 – 320,000	\$ _____
0201AH		Per Collection	\$ _____	320,001 – 340,000	\$ _____
0201AI		Per Collection	\$ _____	340,001 – 360,000	\$ _____
0201AJ		Per Collection	\$ _____	360,001 – 380,000	\$ _____
0201AK		Per Collection	\$ _____	380,001 – 400,000	\$ _____
0201AL		Per Collection	\$ _____	400,001 – Above	\$ _____

B.3.2 Option Year One (1) Period of Performance

Contract Line Item Number (CLIN)	Item Description	Unit	Unit Price	Quantity Per Year	Extended Price
1001	Establish and operate the District's centralized state disbursement unit (SDU) as described in Section C.3.				
1001AA		Per Collection	\$ _____	First 200,000	\$ _____
1001AB		Per Collection	\$ _____	200,001 – 220,000	\$ _____
1001AC		Per Collection	\$ _____	220,001 – 240,000	\$ _____
1001AD		Per Collection	\$ _____	240,001 – 260,000	\$ _____
1001AE		Per Collection	\$ _____	260,001 – 280,000	\$ _____
1001AF		Per Collection	\$ _____	280,001 – 300,000	\$ _____
1001AG		Per Collection	\$ _____	300,001 – 320,000	\$ _____
1001AH		Per Collection	\$ _____	320,001 – 340,000	\$ _____
1001AI		Per Collection	\$ _____	340,001 – 360,000	\$ _____
1001AJ		Per Collection	\$ _____	360,001 – 380,000	\$ _____
1001AK		Per Collection	\$ _____	380,001 – 400,000	\$ _____
1001AL		Per Collection	\$ _____	400,001 – Above	\$ _____

B.3.3 Option Year Two (2) Period of Performance

Contract Line Item Number (CLIN)	Item Description	Unit	Unit Price	Quantity Per Year	Extended Price
2001	Establish and operate the District’s centralized state disbursement unit (SDU) as described in Section C.3.				
2001AA		Per Collection	\$ _____	First 200,000	\$ _____
2001AB		Per Collection	\$ _____	200,001 – 220,000	\$ _____
2001AC		Per Collection	\$ _____	220,001 – 240,000	\$ _____
2001AD		Per Collection	\$ _____	240,001 – 260,000	\$ _____
2001AE		Per Collection	\$ _____	260,001 – 280,000	\$ _____
2001AF		Per Collection	\$ _____	280,001 – 300,000	\$ _____
2001AG		Per Collection	\$ _____	300,001 – 320,000	\$ _____
2001AH		Per Collection	\$ _____	320,001 – 340,000	\$ _____
2001AI		Per Collection	\$ _____	340,001 – 360,000	\$ _____
2001AJ		Per Collection	\$ _____	360,001 – 380,000	\$ _____
2001AK		Per Collection	\$ _____	380,001 – 400,000	\$ _____
2001AL		Per Collection	\$ _____	400,001 – Above	\$ _____

B.4 If an offeror intends to subcontract under this solicitation, it must subcontract at least 35% of the dollar volume of this contract in accordance with the provisions of section M.5.1. The prime contractor responding to this solicitation shall be required to submit with its proposal, a notarized statement detailing its subcontracting plan. Proposals responding to this RFP shall be deemed nonresponsive and shall be rejected if the bidder intends to subcontract in accordance with the provisions of section M.5.1, but fails to submit a subcontracting plan with its proposal.

SECTION C SPECIFICATIONS/WORK STATEMENT

C.1 SCOPE

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

C.1.1 APPLICABLE DOCUMENTS

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

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

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

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

C.1.2 DEFINITIONS

C.1.2.1 Administrative Process - Method by which support orders are made and enforced by an executive agency rather than by courts and judges. The District child support program uses an informal, administrative procedure on very few cases--less than 50 and only where both parties agree to it.

C.1.2.2 Automated Administrative Enforcement of Interstate Cases (AEI) - Provision in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) giving states the ability to locate, place a lien on, and seize financial assets of delinquent obligors across State lines.

- C.1.2.3** **Arrearage** - Past due, unpaid child support owed by the non-custodial parent. If the parent has arrearages, s/he is said to be “in arrears”.
- C.1.2.4** **Arrears** - Total of all unpaid support.
- C.1.2.5** **Audit Trail** - A permanent retrievable legible record or documentation of individual transactions or operations maintained in such a manner so as to provide an explanation of all actions taken with regard to each collection and disbursement activity.
- C.1.2.6** **Automated Enforcement** - Enforcement of support obligations through issuance of computer initiated documents.
- C.1.2.7** **Automated Voice Response System (AVR)** - Telephone system that makes frequently requested information available to clients over touch-tone telephones.
- C.1.2.8** **Backup Operating Facility** - A facility capable of functioning within forty-eight hours of a disaster at the primary operating facility.
- C.1.2.9** **Batch** - Group of payments of a uniform size (e.g. 15 checks) processed together.
- C.1.2.10** **Beneficiary**- The person or agency/institution to whom support payments are payable. Usually the client, the local Social Services agency or 3rd and 4th party designees such as attorneys or hospitals. (See also – Client)
- C.1.2.11** **Case ID #** - A computer-assigned identification code unique to a specific client/respondent relationship. This code has six characters followed by an asterisk* and then a number that represents the numbers of NCP’s associated without that client, and is sequentially (throughout the caseload) assigned to all DCCSES cases. It should be the primary key to identification on DCCSES, but some workers still rely on the docket number.
- C.1.2.12** **Check 21** - is a federal law that is designed to enable banks to handle more checks electronically, which should make check processing faster and more efficient. Today, banks often must physically move original paper checks from the bank where the checks are deposited to the bank that pays them. This transportation can be inefficient and costly. Check 21 became effective on October 28, 2004. Instead of physically moving paper checks from one bank to another, Check 21 will allow banks to process more checks electronically. Banks can capture a picture of the front and back of the check along with the associated payment information and transmit this information electronically. If a receiving bank or its customer requires a paper check, the bank can use the electronic picture and payment information to create a paper “substitute check.” This process enables banks to reduce the cost of physically handling and transporting original paper checks, which can be very expensive.

C.1.2.13 **Child Support** - Financial support paid by a parent to help support a child or children under the age of 21 of whom they do not have custody. Child support can be entered into voluntarily or ordered by a court or a properly empowered administrative agency, depending on each State's laws. Child support can involve cases where:

- a. IV-D cases, where the custodial party (CP) is receiving child support services offered by State and local public agencies; such services include locating a non-custodial parent (NCP) or putative father (PF); establishing paternity; establishing, modifying, and enforcing child support orders; collecting distributing, and disbursing child support payments.
- b. TANF cases, where the custodial party (CP) is required to receive child support services offered by State and local agencies; such services include locating a non-custodial parent (NCP) or putative father (PF); establishing paternity; establishing, modifying, and enforcing child support orders; collecting distributing, and disbursing child support payments.
- c. IV-E cases, where the child (ren) is being raised not by one of their own parents but in the foster care system by a person, family, or institution and the case is also automatically referred to the CSE to recoup or defray the costs of foster care.
- d. Non IV-D orders, where the case or legal order is privately entered into and the CSE is not providing locate, enforcement, or collection services; often entered into during divorce proceedings.

Child support can come in different forms, including:

- a. Medical support, where the child(ren) are provided with health coverage, through private insurance from the non-custodial parent (NCP) or public assistance (e.g. Medicaid) that is reimbursed whole or in part by the NCP, or a combination thereof.
- b. Monetary payments, in the form of a one-time payment, installments, or regular automatic withholdings from the NCP's income, or the offset of State and/or Federal tax refunds and/or administrative payments made to the NCP, such as Federal retirement benefits. There are many tools available to enforce an NCP's obligation.

C.1.2.14 **Child Support Enforcement (CSE) Agency** - Agency that exists in every State that locates non-custodial parents (NCPs) or putative fathers (PF), establishes, enforces, and modifies child support, and collects and distributes child support money. The CSE is operated by State or local government according to the Child Support Enforcement Program guidelines as set forth in Title IV-D of the Social Security Act. Also known as an "IV-D Agency."

- C.1.2.15** **Child Support Enforcement Program** - Program which provides paternity establishment, location, support establishment, collection, and enforcement services to eligible individuals; administered by the local districts with oversight by the State.
- C.1.2.16** **Child Support Services Division (CSSD)** - A unit within the Office of the Attorney General in the District of Columbia responsible for administering the Child Support Enforcement Program. In the District, CSSD functions as both a state and local agency.
- C.1.2.17** **Client** - Individual for whom support payment is collected; usually the custodial parent.
- C.1.2.18** **Client ID #** - A computer-assigned identification code derived from the DCCSES Case ID # that is assigned to the client in a child support case. This code has 6 characters.
- C.1.2.19** **Consumer Credit Protection Act (CCPA)** - Federal law that limits the amount that may be withheld from earnings to satisfy child support obligations. States are allowed to set their own limits provided they do not exceed the federal limits. Regardless of the number or withholding orders that have been served, the maximum that may be withheld for child support is:
- a. Without arrearage
 - i. 50% with a second family
 - ii. 60% Single
 - b. With Arrearage
 - i. 55% with a second family and 12+ weeks in arrears
 - ii. 65% Single 12+ weeks in arrears
- C.1.2.20** **Contractor** - Successful offeror to this RFP, as well as vendors providing other services to CSSD, and with which the SDI Contractor must coordinate.
- C.1.2.21** **Corporate Trade Exchange (CTX)** - Standardized format used for electronic funds transmission (EFT) of child support withholdings from employees' wages. This method is preferable when processing large volumes of transactions and PRWORA requires state automated child support enforcement systems to be capable of using this format as well as the CCD+ format.
- C.1.2.22** **Custodial Parent (CP)** - The person who has primary care, custody, and control of the child (ren).
- C.1.2.23** **Department of Employment Services (DOES)** - Agencies in each State that process unemployment insurance claims. They are also repositories of quarterly wage data, information on all employees submitted by employers, which they

submit to the National Directory of New Hires (NDNH) along with the unemployment insurance claim data.

- C.1.2.24 Debit Card/Stored Value Card** - Usually a VISA or MasterCard that represents an account into which the Child Support Payment Center can electronically deposit custodial parents' child support payments, and from which custodial parents can access their payments by using the Card at grocery stores, other retail outlets, banks and ATM machines.
- C.1.2.25 Direct Income Withholding** - A procedure, whereby an income withholding order can be sent directly to the non-custodial parent's (NCP's) employer in another State, without the need to use the IV-D Agency or court system in the NCP's State. This triggers withholding unless the NCP contests, and no pleadings or registration are required. The Act does not restrict who may send an income withholding notice across State lines. Although the sender will ordinarily be a child support Agency or the obligee, the obligor or any other person may supply an employer with an income withholding order.
- C.1.2.26 Disaster** - Any occurrence, natural disaster, dereliction of duty of staff or otherwise, which results in the inability of contractor to deliver services as provided for in the contract.
- C.1.2.27 Disaster Plan** - A fully functional and documented strategy to provide backup capability in the event of failure at the primary operating facility.
- C.1.2.28 Disbursement** - Payments in the form of a check or electronic benefits transfer to beneficiaries of support monies collected on their behalf.
- C.1.2.29 Disposable Income** - The portion of an employee's earnings that remains after deductions required by law (e.g., taxes) and that is used to determine the amount of an employee's pay subject to a garnishment, attachment, or child support withholding order.
- C.1.2.30 Distribution** - The allocation of child support collected to the various types of debt within a child support case, as specified in 45 CFR 302.51 (Applicable Document #13) including monthly support obligations, arrears, and ordered arrears.
- C.1.2.31 District of Columbia Child Support Enforcement System (DCCSES)** - The statewide computer system operated by CSSD for the purpose of Child Support Case Tracking, Management, Posting Payments to NCP cases and Disbursing support to CPs, Fiscal Accountability, and Reporting.
- C.1.2.32 Electronic Data Interchange (EDI)** - Process by which information regarding an Electronic Funds Transfer (EFT) transaction is transmitted electronically along with the EFT funds transfer.

- C.1.2.33 Electronic Funds Transfer (EFT)** - Process by which money is transmitted electronically from one bank account to another.
- C.1.2.34 Employer Reminder** - A notice mailed to employers to be returned with child support payments to facilitate expedited processing.
- C.1.2.35 Enforcement** - The application of remedies to obtain payment of a child or medical support obligation contained in a support order including garnishment of wages, seizure of assets, liens placed on assets, revocation of license (e.g., drivers, business, medical, etc.), denial of U.S. passports, etc.
- C.1.2.36 Enumeration and Verification System (EVS)** - System used to verify and correct Social Security Numbers (SSNs), and identify multiple SSNs, of participants in child support cases. EVS is operated by the Social Security Administration (SSA).
- C.1.2.37 Establishment** - The process of proving paternity and/or obtaining a court or administrative order to put a child support obligation in place.
- C.1.2.38 Federal Case Registry of Child Support Orders (FCR)** - A national database of information on individuals in all IV-D cases, and all non IV-D orders entered or modified on or after October 1, 1998. The FCR receives this case information on a daily basis from the State Case Registry (SCR) located in every State, proactively matches it with previous submissions to the FCR and with employment information contained in the National Directory of New Hires (NDNH). Any successful matches are returned to the appropriate State(s) for processing. The FCR and the NDNH are both part of the expanded FPLS, which is maintained by OCSE.
- C.1.2.39 Federal Financial Participation (FFP)** - Federal government reimbursement to states and D.C. for the administrative costs of operating the Child Support Enforcement Program.
- C.1.2.40 Federal Employer Identification Number (FEIN)** - Unique nine-digit number assigned to all employers by the Internal Revenue Service (IRS), which must be used in numerous transactions, including submitting data and responding to requests relevant to child support.
- C.1.2.41 Fiscal Agent** - A contractor, who processes payments, disburses funds and performs certain other related functions, as required, which are services that CSSD would otherwise perform to eligible individuals.
- C.1.2.42 Federal Parent Locator Service (FPLS)** - A computerized national location network operated by the Federal Office of Child Support (OCSE) of the Administration for Children and Families (ACF), within the Department of Health

and Human Services (DHHS). FPLS obtains address and employer information, as well as data on child support cases in every State, compares them and returns matches to the appropriate States. This helps State and local child support enforcement agencies locate non-custodial parents and putative fathers for the purposes of establishing custody and visitation rights, establishing and enforcing child support obligations, investigating parental kidnapping, and processing adoption or foster care cases. The expanded FPLS includes the Federal Case Registry (FCR) and the National Directory of New Hires (NDNH).

- C.1.2.43 Federal Tax Refund Offset Program** - Program that collects past due child support amounts from non-custodial parents through the interception of their federal income tax refund, or an administrative payment, such as federal retirement benefits. This program has expanded to include the revocation and/or restriction of already issued passports. The cooperation of States in the submittal of cases for tax interception is mandatory, while submittal of cases for administrative interception is optional. The Federal Tax Refund Offset Program is operated in cooperation with the Internal Revenue Service, the U.S. Department of Treasury's Financial Management Service (FMS), the U.S. Department of State, and State Child Support Enforcement (CSE) Agencies.
- C.1.2.44 Family Violence Indicator (FVI)** - A designation that resides in the Federal Case Registry (FCR) placed on a participant in a case or order by a State that indicates a person is associated with child abuse or domestic violence. It is used to prevent disclosure of the location of a custodial party and/or a child believed by the State to be at risk of family violence.
- C.1.2.45 Garnishment** - A legal proceeding under which part of a person's wages and/or assets is withheld for payment of a debt. This term is usually used to specify that an income or wage withholding is involuntary.
- C.1.2.46 Generally Accepted Accounting Principles (GAAP)** - The common set of accounting principles, standards and procedures that companies use to compile their financial statements. GAAP are a combination of authoritative standards (set by policy boards) and simply the commonly accepted ways of recording and reporting accounting information
- C.1.2.47 Guaranteed Payment Instruments** - The term used to refer to the standard framework of guidelines for [financial accounting](#) used in any given jurisdiction. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing transactions, and in the preparation of [financial statements](#), Money Order, Cashier's Check, or Certified Check
- C.1.2.48 Health and Human Services / Office of Child Support Enforcement (HHS/OCSE)** - The federal agency with oversight responsibilities for the State's Child Support Programs. HHS/OCSE also provides FFP to States.

- C.1.2.49 Immediate Wage Withholding** - An automatic deduction from income that starts as soon as the order for support is established.
- C.1.2.50 Imputed Income** - Earnings attributed to a parent based on earning capacity in the absence of employment or proof of actual income. .
- C.1.2.51 Income** - As defined by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), income is any periodic form of payment to an individual, regardless of source, including wages, salaries, commissions, bonuses, worker's compensation, disability, pension, or retirement program payments and interest. All income (except imputed) is subject to income withholding for child support, pursuant to a child support order, but is protected by Consumer Credit Protection Act limits, both State and federal.
- C.1.2.52 Income Withholding** - Procedure by which automatic deductions are made from wages or income, as defined in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), to pay a debt such as child support. Income withholding often is incorporated into the child support order and may be voluntary or involuntary. The provision dictates that an employer must withhold support from a non-custodial parent's wages and transfer that withholding to the appropriate agency (the Centralized Collection Unit or State Disbursement Unit). Income withholding is also referred to as wage withholding.
- C.1.2.53 Insufficient Funds** - A payment instrument issued from the payer's bank account where the funds equal to that payment are not available due to lack of funds or placement of a stop payment without prior notification.
- C.1.2.54 Intercept** - A method of securing child support arrearages by taking a portion of non-wage payments made to a non-custodial parent. Non-wage payments subject to interception include Federal tax refunds, State tax refunds, unemployment benefits, lottery winnings and disability benefits.
- C.1.2.55 IV-A** - Reference to Title IV-A of the Social Security Act covering the Federal-State Public Assistance Program generically known as cash welfare. Many clients of the Child Support Program (IV-D) began as mandatory referrals from IV-A (TANF)
- C.1.2.56 IV-A Case** - A child support case in which a custodial parent and child (ren) is receiving public assistance benefits under the State's IV-A program, which is funded under Title IV-A of the Social Security Act. Applicants for assistance from IV-A programs are automatically referred to their State IV-D agency in order to identify and locate the non-Custodial parent, establish paternity and/or a child support order, and/or obtain child support payments. This allows the State to recoup or defray some of its public assistance expenditures with funds from the non-custodial parent.

- C.1.2.57** **IV-D** - Reference to Title IV-D of the Social Security Act, which requires that each State create a program to locate non-custodial parents, establish paternity, establish and enforce child support obligations, and collect and distribute support payments. All recipients of public assistance (usually TANF) are referred to their State's IV-D child support program. States must also accept applications from families who do not receive public assistance, if requested, to assist in collection of child support. Title IV-D also established the Federal Office of Child Support Enforcement.
- C.1.2.58** **IV-D Agency** - A single and separate organizational unit in the state that has the responsibility for administration of the Child Support Enforcement Program. In the District, the IV-D agency is OCC/CSSD.
- C.1.2.59** **IV-D Case** - A child support case where at least one of the parties, either the custodial parent (CP) or the non-custodial parent (NCP), has requested or received IV-D services from the State IV-D agency. A IV-D case is composed of a custodial parent, non-custodial parent or putative father and dependent(s).
- C.1.2.60** **IV-E** - Reference to Title IV-E of the Social Security Act, which established a Federal-State program known as Foster Care that provides financial support to a person, family, or institution that is raising a child or children that is not their own. The funding for IV-E Foster Care programs is primarily from Federal sources.
- C.1.2.61** **IV-E Case** - A child support case brought on behalf of the IV-E agency in which the District is providing benefits under Title IV-E of the Social Security Act to a person, family, or institution that is raising a child or children that are not their own. As with other public assistance cases, these cases are referred to their State IV-D agency in order to identify and locate the non-custodial parent, establish paternity and/or a child support order, and/or obtain child support payments. This allows the State to recoup or defray some of its expenditures with funds from the non-custodial parent.
- C.1.2.62** **Local Check** - Check deposited in a depository bank that is located in the same Federal Reserve check processing region as the paying check.
- C.1.2.63** **Medical Assistance Only (MAO)** - Form of public assistance administered by a State's IV-A program, which provides benefits to recipients only in the form of medical, rather than financial, assistance.
- C.1.2.64** **Medical Support** - Form of child support where medical and/or dental insurance coverage or cash medical support payments are ordered and paid by the non-custodial parent (NCP). Depending on the court order, medical support can be an NCP's sole financial obligation, or it can be one of several obligations, with child and/or spousal support being the others. Medical insurance coverage is ordered

when it is available from an employer at reasonable cost to the NCP. Sometimes the court will order the custodial parent to obtain or maintain the insurance.

- C.1.2.65 Misapplied Payment** - A payment that is applied to an incorrect child support account.
- C.1.2.66 Multistate Financial Institution Data Match (MSFIDM)** - Process created by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 by which delinquent child support obligors are matched with accounts held in financial Institutions (FI) doing business in more than one State. States submit data to the Office of Child Support Enforcement (OCSE) on a non-custodial parent (NCP) and their arrearage, and indicate whether the NCP should be submitted for MSFIDM. OCSE ensures the accuracy of the data and transmits the file to participating multistate financial institutions, who match the information against their open accounts and returns matches to the appropriate States, who can then undertake action to place a lien on and seize all or part of the account.
- C.1.2.67 Multistate Employer** - An organization that hires and employs people in two or more States. The multistate employer conducts business within each State and the employees are required to pay taxes in the State where they work. As with single-state employers, multistate employers are required by law to report all new hires to the State directory of New Hires (SDNH) operated by their State government. However, unlike single-state employers, they have the option to report all of their new hires to the SDNH of only one State in which they do business rather than to all of them.
- C.1.2.68 National Automated Clearing House Association (NACHA)** - The Association that establishes the standards, rules, and procedures that enable financial institutions to exchange payments on a national basis.
- C.1.2.69 National Personnel Records Center (NPRC)** - Part of the National Archives and Records Administration's system of record storage facilities. The NPRC receives and stores both Federal Military and Civilian personnel records.
- C.1.2.70 Non-Custodial Parent (NCP)** - A parent who does not reside in the home of the biological child but is legally responsible for providing financial support for the child (ren).
- C.1.2.71 Non-TANF** - Describes those child support cases in which the custodial parent does not receive Temporary Assistance for Needy Families. Non-TANF cases can be former-TANF and never-TANF cases.
- C.1.2.72 Non IV-A Case** - A support case in which the custodial parent has requested IV-D services but is not receiving Temporary Assistance to Needy Families (TANF). Also known as a Non-TANF case.

- C.1.2.73 Non-Custodial Parent** - The parent who is not present in their biological child's home and is legally responsible for providing financial support for a dependent child; the non-custodial parent. (See also – Respondent)
- C.1.2.74 Non IV-D** - Cases in which neither parent is receiving IV-D services nor neither current support nor arrears are owed to the District.
- C.1.2.75 Non IV-D Orders** - A child support order issued in a non-IV-D case or a case that has become non-IV-D.
- a. A Non IV-D order is one where the State:
 - i. Is not currently providing service under the State's Title IV-A, Title IV-D, Title IV-E, or Title XIX programs.
 - ii. Has not previously provided State services under any of these programs.
 - iii. Has provided services under one of the programs but these services have terminated, no arrears are owed, and the custodial parent has declined further service.
 - iv. Has no current application or applicable fee for services paid by either parent.
 - b. A IV-D case may become a Non IV-D order when:
 - i. All child support arrearages previously assigned to the State have been paid, and/or
 - ii. The parent(s) originally making application for a State's IV-D services request(s) termination of those IV-D services.
 - c. Non IV-D orders established or modified in the State on or after October 1, 1998 must be included in the State Case Registry (SCR) for transmission to the Federal Case Registry (FCR).
 - d. A Non IV-D order can be converted into a IV-D case when the appropriate application for IV-D services is made by a parent, or when the custodial parent begins receiving Title IV-A services for benefit of the child (ren).
- C.1.2.76 Non-Local Check** - Check deposited in a depository bank that is located in a different Federal Reserve check processing region than the paying check.
- C.1.2.77 Oblige** - The person, State agency, or other institution to which child support is owed (also referred to as custodial parent when the money is owed to the person with primary custody of the child).
- C.1.2.78 Obligor** - The person who is obliged to pay child support (also referred to as the non-custodial parent or NCP).
- C1.2.79 Receipting Error** - A receipting error is defined as an incorrect recording of any of the following:

- a. Amount of the collection for the designated case;
 - b. The case number for which the collection is intended;
 - c. Collection date, which is the day of collection by the Contractor;
 - d. The receipt amount to a payor account including accurate conversion of foreign currency.
- C.1.2.80** **Offset** - Amount of money intercepted from a parent's State or Federal income tax refund, or from an administrative payment such as federal retirement benefits, in order to satisfy a child support debt.
- C1.2.81** **Order** - Direction of a magistrate, judge, or properly empowered administrative office to a NCP to pay a specified amount at specified intervals during the year for the support of a child.
- C.1.2.82** **Order/Notice to Withhold Child Support** - The form to be used by all States that standardizes the information used to request wage withholding for child support. According to the Uniform Interstate Family Support Act (UIFSA), this form may be sent directly from the initiating State to a non-custodial parent's employer in another State.
- C.1.2.83** **Payee** - Person or organization to which child support money is paid.
- C.1.2.84** **Payor** - Person who makes a payment, usually non-custodial parents or someone acting on their behalf, or a custodial party who is repaying a receivable.
- C.1.2.85** **Payment Date** - Date of Collection
- C.1.2.86** **Payment File** - Electronic data file containing payment information, which is provided by the fiscal agent to the CSSD on a daily basis for the purpose of updating DCCSES, accounts.
- C.1.2.87** **Performance Standards** - Standards of performance prescribed by the CSSD for performance of a contractor.
- C.1.2.88** **Primary Operating Facility** - A single site, within a Forty-minute subway stop radius of One Judiciary Square for the sole purpose of performing the collection and disbursement functions in accordance with the contract provisions. The facility must be within the geographic boundaries of Washington, DC.
- C.1.2.89** **Program** - The District of Columbia Child Support Enforcement Program.
- C.1.2.90** **Properly Identified Payment** - Instruments that contain two or more identifying factors such as SSN, Name, Case Number, etc. different from the definition in the Section C

- C.1.2.91** **Quarterly Wage (QW) Data** - Data on all employees that must be submitted by employers on a quarterly basis to the State Employment Security Agency (SESA) in the State in which they operate. This data is then submitted to the National Directory of New Hires (NDNH). Minimum information must include the employee's name, address, Social Security Number (SSN), wage amount, and the reporting period as well as the employer's name, address, and Federal Employer Identification Number (FEIN). The data is then compared against child support order information contained in the Federal Case Registry (FCR) for possible enforcement of child support obligations by wage garnishment. Federal agencies report this data directly to the NDNH.
- C.1.2.92** **Regulation** - Officially promulgated rules applicable to agencies, entities, and individuals. Examples include the Code of Federal Regulations (CFR) and District of Columbia Municipal Regulations (DCMR).
- C.1.2.93** **Respondent** - The non-custodial parent in a child support case required to pay support, or the party answering a petition or motion.
- C.1.2.94** **Special Handling Payment**
- C.1.2.95** **State Dated Check** - A payment that can not be immediately processed due to but not limited to: out-of balance; no identifying information; post dated; stale dated; mismatch between numeric and written amount; presented to the paying bank six months or more after the original issue date. Banks are not required by the [Uniform Commercial Code](#) to honor stale-dated checks and can return them to the issuing bank unpaid. The maker of a check can discourage late presentment by writing the words "not good after X days" on the back of the check.
- C.1.2.96** **State Case Registry (SCR)** - A database maintained by each State that contains information on individuals in all IV-D cases and all Non IV-D orders established or modified after October 1, 1998. Among the data included in the SCR is the State's numerical FIPS code, the State's identification number (which must be unique to the case), the case type (IV-D vs. Non IV-D); locate information on persons listed in the case, in addition to other information. Information submitted to the SCR is transmitted to the Federal Case Registry, where it is compared to cases submitted to the FCR by other States, as well as the employment data in the National Directory of New Hires (NDNH). Any matches found are returned to the appropriate States for processing.
- C.1.2.97** **State Directory of New Hires (SDNH)** - A database maintained by each State, which contains information regarding newly hired employees for the respective State. The data is then transmitted to the NDNH, where it is compared to the employment data from other States as well as child support data in the Federal Case Registry (FCR). Any matches found are returned to the appropriate States for processing. Employers are required to submit new hire data to the SDNH within 20 days of the hire date. Multistate employers (those that do business and

hire workers in more than one State) have additional options on where to report new hire information. In most States, the SDNH is contained in the State Parent Locator Service (SPLS) that is part of each State IV-D agency, in others it is operated by the State Employment Security Agency (SESA).

- C.1.2.98 State Disbursement Unit (SDU)** - The single site in each State where all child support collections and disbursements payments are processed. Upon implementation of centralized collections, each state will designate its State Disbursement Unit, or SDU, to which all withheld child support payments, should be sent.
- C.1.2.99 Single State Financial**
- C.1.2.100 Institution Data Match** - Process by which delinquent child support obligors are matched with accounts held in Financial Institutions (FI) doing business in only one State.
- C.1.2.101 State Parent Locator Services (SPLS)** - A unit within the state Child Support Enforcement Agencies the purpose of which is to locate non-custodial parents in order to establish and enforce child support obligations, visitation, and custody orders or to establish paternity. This unit operates the State Case Registry (SCR), and in most States, the State Directory of New Hires (SDNH). (In some States the State Employment Security Agency or SESA operates the SDNH.)
- C.1.2.102 SSN** - Social Security Number
- C.1.2.103 State** - Can refer generically to states and can refer to the District of Columbia.
- C.1.2.104 State Fiscal Year (SFY)** - October 1 – September 30
- C.1.2.105 Subcontractor** - Party contracting with the Contractor for performance of functions described in the RFP.
- C.1.2.106 Support Enforcement** - The process by which delinquent child support accounts are identified and appropriate actions are taken to collect past due support and to ensure future payments.
- C.1.2.107 Support Establishment** - The process by which non-custodial parent's financial obligation to his or her child is assessed and adjudicated.
- C.1.2.108 Support Order** - A judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of a competent jurisdiction, for the support and maintenance of a child. This includes a child who has attained the age of majority under the law of the issuing State, or of the parent with whom the child is living. Support orders can incorporate the

provision of monetary support, health care, payment of arrearages, or reimbursement of costs and fees, interest and penalties, and other forms of relief.

- C.1.2.109 Support Payment** - A payment made pursuant to a court order or voluntary support obligation.
- C.1.2.110 Temporary Assistance for Needy Families (TANF)** - Time-limited public assistance payments made to poor families, based on Title IV-A of the Social Security Act. TANF replaced Aid to Families with Dependent Children (“AFDC”-otherwise known as welfare) when the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) was signed into law in 1996. The program provides parents with job preparation, work, and support services to help them become self-sufficient. Applicants for TANF benefits are automatically referred to their State IV-D agency in order to establish paternity and child support for their children from the non-custodial parent. This allows the State to recoup or defray some of its public assistance expenditures with funds from the non-custodial parent.
- C.1.2.111 Tax Refund Offset** - The process by which a respondent’s Federal or State tax refunds are diverted to OCSE and applied to past due child support payments.
- C.1.2.112 Title IV-A** - Title of the Social Security Act, which is the section of federal law covering the TANF program--cash assistance.
- C.1.2.113 Title IV-D** - Title of the Social Security Act which is the section of federal law covering the Child Support Program.
- C.1.2.114 Title IV-E** - Refers to Title IV-E of the Social Security Act, which is the section of federal law covering the Foster Care Program.
- C.1.2.115 Transaction Number** - A sequentially assigned number recorded on each original payment document to allow retrieval and review subsequent to processing.
- C.1.2.116 Transition - For Test of Operating Procedures** – Those tasks the Contractor will be required to complete prior to performing the collection and disbursement functions for the District’s CSSD.
- C.1.2.117 Turnover** - The process of changing control of the central collection and disbursement operation to a succeeding contractor or to the CSSD.
- C.1.2.118 Unidentified Payment** - Support payment check that cannot be disbursed because the identity of the payor is unknown, or the identity or address of the payee is unknown.

- C.1.2.119 Undistributed Collections** - Collections either applied or unapplied to a DCCSES account but have not been distributed to a beneficiary.
- C.1.2.120 Unemployment Insurance (UI) Claim Data** - Data on unemployment insurance and applicants/ claimants submitted by State Employment Security Agencies (SESAs) on a quarterly basis to the National Directory of New Hires (NDNH). Minimum information must include the employee's name, address, Social Security Number (SSN), the benefit amount, and reporting period. This data is then compared against child support order information contained in the Federal Case Registry (FCR) for possible enforcement of child support obligations by garnishment.
- C.1.2.121 Wage Assignment** - A voluntary agreement by an employee to transfer or assign portions of future wage payments including insurance premium deductions, credit union deductions to pay certain debts, such as child support.

C.2 BACKGROUND

C.2.1 OFFICE OF THE ATTORNEY GENERAL (OAG)

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

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

C.2.2 CHILD SUPPORT SERVICES DIVISION (CSSD)

- C.2.2.1** The CSSD is the District agency that operates the District's federally-funded child support program. The Division assists families by locating non-custodial parents, establishing paternity, establishing child support and medical support orders in the Family Court, and enforcing these orders through a variety of judicial and administrative means. The Division handles local and interstate matters, and

currently provides services to families in more than 60,000 cases. The Division works with all custodial parents who request services, helping families who receive public benefits to achieve self-sufficiency, and enhancing the economic well-being of District children.

C.2.3 DISTRICT OF COLUMBIA CHILD SUPPORT SERVICES PROGRAM

C.2.3.1 The Child Support Services Program, established by Congress in 1975 as Title IV-D of the Social Security Act (IV-D) (Applicable Document #1), mandates that States enact laws and carry out required functions to ensure that legally responsible persons, to the best of their ability, contribute toward the support of their children. The program is committed to enforcement of support obligations both for children in families receiving welfare (Temporary Assistance to Needy Families (TANF), which provides relief to taxpayers by reducing welfare costs, and also to children in non-welfare families, regardless of family income level. Child support aids such families in avoiding future dependence on welfare. Child support collected on behalf of current TANF families is shared by the Federal and District governments to reimburse those governments for TANF public assistance payments previously made to the family. In certain circumstances this is also true of families receiving Medicaid. Child support collected for former- and never-TANF families is distributed directly to these families to help them remain self-sufficient.

C.2.3.2 The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (“PRWORA”) (Applicable Document #2), directed States to establish a centralized collections and disbursement unit (SDU) for the receipt and disbursement of child support related payments. It is required that the state’s SDU be operated by the State or by a contractor responsible to the State, and must be coordinated with the State's automated child support enforcement system.

C.2.4 CURRENT OPERATING CONDITIONS

C.2.4.1 State Disbursement Unit Functions

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

- a. All functions associated with the collection and disbursement process, including handling special CSSD requests, unacceptable receipts, and unidentified and misapplied payments);
- b. Check processing and document imaging;
- c. Production and distribution of child support checks and electronic payment disbursements; and
- d. Electronic payment coordination via Automated Clearing House (ACH)/Electronic Funds Transfer (EFT);

- e. A customer service unit with a toll-free telephone line where custodial parties, non-custodial parents, and employers can call to ask questions concerning child support payment processing;
- f. Employer table maintenance and clean up;
- g. Collection and disbursement outreach; and
- h. Production and distribution of monthly notices to custodial parents.

C.2.4.2 Volume

During the calendar year January 1, 2009 – December 31, 2009, the average monthly volumes for specific functions were as follows:

Function	Average/ Month	Average/ Year
Incoming Items Processed		
Paper	18,100	218,000
Electronic	13,200	160,000
Disbursed Items Processed		
Paper	11,800	141,000
Electronic	16,350	196,000
Telephone Calls	6,100	73,200
Monthly Notices	6,000	73,000
Employer Table Entries	180	2,160

- C.2.4.2.1** Ongoing efforts to transition incoming items processed from paper to an electronic format, has had a substantial month-to-month effect on payment processing functions throughout calendar year 2009. While electronic transition continues, it appears that the disbursement of electronic payments has recently stabilized at approximately 58 percent of total disbursements. CSSD estimates approximately 378,000 incoming items annually. It is expected that incoming payment volumes will increase annually at a rate of approximately 3 percent.

C.2.5 GOALS AND OBJECTIVES

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

- a. Establish and maintain a centralized child support collection and disbursement operation, complete with state-of-the-art equipment, software and procedures to meet the requirements of this contract in support of the administration of the District of Columbia Child Support Services Program;
- b. Substantially improve on the current level of services provided to custodial and non-custodial parents, employers, and other affected parties,

by implementing operating changes and improvements that increase efficiency and compliance with federal audit and certification standards; and

- c. Improve child support collection rates and reduce the proportion of paper checks used to receive wage withholding payments from employers and transmit child support payments to custodial parents.

C.3 REQUIREMENTS

The Contractor shall establish and operate the District's centralized State Disbursement Unit (SDU) in support of the District's Child Support Services Division (CSSD) in accordance with the Applicable Documents identified in Section C.1.1. The Contractor shall provide at a minimum the following specific requirements:

C.3.1 COLLECT CHILD SUPPORT PAYMENTS

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

C.3.1.1 Mail (Paper) Payments

C.3.1.1.1 Child Support Payments - Sources

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

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

C.3.1.1.2 Child Support Payments Supporting Services

C.3.1.1.2.1 The Contractor shall perform or provide at a minimum the following in support of receiving paper child support payments:

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

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

C.3.1.1.2.2 Mail Processing and Sorting Plan

The Contractor shall develop and provide a Mail Processing and Sorting Plan to address in detail at a minimum the items in C.3.1.1.2.1 above and C.3.2.1.1 below to provide for the most expeditious and efficient processing of mail. The Contractor's Mail Processing and Sorting Plan shall include quality assurance components to ensure minimal errors by the Contractor in performing these functions.

C.3.1.2 Electronic Payments

C.3.1.2.1 Automated Clearing House (ACH)/Electronic Funds Transfer (EFT)

C.3.1.2.1.1 The Contractor shall receive electronic child support payments from sources including, but not limited to the following:

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

C.3.1.2.1.2 Electronic Payment Processing Plan

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

- a. Receipt and processing of payments;
- b. Data-storage and retention (C.3.5.3);
- c. Quality assurance components to ensure minimal errors; and
- d. Processing of at a minimum 99.9% of acceptable electronic payments on the same day (not including receipts that require research or are determined to be unacceptable).

C.3.2 PROCESS CHILD SUPPORT PAYMENTS

C.3.2.1 Mail (Paper) Payments

C.3.2.1.1 The Contractor shall provide a fully automated payment processing system to process incoming mail (paper) payments. The Contractor's incoming mail processing system shall at a minimum provide or include the following

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

- including legal line missing or no name and address on check
- x. Payments written to the incorrect payee
- xi. Stale-dated checks; and
- xii. Non-sufficient funds checks.
- b. Maintain a list of acceptable payees which includes appropriate and most common payees submitting incoming payments. The current payee list includes: D.C. Child Support Clearinghouse; Child Support Services; D.C Superior Court; Child Support Enforcement. The Contractor shall not add, modify, or delete payees without the consent of the COTR;
- c. Research and resolve payment problems for Special Handling Payments, prior to entry into DCCSES including the identification of the reason the payment cannot be processed and ensure the necessary steps to eliminate the barrier preventing is eliminated; and
- d. Enter 99.9% of acceptable paper payments processed on the same day (not including payments that require research or are determined to be unacceptable) payment into DCCSES.

C.3.2.2 Electronic Payments

C.3.2.2.1 ACH/EFT Payments

C.3.2.2.1.1 The Contractor shall receive and transmit payments via the Automated Clearing House (ACH), upload files to the bank, download files from the bank, and resolve file transfer issues.

C.3.2.2.1.2 ACH/EFT Plan

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

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

- i. Quality assurance components to ensure accurate, efficient processing of ACH/EFTs.

C.3.2.2.2 ACH Debit Program

C.3.2.2.2.1 The Contractor shall process all incoming payments received from on-line scheduled bank account payments.

C.3.2.2.2.2 ACH Debit Program Plan

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

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

C.3.2.2.3 Electronic Payment Alternatives (Other)

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

C.3.2.2.4 Payment Application Problem Resolution

C.3.2.2.4.1 The Contractor shall provide the required support to resolve payments and payment application problems. A payment application problem occurs when DCCSES cannot apply a payment to an account in DCCSES as identified in the daily application problems report to be provided to the Contractor. The Contractor shall conduct the required research necessary to identify and understand the specific problem, and implement the required corrective action to resolve and eliminate the problem within five (5) days permitting the accurate disbursement

of funds. The Contractor shall resolve all payment application problems including but not limited to those listed below.

- a. Payments are all frozen;
- b. Bad payee name;
- c. Case type error;
- d. Fee OBLIG not on pay order;
- e. Future hold;
- f. Invalid Identifying number;
- g. IV-A number missing;
- h. Name mismatch;
- i. No Identifying #;
- j. No OBLIGS qualify;
- k. No pay order for case identified;
- l. No wage attach for SSN;
- m. Not Applied-No future OBS;
- n. Receipt date problem;
- o. TANF status undetermined;
- p. Payment type not identified; and
- q. Future payment date identified.

C.3.2.2.4.2 Payment Application Problem Resolution Plan

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

C.3.2.2.5 Foreign Currency Processing

C.3.2.2.5.1 The Contractor shall process all foreign currency payments, paper or electronic, using appropriate currency exchange rates and procedures.

C.3.2.2.5.2 Foreign Currency Processing Plan

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

C.3.2.2.6 Forged/Fraudulent Checks

C.3.2.2.6.1 The Contractor shall identify and recover forged and other fraudulently negotiated disbursements.

C.3.2.2.6.2 Forged/Fraudulent Check Plan

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

C.3.2.3 Transaction Plan

The Contractor shall develop and provide a detailed plan to operate and manage an average of 18,000 paper transactions per month and 13,100 electronic transactions per month and all payment-processing functions identified in C.3.2.

C.3.2.4 Source Document Retention and Maintenance

C.3.2.4.1 The Contractor shall retain paper and electronic source documents associated with the delivery of the required services including the receipt of mail and electronic payments, processing, deposit, and disbursement of child support payments. The Contractor shall provide the COTR or other authorized District officials requested documents within 48 business hours of request.

C.3.2.4.2 Source Document Retention and Maintenance Plan

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

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

C.3.2.5 Notice Production

C.3.2.5.1 The Contractor shall print and mail monthly account activity notices to custodial parties. In executing this responsibility, the Contractor shall:

- a. Prepare mail according to USPS specifications for ZIP+4 presort;
- b. Use optical character recognition (OCR) national presort capabilities;
- c. Use automatic sorting equipment capable of reading and applying five- and eleven-digit post net bar codes;

- d. Print output files on electronic data transfer in ZIP+4 order.
- e. Process and mail multi-page notices; and
- f. Supply postage and any required shipping charges including any special mailings required and authorized by CSSD.

C.3.2.5.1.1 Notice Production Schedule

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

C.3.2.5.2 Requirements for Ad Hoc Notices

The Contractor shall maintain the capability to produce, fold, insert, and mail additional notices including, but not limited to informational inserts to be included with the Contractor-generated notices as required by the District and any other additional notices deemed necessary to the project and in accordance with specifications provided by the COTR.

C.3.2.6 DCCSES Database

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

C.3.2.6.1 Initial Cleanup

The Contractor shall provide an initial cleanup of the DCCSES data to eliminate name and address duplication in the employer table.

C.3.2.6.2 Employer File Maintenance

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

C.3.2.6.3 Custodial Parent Address Change Functions

C.3.2.6.3.1 The Contractor shall update DCCSES with new custodial party address and employment status changes information on the same day the information contained in the change of address requests from custodial parties when such requests are accompanied by supporting documentation from the custodial party and as approved by CSSD.

C.3.2.6.3.2 The Contractor shall access DCCSES and complete data entry necessary to suppress future mailings when mail items returned from the Post Office denote an invalid address for a custodial party or a non-custodial parent.

C.3.2.6.4 DCCSES Database Plan

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

- a. Initial clean up of data (C.3.2.6.1)
- b. Employer file maintenance (C.3.2.6.2);
- c. Custodial parent address change functions (C.3.2.6.3);
- d. Ensure no receipting errors result in an overpayment; and
- e. Maintain a Data entry error rate of less than 0.3% per month.

C.3.3 DEPOSIT CHILD SUPPORT PAYMENTS**C.3.3.1 Deposit to District Accounts**

The Contractor shall deposit at a minimum 99.9% of payments that can be processed on the same day including money orders, cash, ACH, and other payment types into designated District of Columbia bank accounts.

C.3.3.2 Deposit of Payments Plan

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

- a. Ensure compliance with all relevant Federal and State laws, rules, and guidelines (C.1.1);
- b. Encode and endorse each check/money order;
- c. Ensure the use a bonded courier service to transport deposits to the depository bank;
- d. Reconcile the total deposit to DCCSES daily to ensure that all items processed are accounted for;
- e. Processing, documenting, and verifying of deposit of payments into the District account in a timely manner;
- f. Identification of an alternative method, such as Check 21 in the Contractor's account reconciliation procedures;
- g. Quality assurance components to ensure the accurate deposit of funds, security of deposits, and effective reconciliation procedures (C.3.3.3.2); and
- h. Development of validation logic to serve as an audit trail for payments.

C.3.3.3 Deposit Account and Reconciliation Procedures**C.3.3.3.1** The Contractor shall maintain a separate and distinct account for child support deposits.

C.3.3.3.2 The Contractor shall perform or provide at a minimum the following reconciliation procedures for child support deposits:

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

C.3.4 DISBURSE CHILD SUPPORT PAYMENTS

C.3.4.1 Mail (Paper) Payments

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

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

C.3.4.1.1 The Contractor shall at a minimum perform or provide the following in support of the timely distribution of Properly Identified Payments:

- a. Print and mail all checks via first class mail each business day except for District holidays for which the Contractor receives a disbursement file from DCCSES; Print and mail approximately 600 per day or 180,000 annually checks;
- b. Ensure compliance with the following DCCSES check file requirements:
 1. Ability to accommodate information text to be printed on the check stub

2. Ability to presort
 3. Contains a bar code and
 4. Bundle checks by zip code.
- b. Design and produce checks with detachable stub that contains the following data elements:
1. Payer name
 2. Custodial Parent Name
 3. Custodial Parent PIN Number
 4. Check date
 5. Reference number
 6. Case number
 7. Check amount
 8. Total year to date amount
 9. Check number and
 10. Social Security number
- c. Print checks on generic check stock with District-defined information including the District Seal, a void pantograph, micro printing, and an artificial watermark added during the printing process;
- d. Duplicate an electronically generated signature of the District's Attorney General on each check; and
- e. Ability to cancel and reissue payments through DCCSES on return of the original item within 24 business hours for checks returned by the payee due to at a minimum the following:
1. stale date
 2. incorrect amount, or
 3. wrong payee

C.3.4.1.2 Security of Checks Plan

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

- a. Compliance with the production of checks as described in C.3.4.1.1;
- b. Security of checks during the production and storage; and
- c. Monitoring of and maintaining the proper inventory level of checks.

C.3.4.1.3 Returned Disbursement Checks

- C.3.4.1.3.1** The Contractor shall research and resolve returned disbursement checks from the recipient, postal service, or child support office within 24 business hours of receipt.

C.3.4.1.3.2 Returned Disbursement Check Plan

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

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

C.3.4.1.4 Lost and Stolen Disbursement Checks

C.3.4.1.4.1 The Contractor shall resolve issues involving lost and stolen disbursement checks, including the reissuing of replacement checks, within twenty-four (24) business hours of receiving notice a lost or stolen check.

C.3.4.1.4.2 Lost or Stolen Disbursement Check Plan

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

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

C.3.4.1.5 Un-cashed Checks

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

C.3.4.2 Electronic Payments

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

C.3.4.2.1 Direct Deposit

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

C.3.4.2.1.2 Direct Deposit Plan

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

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

C.3.4.2.2 Debit Card

C.3.4.2.2.1 The Contractor shall maintain a debit card program that provides custodial parents with access to child support payments via debit cards transactions at automated teller machines (ATM) machines, banks, and retail establishments and allows for the depositing of child support payments to CP accounts.

C.3.4.2.2.2 Debit Card Program Plan

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

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

C.3.4.3 Misapplied Payments

C.3.4.3.1 Upon written notification of a misapplied payment, the Contractor shall:

- a. Ensure that a misapplied child support payment is issued to the correct custodial party by initiating referrals to CSSD when a payment has been misapplied to a nonpublic assistance account;

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

C.3.4.3.2 Misapplied Payments Plan

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

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

C.3.4.4 Insufficient Funds

C.3.4.4.1 The Contractor shall at a minimum provide or perform the following upon notice of insufficient funds:

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

C.3.4.4.2 Insufficient Funds Plan

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

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

C.3.4.5 Rejected Electronically Disbursed Payments

C.3.4.5.1 The Contractor shall research, resolve, and provide customer service for all undeliverable electronically disbursed payments within twenty-four business hours of receiving notice of an undeliverable.

C.3.4.5.2 Rejected Electronically Disbursed Payments Plan

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

C.3.4.6 Disbursement Account Reconciliation Procedures

C.3.4.6.1 The Contractor shall maintain a separate and distinct account for child support disbursements.

C.3.4.6.2 The Contractor shall perform or provide at a minimum the following reconciliation activities for the disbursement account:

- a. Listing sequentially paid checks by serial number including amount paid;
- b. Providing CSSD all paid check information for each month in an electronic file format designated by the Department;
- c. Listing outstanding checks;
- d. Listing voided and cancelled checks;
- e. Listing miscellaneous credits and debits;
- f. Comparing checks presented for payment with issue records and reviewing exception items prior to payment; and

- g. Reconcile all disbursement accounts daily and bank account reconciled monthly within 10 days receipt of statement.

C.3.5 SDU Supporting Requirements

The Contractor shall provide the following requirements to support the Contractor's delivery and fulfillment of the receipt (C.3.1), processing (C.3.2), deposit (C.3.3), and disbursement (C.3.4) of child support payments.

C.3.5.1 Primary Operating Facility

- C.3.5.1.1** The Contractor shall provide an a single site, within a thirty-minute subway stop radius of One Judiciary Square, no more than four blocks from the Metro, and within the District of Columbia's geographic boundaries for the sole purpose of performing the collection and disbursement functions in accordance with the contract provisions.
- C.3.5.1.2** The Contractor shall operate the SDU in a manner that physically separates it from any other functions performed within the building or complex in which the SDU is located; in a manner that fulfills all security requirements as outlined in the HHS/OCSE Guide for Auditing State Disbursement Units, and in accordance with all relevant District code and federal law, regulations, Dear Colleague Letters, and HHS Action Memoranda (C.1.1).
- C.3.5.1.3** The Contractor shall ensure that the operations facility and processing site maintains applicable certifications and inspections.
- C.3.5.1.4** The Contractor shall ensure the SDU operations facility and processing site's design and layout allow for the effective and efficient fulfillment of the required services as well as the physical security requirements described in C.3.5.4.2. The Contractor shall be responsible for all modifications to the facility including modifications required to accommodate DCCSES equipment and other equipment used by on-site CSSD monitoring staff as well as establishing and maintaining the needed security, fire control, telephone and computer lines and related equipment.
- C.3.5.1.5** The Contractor shall provide office space, one (1) cubicle, at the operations facility and processing site for use by authorized CSSD staff and auditors for observing and monitoring the Contractor's operations.
- C.3.5.1.6** The Contractor shall provide operations facility documentation including location address (C.3.5.1.1), and certificate of occupancy and inspection reports (C.3.5.1.3), description (C.3.5.1.4) including identification and description of office space (C.3.5.1.5).

C.3.5.1.7 Contingency/Disaster Recovery Plan

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

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

C.3.5.2 Staff, Organization, and Supervision**C.3.5.2.1 Key Personnel**

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

- a. Project Director;
- b. Assistant Project Director;
- c. Customer Service Manager; and
- d. Technology Manager.

C.3.5.2.2 Other Staff

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

C.3.5.2.3 Organizational Chart

C.3.5.2.3.1 The Contractor shall develop and provide a current organizational chart to describe the Contractor's staff assigned to perform the required services. The organizational chart shall include the key staff identified in C.3.5.2.1, other staff described in C.3.5.2.2, position name, and the reporting lines of authority. The Contractor's organizational chart shall be consistent with the Contractor's Staffing Plan (C.3.5.2.4).

C.3.5.2.3.2 The Contractor shall submit an updated organizational chart at a minimum twice a year.

C.3.5.2.4 Staffing Plan

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

- a. The titles of each position;
- b. The percent of time each position will be utilized in the completion of the required services;
- c. The selection and recruitment of staff;
- d. The required qualifications and skill sets needed; and
- e. Staff training and development (C.3.5.2.6).

C.3.5.2.5 Position Descriptions

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

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

C.3.5.2.6 Staff Training and Development

C.3.5.2.6.1 The Contractor shall ensure that all staff to contribute to the performance of the required services are qualified and receive initial and on-going training to ensure the delivery of quality services, compliance with the contract's requirements, and successfully achieving the performance standards. The Contractor shall ensure all staff receives at a minimum the following training and development:

- a. Initial training and orientation on the required services to be provided and the Contractor's systems and procedures to be used in the delivery of the required services;
- b. Comprehensive on-going training on DCCSES to ensure Contractor's staff understand navigating the DCCSES and are familiar with the use and functions of all screens;
- c. Initial training and orientation on the required services to be provided and the Contractor's systems and procedures to be used in the delivery of the required services;

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

C.3.5.2.6.2 Staff Training and Development Curriculum and Schedule

The Contractor shall develop and provide a Staff Training and Development Curriculum and Schedule to include a description and schedule of staff training sessions consistent with requirements discussed in C.3.5.3.6.1. The Contractor shall obtain the written approval of the COTR prior to the use and implementation of the Staff Training and Development Curriculum and Schedule.

C.3.5.2.6.3 Staff Training and Development Materials

The Contractor shall develop and provide training materials for all staff training and development described in C.3.5.2.6.1. The Contractor shall obtain the written approval of the COTR prior to the use and distribution of the staff training and development materials.

C.3.5.3 IT System Requirements, Equipment, and Software

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

C.3.5.3.1 The Contractor shall provide the required IT system functionality, equipment and software necessary to conduct the required services in the most economic, efficient, and accurate manner including at a minimum the following:

- a. Allow for the electronic exchange of data and files in a format which allow for automated update in DCCSES system;
- b. Provides the ability to modify IT system operations to adapt to any new programmatic changes in DCCSES or a new automated data processing system;
- c. Maintain acceptable levels of data processing, programmers, and operators expertise with training in the most current versions of programs and most current models of equipment;

- d. Acquire and maintain all data processing equipment, computer hardware and software necessary to efficiently and effectively perform the required services including all titles, leases, licenses, and maintenance agreements (Contractor-acquired computer hardware and software shall be the property of CSSD);
- e. Create a back-up file for all electronic transmissions and in the event of an electronic transmission failure deliver the back-up file to CSSD to ensure nightly processing completion (the method/media of back-up file shall be mutually agreed upon between CSSD and the Contractor);
- f. Comply with the District's rules regarding the use of DCCSES, as stipulated in CSSD's System Access Requirements and Confidentiality Statement (Applicable Document #22); and
- g. Maintain compliance with the applicable system security requirements described in C.3.5.4.

C.3.5.3.2 System Validation

C.3.5.3.2.1 The Contractor shall conduct a thorough validation of the IT system requirements including the system's hardware, software, functionality and integration with external parties.

C.3.5.3.2.2 IT System Validation Report

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

C.3.5.4 Security and Confidentiality

C.3.5.4.1 The Contractor shall comply with all applicable Federal and District of Columbia laws and regulations regarding confidentiality and CSSD General Policy regarding Safeguarding of Information (no disclosure of any information about an applicant or recipient of IV-D services or a non-custodial parent which is obtained from any source or in any manner in the course of a child support investigation will be made, except in connection with the administration of the IV-D program - reference 45 CFR 303.21).

C.3.5.4.2 The Contractor shall take reasonable steps including maintaining restricted access, alarms, locked files, cameras, security guards, if appropriate to ensure the physical safety of data under its control by using devices and methods including, but not limited to, alarm systems, locked files, guards, cameras, or other devices reasonably expected to prevent loss or unauthorized removal of manually held data.

- C.3.5.4.3** The Contractor shall take reasonable steps including restricted terminal access, restricted access to input and output documents to prevent unauthorized use of passwords, access logs, badges, or other methods designed to prevent loss of or unauthorized access to electronically or mechanically held data (methods used shall include, but not be limited to, restricted terminal access, restricted access to input and output documents, and other such restrictions designed to protect DCCSES data.
- C.3.5.4.4** The Contractor shall ensure that no District of Columbia child support data shall reside independently on any mobile devices including laptops, Blackberries, flash drives, or any other electronic storage devices.
- C.3.5.4.5** The Contractor shall inform each of its employees having any involvement with personal data, child support information, or other confidential information of the laws and regulations governing confidentiality.
- C.3.5.4.6** The Contractor shall provide mandatory annual training for all staff regarding safeguarding of Federal tax information (C.3.5.2.6.1 d).
- C.3.5.4.7** The Contractor shall cooperate with CSSD in taking all steps deemed advisable by CSSD to enjoin misuse, regain possession, and protect the District's rights and the data subject's privacy.
- C.3.5.4.8** The Contractor shall allow access to any personal data held in its possession, solely to those employees of CSSD who require such information in the performance of their occupational responsibilities.
- C.3.5.4.9** The Contractor shall agree to implement any improvements or modifications resulting from periodic SDU physical security reviews.
- C.3.5.4.10** The Contractor shall ensure each of the Contractor's staff to contribute to the performance of the required services reviews and signs a System Access Requirements and Confidentiality Statement (Applicable Document #22). The System Access Requirements and Confidentiality Statement shall acknowledge and commit the Contractor's staff to abide by CSSD's rules governing the use of DCCSES and applicable laws and regulations in performing his/her responsibilities.
- C.3.5.4.11** The Contractor shall notify the COTR in writing on the day that any of the following incidents occur:
- a. Any misuse or unauthorized use of operator password which has resulted in unauthorized access of DCCSES;
 - b. Any suspected or actual theft of SDU receipts;
 - c. Any damage or actual theft of SDU receipts;

- d. Any failure to mail checks which are ready for distribution that day; and
- e. Any subpoena, improper use, copy or removal of personal data in the resultant contractor's possession except as obtained by an authorized representative of CSSD (such notification shall be immediate orally and during the same day in writing).

C.3.5.4.12 The Contractor shall comply with and assume responsibility for compliance by his or her employees including the following requirements:

- a. All work shall be done under the supervision of the Contractor or the Contractor's employees;
- b. Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the Contractor shall be prohibited;
- c. All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material;
- d. Certify that the data processed during the performance of this contract shall be completely purged from all data storage components of its computer facility, and no output will be retained by the Contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the Contractor shall certify that any IRS data remaining in any storage component shall be safeguarded to prevent unauthorized disclosures;
- e. Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data shall be given to CSSD or its designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and shall provide CSSD or its designee with a statement containing the date of destruction, description of material destroyed, and the method used;
- f. All computer systems processing, storing, or transmitting Federal tax information shall meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features shall be available and activated to protect against unauthorized use of and access to Federal tax information;
- g. No work involving Federal tax information furnished under this contract shall be subcontracted without prior written approval of the IRS;
- h. The Contractor shall maintain a list of employees authorized access to IRS data. Such list shall be provided to the COTR and, upon request, to the

IRS reviewing office. The Contractor shall provide updated list of authorized employees as necessary; and

- i. The District will have the right to void the contract if the Contractor fails to provide the safeguards described above.

C.3.5.4.13 The Contractor shall acknowledge the following criminal/civil sanctions:

- a. The Contractor's officers or employees to whom return or return information is or may be disclosed shall be notified in writing by the Contractor that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. The Contractor shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR § 301.6103(n)-1;
- b. The Contractor's officers or employees to whom return or return information is or may be disclosed shall be notified in writing by the Contractor that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure of returns or return information to anyone without an official need to know such information shall constitute a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as one year, or both, together with the costs of prosecution. The Contractor shall also notify each such officer or employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure, plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431; and
- c. The Contractor shall inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a

contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established there under, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

C.3.5.4.14 The Contractor shall permit IRS and District officials to send its officers and employees into the offices of the Contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

C.3.5.4.15 Security and Confidentiality Plan

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

- a. Ensure the physical safety of data under its control and to prevent loss or unauthorized removal of manually held data;
- b. Prevent unauthorized use of passwords, access logs, badges, or other methods designed to prevent loss of or unauthorized access to electronically or mechanically held data;
- c. Inform each of its employees having any involvement with personal data, child support information, IRS data, or other confidential information of the laws and regulations governing confidentiality and safeguarding of such information, including sanctions for failure to comply with the laws and regulations described in C.3.5.4; and
- d. Ensure compliance with the requirements described above in C.3.5.4.

C.3.5.5 Customer Service

C.3.5.5.1 Customer Service Unit

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

- a. Qualified and trained staff including multilingual staff;
- b. Compliance with the District's customer service standards;
- c. Assistance to employers, interstate agencies, state child support personnel, CSSD personnel, payors or their legal representatives

regarding receipt and disbursement information via a toll free telephone number available twenty-four hours per day, seven days per week;

- d. General problem resolution regarding lost, damaged, mis-posted or delayed receipts;
- e. Customers with the appropriate agency telephone number as necessary;
- f. Forward correspondence to appropriate office within 48 hours of receipt; and
- g. Assistance to payors regarding where to send payments;

C.3.5.5.2 Customer Service Plan

The Contractor shall develop and provide a Customer Service Plan to address the Contractor's fulfillment of the requirements described in C.3.5.5.1 and maintain at a minimum the following performance levels:

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

C.3.5.6 Outreach

C.3.5.6.1 The Contractor shall develop and implement an outreach plan to promote the District's SDU elements to increase the number of employers submitting wage withheld payments via electronic media and increase the number of custodial parents receiving payments via direct deposit, or using debit cards. The Outreach plan shall include at a minimum the following:

- a. A public relations campaign to notify child support customers and the general public of new State Disbursement Unit management;
- b. Coordinate and communicate changes and other relevant information concerning the operations of the SDU to employers and parents;
- c. Promotion of the Contractor's Direct Deposit Plan (C.3.4.2.2.1.2.);
- d. Promotion of the Contractor's ACH Debit Program (C.3.4.2.2.2.2). and
- e. Mechanism to measure the increase the number of employers submitting wage withheld payments via electronic media and increase the number of custodial parents receiving payments via direct deposit, or using debit cards.

C.3.5.7 Audit and Inspections

C.3.5.7.1 Independent Audit

The Contractor shall conduct, at its own expense, an independent audit of the Contractor's system of internal accounting control relative to the processing of all

child support billings, receipts, and disbursements in accordance with the following federal performance audit standards and guidelines:

- a. HHS/OCSE Dear Colleague Letter Guide for Auditing State Disbursements Units (Applicable Document #15);
- b. HHS/OCSW Guide for Auditing State Disbursement Units (Applicable Document # 16);
- c. Federal Performance (OCSE) Audits, Data Reliability Audits (Applicable Document #17);
- d. IRS Security Audits (Applicable Document #18);
- e. IRS Publication 1075 Tax Information Security Guidelines for Federal, State, and Local Agencies and Entities (Applicable Document #19); and
- f. Generally Accepted Accounting Principles (GAAP) (Applicable Document # 20).

C.3.5.7.2 The Contractor shall perform and provide the first audit within six months of assuming responsibility for the SDU operations and then on an annual basis thereafter.

C.3.5.7.3 Audit and Inspection Plan

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

- a. Conduct an audit in accordance with the requirements described in C.3.5.8.1 and includes all detail all control weaknesses;
- b. Issue a report of findings within thirty calendar days of the final audit report being issued;
- c. Permit COTR to access all audit work papers;
- d. Maintain and store all SDU payment records until audited or for a period of seven years from the date of transaction, whichever comes first;
- e. Adhering to external audit requests; and
- f. Provide document shredding to be conducted at the contractor's site (destruction of records cannot commence until CSSD has received the Contractor's written request and has provided its written consent to such request).

C.3.5.8 Quality Assurance

C.3.5.8.1 The Contractor shall develop and implement quality assurance and internal control processes and procedures to ensure the integrity, compliance, and continuous improvement of the SDU. The Contractor's quality assurance policies shall address all aspects of the SDU system including at a minimum the following:

- a. Receipt of child support payments (C.3.1);
- b. Processing of child support payments (C.3.2);
- c. Deposit of child support payments, (C.3.3);
- d. Disbursement of child support payments (C.3.4);
- e. Physical security of the SDU operating facility (C.3.5.1);
- f. Monitoring of staff (C.3.5.2);
- g. Performance, maintenance and performance of the Contractor's IT system, equipment, and software (C.3.5.3);
- h. Ensuring compliance to the security and confidentiality requirements (C.3.5.4);
- i. Monitoring and measuring the activities of the customer service unit (C.3.5.5);
- j. Assessment of outreach efforts (C.3.5.6);
- k. Audit and internal controls (C.3.5.7); and
- l. Consistent compliance with performance standards (C.3.5.10), and producing accurate, on-time reports (C.3.5.12).

C.3.5.8.2 Internal Controls

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

C.3.5.8.3 Quality Assurance and Internal Controls Plan

The Contractor shall develop and provide a detailed plan to describe the Contractor's policies and procedures to implement quality assurance policies and internal controls to ensure the successful completion and continuous improvement of the required services. The Contractor's Quality Assurance and Internal Control Plan shall include or address at a minimum the requirements described in C.3.5.8.1 and C.3.5.8.2.

C.3.5.9 Standard Operating Procedures

C.3.5.9.1 The Contractor shall develop and submit for the review and approval of the COTR Standard Operating Procedures (SOP) to comprehensively document each of the Contractor's plans associated with the delivery of the required services. The Contractor shall ensure that the Contractor's SOP's are compliant with applicable Federal and District laws, regulations, policies, and guidelines. The SOP's shall include at a minimum the Contractor's plan and methodology for the following:

- a. Receipt of child support payments (C.3.1);

- b. Processing of child support payments (C.3.2);
- c. Deposit of child support payments (C.3.3);
- d. Disbursement of child support payments (C.3.4);
- e. SDU operating facility (C.3.5.1);
- f. Staff (C.3.5.2);
- g. IT system, equipment, and software (C.3.5.3);
- h. Security and confidentiality requirements (C.3.5.4);
- i. Customer service unit (C.3.5.5);
- j. Outreach (C.3.5.6);
- k. Audit and internal controls (C.3.5.7);
- l. Quality Assurance (C.3.5.8);
- m. Performance standards (C.3.5.10);
- n. Reporting (C.3.5.12);
- o. Transition and Implementation Plan (C.3.5.13); and
- p. Turnover Plan (C.3.5.14).

C.3.5.9.2 Process Flow Diagrams

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

C.3.5.10 Performance Standards

The Contractor shall maintain compliance with the following performance standards. The Contractor’s failure to achieve the performance standards described below will result in the assessment of liquidated damages as described in G.12 and the development of Corrective Action Plans as described in C.3.5.10.7:

C.3.5.10.1 Receipt of Child Support Payments

Contract Section	Performance Standard	Surveillance Method
C.3.1.1.2.1 b	Daily mail pickup in accordance with mail pick-up schedule	A random sampling of the pick-up schedule
C.3.1.1.2.1 f	Sort mail and forward correspondence to CSSD or the Court (correspondence forwarded to the Court shall also be copied concurrently to CSSD) by either faxing it or imaging and emailing it, while retaining the original, unless otherwise instructed by CSSD on the day the mail was received	A random sample of such correspondence shall be drawn to compare dates received by the SDU (all incoming documents shall be date stamped) vs. dates received by CSSD or the Court.
C.3.1.1.2.1 h	Processing 99.9% of acceptable paper payments processed on the same day (not including receipts that require research or are determined to be unacceptable)	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

C.3.5.10.2 Processing of Child Support Payments

Contract Section	Performance Standard	Surveillance Method
C.3.2.1.1 d	Enter 99.9% of acceptable paper payments processed on the same day (not including payments that require research or are determined to be unacceptable) into DCCSES.	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.3.2.2.1.2 h	Enter 99.9% of acceptable ACH/EFT payments processed on the same day (not including payments that require research or are determined to be unacceptable) payment into DCCSES;	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.3.2.2.2.2 h	Enter 99.9% of acceptable EFT/EDI payments processed on the same day (not including payments that require research or are determined to be unacceptable) into DCCSES	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.3.2.2.4.1	Conduct the required research necessary to identify and understand the specific problem, and implement the required corrective action to resolve and eliminate the problem within five (5) days permitting the accurate disbursement of funds.	A random sample of required searches
C.3.2.4.2 d	Retrieval of requested source documents within the required 48 hours	A random sample of requested documents
C.3.2.5.1.1	Notice Productions mailed in accordance with Notice Production Schedule	Monthly review of Notice Production Schedule
C.3.2.6.2	Maintain the employer table on an on-going basis, adding, and updating data on the same day as received.	A random sample of requested updates
C.3.2.6.3.1	Update DCCSES with new custodial party address and employment status changes information on the same day the information contained in the change of address requests from custodial parties when such requests are accompanied by supporting documentation from the custodial party and as approved by CSSD	A random sample of requested updates
C.3.2.6.4 d	Ensure no receipting errors result in an overpayment	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

Contract Section	Performance Standard	Surveillance Method
C.3.2.6.4 e	Maintain a Data entry error rate of less than 0.3% per month.	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

C.3.5.10.3 Deposit of Child Support Payments

Contract Section	Performance Standard	Surveillance Method
C.3.3.1	Deposit at a minimum 99.9% of payments that can be processed on the same day including money orders, cash, ACH, and other payment types into designated District of Columbia bank accounts	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.3.3.3.2 a	Balance and reconcile all receipts and deposits to DCCSES daily	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

C.3.5.10.4 Disbursement of Child Support Payments

Contract Section	Performance Standard	Surveillance Method
C.3.4.1	Provide prompt payment distribution of Properly Identified Payments within two (2) business days receipt of the payment.	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives
C.3.4.1.1.a	Print and mail all checks via first class mail each business day except for District holidays for which the Contractor receives a disbursement file from DCCSES;	Comparing the check write file received from DCCSES with the Contractor's daily check print report.
C.3.4.1.3.2 a	Research and resolve returned disbursement checks within 24 business hours of receipt	A random sample of returned disbursements
C.3.4.1.3.2 b	Ensure that 100% of returned checks recorded into DCCSES within 1 business day of receipt	A random sample of returned disbursements

Contract Section	Performance Standard	Surveillance Method
C.3.4.1.3.2 c	Ensure that 100% of stale checks recorded from DCCSES void file before the next bank statement	A random sample of returned disbursements
C.3.4.1.3.2 d	Ensure that 100% of returned checks recorded from DCCSES before the next bank statement.	A random sample of returned disbursements
C.3.4.1.4.1	Reissue replacement checks, within twenty-four (24) business hours of receiving notice of a lost or stolen check	A random sample of replacement checks
C.3.4.2	The Contractor shall Print electronically transfer funds each business day except for District holidays on which the Contractor receives a disbursement file from DCCSES.	Comparing the check write file received from DCCSES with the Contractor's daily check print report.
C.3.4.6.2 g	Reconcile all disbursement accounts daily and bank account reconciled monthly within 10 days receipt of statement	Daily Management Reports, Performance Tracking Reports, and random on-site monitoring by CSSD representatives

C.3.5.10.5 SDU Supporting Requirements

Contract Section	Performance Standard	Surveillance Method
C.3.5.4	Ensure compliance with the security and confidentiality requirements	\$5,000 per incident
C.3.5.5.2.a	Maintain an abandoned Call Rate of less than 15%;	A random sample of abandoned Call
C.3.5.5.2.b	Ensure callers hold Time does not exceed 1.5 minutes	A random sample of callers hold Time
C.3.5.5.2.c	Ensure Call Pick-Up by Customer Service Representative within 4 rings	A random sample of Call Pick-Up
C.3.5.6.1	Increase the number of employers submitting wage withheld payments via electronic media and increase the number of custodial parents receiving payments via direct deposit, or using debit cards	Electronic Funds Transfer, Electronic Payments and Debit Program
C.3.5.12	Daily Reports due the next business day and Monthly Reports due on the 2nd business day of the next month	\$50 per report per day late
C.3.5.13	Complete successful and transition	\$10,000 first day and \$5,000 per day thereafter

C.3.5.10.6 Performance Standards Tracking Report

The Contractor shall develop and provide a monthly Performance Standards Tracking Report to monitor and measure each of the performance measures identified in C.3.5.10 above. The Performance Standard Tracking Report shall document compliance with these quantifiable standards with logs kept by the Contractor, by CSSD call monitoring, and by monthly reports on customer service representative performance provided by the Contractor.

C.3.5.10.7 Corrective Action Plan

C.3.5.10.7.1 CSSD will require that the Contractor develop a Corrective Action Plan (CAP) for any case of non-compliance or poor performance with the performance standards described above in C.3.5.10 including but not limited to instances where CSSD believes that Contractor's quality assurance and internal control efforts are inadequate. The Contractor shall develop and submit a CAP within three (3) business days of CSSD's request for the review and approval of the COTR. The CAP shall include, at a minimum the following:

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

C.3.5.11 Meetings

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

C.3.5.12 Reports**C.3.5.12.1 Management Reports**

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

- a. The item count of mail received;
- b. The number of items and dollars collected for each type of receipt category;
- c. The total items and dollars deposited by receipt;
- d. Daily check print report;
- e. Weekly reports indicating the number of phone calls received, abandoned calls, average call lengths, and any other standard call monitoring indicators

- f. All additional management information, as defined by CSSD and the Contractor shall be contained in a Performance Tracking Report.

C.3.5.12.2 Bi-Weekly Status Reports

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

C.3.5.13 Transition and Implementation Plan

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

C.3.5.13.1 The Contractor shall provide a Transition and Implementation Plan to CSSD within fifteen (15) business days of the contract award date. This plan is subject to the COTR's approval and shall, at a minimum, require the Contractor to transition existing SDU operations from the previous SDU contractor within ninety-five (95) calendar days of the contract effective date, with minimal interruption of SDU functions to non-custodial and custodial parents, employers, and the CSSD.

C.3.5.13.2 As part of the transition process, the Contractor shall be required to conduct acceptance testing, which includes volume testing, of the collections and disbursement system. The acceptance testing must be scheduled and completed in order for the production system to be implemented. At the completion of the testing, but prior to implementation, the Contractor shall reinitialize its child support database by deleting all test data and reloading the database. The Contractor shall provide an isolated development and testing environment for system changes and testing, completely separate from the SDU production system, and shall utilize the DCCSES isolated testing environment, as well. The Contractor shall complete its own in-house testing prior to the initiation of CSSD acceptance testing, to include volume testing. Data entry and processing of these collections and related disbursements are required. CSSD will monitor and verify the acceptance test results, according to parameters agreed upon by the Contractor and the District during the transition period following contract award.

C.3.5.14 Turnover Plan

The Contractor shall provide for continuity of the SDU operations until either District or a new contractor has assumed responsibility for the operations of the SDU. The Contractor's Turnover Plan shall be developed in accordance with Section I.11 Continuity of Services and shall include the turnover, at no additional cost to the District, all equipment and software used in operating the SDU including the transfer of possession of, all titles and leases to, equipment, licensing rights to software, data files, application programs, and documentation.

**SECTION D
PACKAGING AND MARKING**

- D.1** The packaging and marking requirements for the resultant contract shall be governed by clause number (2), Shipping Instructions-Consignment, of the Government of the District of Columbia's Standard Contract Provisions for use with Supplies and Services Contracts, dated March 2007 (Attachment J.1).

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SECTION E INSPECTION AND ACCEPTANCE

E.1 The inspection and acceptance requirements for the Contract shall be governed by Clause Number five 5, Inspection of Services of the Government of the District of Columbia's Standard Contract Provisions for use with Supplies and Services Contracts, dated March 2007(Attachment J.1) .

E.2 **Audits and Inspections**

The District will conduct unannounced audits of the Contractor's the depository system. These unannounced audits will be in addition to any audit conducted by the Federal Office of Child Support Enforcement. CSSD reserves the right to determine the auditing periods for which the data shall be made available, the timing of the requests for the data, and if the data presented is sufficient to meet the intent of the auditing provisions of this section.

E.3 **Site Visits**

Authorized staff of the CSSD will routinely conduct announced and unannounced site visits to the Contractor's processing facility to monitor and observe operations and review documents and procedures.

E.4 **Performance Surveillance**

Authorized staff of the CSSD will routinely conduct announced and unannounced monitoring of the Contractor's security of checks during the production and storage, and monitoring of proper inventory level, handling lost or stolen disbursement checks, the Contractor's customer service level, abandoned call rate, caller hold time and call pick-up by customer service representative.

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SECTION F
PERIOD OF PERFORMANCE AND DELIVERABLES

F.1 TERM OF THE CONTRACT

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

F.2 OPTION TO EXTEND THE TERM OF THE CONTRACT

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

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

F.2.3 The price for the Option Period shall be specified in the Contract. The total duration of this Contract, including the exercise of any options under this Section F.2, shall not exceed two (2) years.

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

F.3 DELIVERABLES

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

F.3.1 RECEIPT OF CHILD SUPPORT PAYMENTS

Deliverable Number	Deliverable	Due Date
1	Post Office Box(es) (C.3.1.1.2.1 a)	Within 1 week from date of contract award
2	Mail Pick-up and Processing Schedule (C.3.1.1.2.1 b)	Within 1 week from contract award
3	Daily Item Count (C.3.1.1.2.1 c)	Daily
4	Mail Processing and Sorting Plan (C.3.1.1.2.2)	Within 1 week from contract award
5	Electronic Payment Processing Plan (C.3.1.2.1.2)	Within 2 weeks from contract award

F.3.2 PROCESS CHILD SUPPORT PAYMENTS

Deliverable Number	Deliverable	Due Date
6	ACH/EFT Plan (C.3.2.2.1.1.2)	Within 2 weeks from contract award
7	ACH Debit Program Plan (C.3.2.2.2.2)	Within 2 weeks from contract award
8	Payment Application Problem Resolution Plan (C.3.2.2.4.2)	Within 2 weeks from contract award
9	Foreign Currency Processing Plan (C.3.2.2.5.2)	Within 2 weeks from contract award
10	Forged/Fraudulent Check Plan (C.3.2.2.6.2)	Within 2 weeks from contract award
11	Transaction Plan (C.3.2.3)	Within 2 weeks from contract award
12	Source Document Retention and Maintenance Plan (C.3.2.4.2)	Within 2 weeks from contract award
13	Notices Production (C.3.2.5.1)	Monthly
14	Notice Production Schedule	Within 2 weeks from contract award
15	Adhoc Notices (C.3.2.5.2)	As requested
16	DCCSES Database Plan (C.3.2.6.4)	Within 2 weeks from contract award

F.3.3 DEPOSIT CHILD SUPPORT PAYMENTS

Deliverable Number	Deliverable	Due Date
17	Deposit of Payment Plan (C.3.3.2)	Within 3 weeks from contract award

F.3.4 DISBURSE CHILD SUPPORT PAYMENTS

Deliverable Number	Deliverable	Due Date
18	Deposit of Payment Plan (C.3.3.2)	Within 3 weeks from contract award
19	Security of Checks Plan (C.3.4.1.2)	Within 3 weeks from contract award
20	Returned Disbursement Check Plan (C.3.4.1.3.2)	Within 3 weeks from contract award
21	Lost or Stolen Disbursement Check Plan (C.3.4.1.4.2)	Within 3 weeks from contract award
22	Direct Deposit Plan (C.3.4.2.1.2)	Within 3 weeks from contract award
23	Debit Card Plan (C.3.4.2.2.2)	Within 3 weeks from contract award
24	Misapplied Payments Plan (C.3.4.3.2)	Within 3 weeks from contract award
25	Insufficient Funds Plan (C.3.4.4.2)	Within 3 weeks from contract award
26	Rejected Electronically Disbursed Payments Plan (C.3.4.5.2)	Within 3 weeks from contract award

F.3.5 SDU SUPPORTING REQUIREMENTS

Deliverable Number	Deliverable	Due Date
27	Contingency/Disaster Recovery Plan (C.3.5.1.7)	Within 3 weeks from contract award
28	Operations Facility and Processing Site Documentation (C.3.5.1.6)	Within 1 week from contract award
29	Organizational Chart (C.3.5.2.3.1)	Within 1 week from contract award
30	Organizational Chart (C.3.5.2.3.2)	Within 1 week from contract award
31	Staffing Plan (C.3.5.2.4)	Within 1 week from contract award
32	Position Descriptions (C.3.5.2.5)	Within 1 week from contract award
33	Staff Training and Development Curriculum and Schedule (C.3.5.2.6.2)	Within 2 weeks from contract award
34	Staff Training and Development Materials (C.3.5.2.6.3)	Within 2 weeks from contract award
35	IT System Validation Report (C.3.5.3.2.2)	Within 3 weeks from contract award
36	Incident Report (3.5.4.11)	Day of Incident
37	List of Employees Authorized to access IRS Data (C.3.5.4.12 h)	Upon request

Deliverable Number	Deliverable	Due Date
38	List of Employees Authorized to access IRS Data Update (C.3.5.4.12 h)	As Needed
39	Security and Confidentiality Plan (C.3.5.4.15)	Within 1 week from contract award
40	Customer Service Plan (C.3.5.5.2)	Within 2 weeks from contract award
41	Outreach Plan (C.3.5.6)	Within 2 weeks from contract award
42	Audit and Inspection Plan (C.3.5.7.3)	Within 3 weeks from contract award
43	Quality Assurance and Internal Control Plan (C.3.5.8.3)	Within 30 days from contract award
44	Standard Operating Procedures (C.3.5.9)	Within 75 days from contract award
45	Performance Standards Tracking Report (C.3.5.10.6)	Monthly
46	Corrective Action Report (C.3.5.10.7)	Within three (3) business days of written request
47	Daily Management Reports (C.3.5.12.1)	Daily
48	Bi-Weekly Status Report (C.3.5.12.2)	Bi-weekly
49	Transition and Implementation Plan (C.3.5.13)	Within 15 days from contract award
50	Turnover Plan (C.3.5.14)	Within 90 days from contract award

F.3.6

Any reports that are required pursuant to H.5.5 of the 51% District Residents New Hires Requirements and First Source Employment Agreement are to be submitted to the District as a deliverable. If the report is not submitted as part of the deliverables, final payment to the contractor shall not be paid.

**SECTION G
CONTRACT ADMINISTRATION****G.1 INVOICE PAYMENT**

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

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

G.2 INVOICE SUBMITTAL

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

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

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

- a. Contractor's name, Federal tax ID, DUNS number and invoice date (Contractors are encouraged to date invoices as close to the date of mailing or transmittal as possible.);
- b. Contract number and Invoice Number
- c. Description, price, quantity and the date(s) that the supplies/services were actually delivered and/or performed.
- d. Other supporting documentation or information, as required by the Contracting Officer;
- e. Name, title, telephone number and complete mailing address of the responsible official to whom payment is to be sent;
- f. Name, title, phone number of person preparing the invoice;
- g. Name, title, phone number and mailing address of person (if different from the person identified in (G.2.2.f) above to be notified in the event of a defective invoice); and
- h. Authorized signature

G.3 FIRST SOURCE AGREEMENT REQUEST FOR FINAL PAYMENT

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

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

G.4 PAYMENT

Unless otherwise specified in this contract, payment will be made monthly based on the actual number of transactions at the fixed unit price stated in the Price Schedule Section B.3 after the proper delivery and acceptance of the required services at the performance standards described in C.3.5.10.

G.5 ASSIGNMENT OF CONTRACT PAYMENTS

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

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

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

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

G.6 QUICK PAYMENT CLAUSE**G.6.1 INTEREST PENALTIES TO CONTRACTORS**

G.6.1.1 The District will pay interest penalties on amounts due to the Contractor under the Quick Payment Act, D.C. Official Code §2-221.01 et seq., for the period

beginning on the day after the required payment date and ending on the date on which payment of the amount is made. Interest shall be calculated at the rate of 1% per month. No interest penalty shall be paid if payment for the completed delivery of the item of property or service is made on or before:

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

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

G.6.2 PAYMENTS TO SUBCONTRACTORS

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

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

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

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

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

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

G.7 CONTRACTING OFFICER (CO)

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

James H. Marshall
Office of Contracting and Procurement
441 4th Street, N.W., Room No. 700 South
Washington, DC 20002
Phone: (202) 724-4197
Fax: (202) 727-0245
Email: jim.marshall@dc.gov

G.8 AUTHORIZED CHANGES BY THE CONTRACTING OFFICER

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

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

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

G.9 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

G.9.1 The Contracting Officers Technical Representative (COTR) will have the responsibility of ensuring the work conforms to the requirements of the contract and such other responsibilities and authorities as may be specified in the contract. These include:

- a. Keeping the Contracting Officer (CO) fully informed of any technical or contractual difficulties encountered during the performance period and advising the CO of any potential problem areas under the contract;
- b. Coordinating site entry for Contractor personnel, if applicable;

- c. Reviewing invoices for completed work and recommending approval by the CO if the Contractor's costs are consistent with the negotiated amounts and progress is satisfactory and commensurate with the rate of expenditure;
- d. Reviewing and approving invoices of deliverables to ensure receipt of goods and services. This includes the timely processing of invoices and vouchers in accordance with the District's payment provisions; and
- e. Maintaining a file that includes all contract correspondence, modifications, records of inspections (site, data, equipment) and invoices/vouchers.

G.9.2 The address and telephone number of the Contracting Officer Technical Representative is:

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

G.9.3 It is understood and agreed, in particular, that the COTR shall NOT have the authority to:

- a. Award, agree to, or sign any contract, delivery order or task order. Only the CO shall make
- b. contractual agreements, commitments, or modifications;
- c. Grant deviations from or waive any of the terms and conditions of the contract;
- d. Increase the dollar limit of the contract or authorize work beyond the dollar limit of the contract,
- e. or authorize the expenditure of funds by the Contractor;
- f. Change the period of performance; or
- g. Authorize the furnishing of District property, except as specified under the contract.

G.9.4 The Contractor may be held fully responsible for any change not authorized in advance, in writing, by the Contracting Officer, and may be denied compensation or other relief for any additional work performed that is not so authorized, any may also be required, at no additional cost to the District, to take all corrective action necessitated by reason of the unauthorized changes.

G.10 ORDERING CLAUSE

G.10.1 Any supplies and services to be furnished under this contract must be ordered by issuance of delivery orders or task orders by the Contracting Officer. Such orders may be issued during the term of this contract.

G.10.2 All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of a conflict between a delivery order or task order and this contract, the contract shall control.

G.10.3 If mailed, a delivery order or task order is considered "issued" when the District deposits the order in the mail. Orders may be issued by facsimile or by electronic commerce methods.

G.11 FINES

The Contractor shall be responsible for any fines levied against the District by the federal government or administrative body as a result of Contractor's performance under the Contract.

G.12 LIQUIDATED DAMAGES

G.12.1 The District will assess liquidated damages as described below in the event the Contractor fails to meet the performance standards described in C.3.5.10.

G.12.1.1 Receipt of Child Support Payments

Contract Section	Performance Standard	Liquidated Damage
C.3.1.1.2.1 b	Daily mail pickup in accordance with mail pick-up schedule	\$1,000.00 per day
C.3.1.1.2.1 f	Sort mail and forward correspondence to CSSD or the Court (correspondence forwarded to the Court shall also be copied concurrently to CSSD) by either faxing it or imaging and emailing it, while retaining the original, unless otherwise instructed by CSSD on the day the mail was received	\$100.00 per day
C.3.1.1.2.1 h	Processing 99.9% of acceptable paper payments processed on the same day (not including receipts that require research or are determined to be unacceptable)	\$5,000.00 per day

Contract Section	Performance Standard	Liquidated Damage
C.3.1.1.2.1 i	Deliver unacceptable payments to the post office the same day the unacceptable payment is received.	\$100.00 per day

G.12.1.2 Process Child Support Payments

Contract Section	Performance Standard	Liquidated Damage
C.3.2.1.1 d	Enter 99.9% of acceptable paper payments processed on the same day (not including payments that require research or are determined to be unacceptable) into DCCSES.	\$5,000 per day
C.3.2.2.1.2 h	Enter 99.9% of acceptable ACH/EFT payments processed on the same day (not including payments that require research or are determined to be unacceptable) payment into DCCSES;	\$5,000 per day
C.3.2.2.2 h	Enter 99.9% of acceptable EFT/EDI payments processed on the same day (not including payments that require research or are determined to be unacceptable) into DCCSES	\$5,000 per day
C.3.2.2.4.1	Conduct the required research necessary to identify and understand the specific problem, and implement the required corrective action to resolve and eliminate the problem within five (5) days permitting the accurate disbursement of funds.	\$100.00 per day
C.3.2.4.2 d	Retrieval of requested source documents within the required 48 hours	\$100.00 per day
C.3.2.5.1.1	Notice Productions mailed in accordance with Notice Production Schedule	\$1,000 per day
C.3.2.6.2	Maintain the employer table on an on-going basis, adding, and updating data on the same day as received.	\$1,000 per day
C.3.2.6.3.1	Update DCCSES with new custodial party address and employment status changes information on the same day the information contained in the change of address requests from custodial parties when such requests are accompanied by supporting documentation from the custodial party and as approved by CSSD	\$1,000 per day
C.3.2.6.4 d	Ensure no receipting errors result in an overpayment	Overpayment paid by Contractor

Contract Section	Performance Standard	Liquidated Damage
C.3.2.6.4 e	Maintain a Data entry error rate of less than 0.3% per month.	\$2,500 per month

G.12.1.3 Deposit Child Support Payments

Contract Section	Performance Standard	Liquidated Damage
C.3.3.1	Deposit at a minimum 99.9% of payments that can be processed on the same day including money orders, cash, ACH, and other payment types into designated District of Columbia bank accounts	Average collection amount per receipt for the previous month times the interest rate for the current month times the number of processed collections plus \$5,000 per day ¹
C.3.3.3.2 a	Balance and reconcile all receipts and deposits to DCCSES daily	\$5,000 per day

G.12.1.4 Disburse Child Support Payments

Contract Section	Performance Standard	Liquidated Damage
C.3.4.1	Provide prompt payment distribution of Properly Identified Payments within two (2) business days receipt of the payment.	\$5,000 per day
C.3.4.1.1.a	Print and mail all checks via first class mail each business day except for District holidays for which the Contractor receives a disbursement file from DCCSES;	\$5,000 per day
C.3.4.1.3.2 a	Research and resolve returned disbursement checks within 24 business hours of receipt	\$100 per day
C.3.4.1.3.2 b	Ensure that 100% of returned checks recorded into DCCSES within 1 business day of receipt	\$1,000.00 per month
C.3.4.1.3.2 c	Ensure that 100% of stale checks recorded from DCCSES void file before the next bank statement	\$1,000.00 per month
C.3.4.1.3.2 d	Ensure that 100% of returned checks recorded from DCCSES before the next bank statement.	\$1,000.00 per month
C.3.4.1.4.1	Reissue replacement checks, within twenty-four (24) business hours of receiving notice of a lost or stolen check	\$100 per check

¹ Data source for average collections is DCCSES; for interest rate not-to-exceed the rate determined by the Mayor pursuant to DC Official Code §2-221.02(b)(1); for number of processed collections is vendor management software.

Contract Section	Performance Standard	Liquidated Damage
C.3.4.2	The Contractor shall electronically transfer funds each business day except for District holidays on which the Contractor receives a disbursement file from DCCSES.	\$5,000 per day
C.3.4.6.2 g	Reconcile all disbursement accounts daily and bank account reconciled monthly within 10 days receipt of statement	\$5,000 per day
C.3.4.1.1.a	Print and mail all checks via first class mail each business day except for District holidays for which the Contractor receives a disbursement file from DCCSES;	\$5,000 per day
C.3.4.1.3.2 a	Research and resolve returned disbursement checks within 24 business hours of receipt	\$100 per day
C.3.4.1.3.2 b	Ensure that 100% of returned checks recorded into DCCSES within 1 business day of receipt	\$1,000.00 per month
C.3.4.1.3.2 c	Ensure that 100% of stale checks recorded from DCCSES void file before the next bank statement	\$1,000.00 per month
C.3.4.1.3.2 d	Ensure that 100% of returned checks recorded from DCCSES before the next bank statement.	\$1,000.00 per month
C.3.4.1.4.1	Reissue replacement checks, within twenty-four (24) business hours of receiving notice of a lost or stolen check	\$100 per check
C.3.4.2	The Contractor shall electronically transfer funds each business day except for District holidays on which the Contractor receives a disbursement file from DCCSES.	\$5,000 per day
C.3.4.6.2 g	Reconcile all disbursement accounts daily and bank account reconciled monthly within 10 days receipt of statement	\$5,000 per day

G.12.1.5 SDU Supporting Requirements

Contract Section	Performance Standard	Liquidated Damage
C.3.5.12	Daily Reports due the next business day and Monthly Reports due on the 2nd business day of the next month	\$50 per report per day late
C.3.5.13	Complete successful and transition	\$10,000 first day and \$5,000 per day thereafter

G.12.2 Written notice will be provided by the Contracting Officer to Contractor specifying the sanctions proposed, the grounds for the liquidated damage, identification of any subcontracted providers involved in the violation, the amount

of funds to be withheld from payments to Contractor and steps necessary to avoid future sanctions.

G.12.3 The Contractor shall complete all steps necessary to correct the violation and to avoid future sanctions within the time frame established by the District in the notice of sanctions, including the development of a Corrective Action Plan in accordance with Section C.3.5.10.7.

G.12.4 The District will have the right to offset against any payments due to Contractor until the full sanctions amount is paid. Contractor has the right to appeal such adverse action in accordance with the dispute clause of the Standard Contract Provisions (Attachment J.1).

SECTION H SPECIAL CONTRACT REQUIREMENTS

H.1 HIRING OF DISTRICT RESIDENTS AS APPRENTICES AND TRAINEES

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

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

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

H.2 DEPARTMENT OF LABOR WAGE DETERMINATIONS

The Contractor shall be bound by the Wage Determination No.: 2005-2103, Revision No.: 8, Date Of Revision: 05/26/2009, issued by the U.S. Department of Labor in accordance with the Service Contract Act (41 U.S.C. 351 et seq.) and incorporated herein as Attachment J.2 of this solicitation. The Contractor shall be bound by the wage rates for the term of the contract. If an option is exercised, the Contractor shall be bound by the applicable wage rate at the time of the option. If the option is exercised and the Contracting Officer obtains a revised wage determination, the revised wage determination is applicable for the option periods and the Contractor may be entitled to an equitable adjustment.

H.3 PUBLICITY

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

H.4 FREEDOM OF INFORMATION ACT

The District of Columbia Freedom of Information Act, at D.C. Official Code § 2-532 (a-3), requires the District to make available for inspection and copying any record produced or collected pursuant to a District contract with a private contractor to perform a public function, to the same extent as if the record were maintained by the agency on whose behalf the contract is made. If the Contractor receives a request for such information, the Contractor shall immediately send the request to the COTR designated in subsection G.9 who will provide the request to the FOIA Officer for the agency with programmatic responsibility in accordance with the D.C. Freedom of Information Act. If the agency with programmatic responsibility receives a request for a record maintained by the Contractor pursuant to the contract, the COTR will forward a copy to the Contractor. In either event, the Contractor is required by law to provide all responsive records to the COTR within the timeframe designated by the COTR. The FOIA Officer for the agency with programmatic responsibility will determine the releasability of the records. The District will reimburse the Contractor for the costs of searching and copying the records in accordance with D.C. Official Code § 2-532 and Chapter 4 of Title 1 of the *D.C. Municipal Regulations*.

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

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

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

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

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

- a. Number of employees needed;
- b. Number of current employees transferred;
- c. Number of new job openings created;

- d. Number of job openings listed with DOES;
- e. Total number of all District residents hired for the reporting period and the cumulative total number of District residents hired; and
- f. Total number of all employees hired for the reporting period and the cumulative total number of employees hired, including:
 - 1. Name;
 - 2. Social Security number;
 - 3. Job title;
 - 4. Hire date;
 - 5. Residence; and
 - 6. Referral source for all new hires.

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

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

- a. Document in a report to the Contracting Officer its compliance with the section H.5.4 of this clause; or
- b. Submit a request to the Contracting Officer for a waiver of compliance with section H.5.4 and include the following documentation:
 - 1. Material supporting a good faith effort to comply;
 - 2. Referrals provided by DOES and other referral sources;
 - 3. Advertisement of job openings listed with DOES and other referral sources; and
 - 4. Any documentation supporting the waiver request pursuant to section H.5.6.

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

- a. A good faith effort to comply is demonstrated by the Contractor;
- b. The Contractor is located outside the Washington Standard Metropolitan Statistical Area and none of the contract work is performed inside the Washington Standard Metropolitan Statistical Area which includes the District of Columbia; the Virginia Cities of Alexandria, Falls Church, Manassas, Manassas Park, Fairfax, and Fredericksburg, the Virginia Counties of Fairfax, Arlington, Prince William, Loudoun, Stafford, Clarke, Warren, Fauquier, Culpepper, Spotsylvania, and King George; the Maryland Counties of Montgomery, Prince Georges, Charles, Frederick, and Calvert; and the West Virginia Counties of Berkeley and Jefferson.
- c. The Contractor enters into a special workforce development training or placement arrangement with DOES; or

- d. DOES certifies that there are insufficient numbers of District residents in the labor market possessing the skills required by the positions created as a result of the contract.

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

H.5.8 Willful breach of the First Source Employment Agreement, or failure to submit the report pursuant to section H.5.5, or deliberate submission of falsified data, may be enforced by the Contracting Officer through imposition of penalties, including monetary fines of 5% of the total amount of the direct and indirect labor costs of the contract. The Contractor shall make payment to DOES. The Contractor may appeal to the D.C. Contract Appeals Board as provided in the contract any decision of the Contracting Officer pursuant to this section H.5.8.

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

H.6 **PROTECTION OF PROPERTY**

The Contractor shall be responsible for any damage to the building, interior, or their approaches in delivering equipment covered by this contract.

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

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

H.8 **SECTION 504 OF THE REHABILITATION ACT OF 1973, as amended**

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

H.9 WAY TO WORK AMENDMENT ACT OF 2006

- H.9.1** Except as described in Section H.9.8 below, Contractor shall comply with Title I of the Way to Work Amendment Act of 2006, effective June 9, 2006 (D.C. Law 16-118, D.C. Official Code § 2-220.01 *et seq.*) (“Living Wage Act of 2006”), for contracts for services in the amount of one-hundred thousand dollars (\$100,000) or more in a twelve (12) month period.
- H.9.2** Contractor shall pay its employees and subcontractors who perform services under the Contract no less than the current living wage published on the OCP website at www.ocp.dc.gov .
- H.9.3** Contractor shall include in any subcontract for fifteen thousand dollars (\$15,000) or more a provision requiring the subcontractor to pay its employees who perform services under the contract no less than the current living wage rate.
- H.9.4** The Department of Employment Services may adjust the living wage annually and the OCP will publish the current living wage rate on its website at www.ocp.dc.gov .
- H.9.5** Contractor shall provide a copy of the Fact Sheet attached as Attachment J.6 to each employee and subcontractor who performs services under the contract. Contractor shall also post the Notice attached as Attachment J.5 in a conspicuous place in its place of business. Contractor shall include in any subcontract for fifteen thousand dollars (\$15,000) or more a provision requiring the subcontractor to post the Notice in a conspicuous place in its place of business.
- H.9.6** Contractor shall maintain its payroll records under the contract in the regular course of business for a period of at least three (3) years from the payroll date, and shall include this requirement in its subcontracts for fifteen thousand dollars (\$15,000) or more under the Contract.
- H.9.7** The payment of wages required under the Living Wage Act of 2006 shall be consistent with and subject to the provisions of D.C. Official Code § 32-1301 *et seq.*
- H.9.8** The requirements of the Living Wage Act of 2006 do not apply to:
- a. Contracts or other agreements that are subject to higher wage level determinations required by federal law;
 - b. Existing and future collective bargaining agreements, provided, that the future collective bargaining agreement results in the employee being paid no less than the established living wage;
 - c. Contracts for electricity, telephone, water, sewer or other services provided by a regulated utility;

- d. Contracts for services needed immediately to prevent or respond to a disaster or eminent threat to public health or safety declared by the Mayor;
- e. Contracts or other agreements that provide trainees with additional services including, but not limited to, case management and job readiness services; provided that the trainees do not replace employees subject to the Living Wage Act of 2006;
- f. An employee under twenty-two (22) years of age employed during a school vacation period, or enrolled as a full-time student, as defined by the respective institution, who is in high school or at an accredited institution of higher education and who works less than twenty-five (25) hours per week; provided that he or she does not replace employees subject to the Living Wage Act of 2006;
- g. Tenants or retail establishments that occupy property constructed or improved by receipt of government assistance from the District of Columbia; provided, that the tenant or retail establishment did not receive direct government assistance from the District; and
- h. Employees of nonprofit organizations that employ not more than fifty (50) individuals and qualify for taxation exemption pursuant to Section 501(c)(3) of the Internal Revenue Code of 1954, approved August 16, 1954 (68A Stat. 163; 26 U.S.C. § 501(c)(3));

H.9.9 The Mayor may exempt a Contractor from the requirements of the Living Wage Act of 2006, subject to the approval of Council, in accordance with the provisions of Section 109 of the Living Wage Act of 2006.

H.10 DISTRICT RESPONSIBILITIES

H.10.1 SYSTEM SPECIFICATIONS

CSSD will provide access to and maintenance of DCCSES and provide all preliminary training necessary for the resultant contractor to use DCCSES.

H.10.2 READINESS ASSESSMENT

H.10.2.1 The District will conduct a readiness assessment and review of the Contractor's SDU processing facility and operations at the end of the transition period. The readiness assessment will include site visits and review of documentation and deliverables that are required during the transition period. If the District determines that the Contractor has not met the criteria for readiness, Contractor shall be notified and required to develop a corrective action plan acceptable to the District.

H.10.3 The District, through the COTR, will review and provide comments on each contract deliverable.

H.10.4 The District, through the COTR, will provide continuous contract performance evaluations and program monitoring.

H.10.5 The District, through the COTR, will maintain adequate liaison and cooperation with the Contractor.

H.10.6 The District will attend required meetings with the Contractor to discuss issues, changes, deliverables' status, and other specific agenda items.

H.11 **CONTRACTOR RESPONSIBILITIES**

H.11.1 The Contractor shall provide facility, staff, supplies and equipment necessary to perform the required services as described in Section C.3.

H.11.2 **SECURITY REQUIREMENTS**

H.11.2.1 The Contractor shall not employ or contract with any person until a criminal background check has been conducted for that person. Contractor shall inform each prospective employee or contract worker that the Contractor is required to conduct a criminal background check before employing or contracting with a person.

H.11.3 **FIDUCIARY RELATIONSHIP**

H.11.3.1 Any director, officer, employee, or partner of Contractor who receives, collects, disburses, or invests funds in connection with the activities of such Contractor shall be responsible for such funds in a fiduciary relationship to Contractor.

H.11.3.2 Contractor shall maintain in force and provide evidence within thirty (30) days of Contract award of a fidelity bond in an amount of not less than one million dollars (\$1,000,000) per person for each officer and employee who has a fiduciary responsibility or fiduciary duty to the organization.

H.11.4 **KEY PERSONNEL**

The Key Personnel specified in Section C.3.5.2.1 are considered to be essential to the work being performed hereunder. Contractor shall notify the COTR and the CO in writing of any resignations, terminations, vacancies, and replacements of Key Personnel within two (2) Business Days. Key Personnel positions that remain vacant for sixty (60) days or more are subject to the penalty provisions found in Section G.12. Prior to diverting any of the specified Key Personnel for any reason, the Contractor shall notify the COTR and the Contracting Officer at least thirty (30) calendar days in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact upon the Contract. The Contractor shall obtain written approval of the Contracting

Officer for any proposed substitution of Key Personnel. Contractor shall identify Key Personnel in the spaces below:

Name	Position
	Project Director
	Assistant Project Director
	Customer Service Manager
	Technology Manager

SECTION I STANDARD CONTRACT CLAUSES

I.1 APPLICABILITY OF STANDARD CONTRACT PROVISIONS

The Standard Contract Provisions for use with District of Columbia Government Supplies and Services Contracts dated March 2007 (Attachment J.1) are incorporated as part of the contract resulting from this solicitation.

I.2 CONTRACTS THAT CROSS FISCAL YEARS

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

I.3 CONFIDENTIALITY OF INFORMATION

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

I.4 TIME

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

I.5 RIGHTS IN DATA

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

I.5.2 The term “Technical Data”, as used herein, means recorded information, regardless of form or characteristic, of a scientific or technical nature. It may, for example, document research, experimental, developmental or engineering work, or be usable or used to define a design or process or to procure, produce, support, maintain, or operate material. The data may be graphic or pictorial delineations in media such as drawings or photographs, text in specifications or related performance or design type documents or computer printouts. Examples of technical data include research and engineering data, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information, and computer

software documentation. Technical data does not include computer software or financial, administrative, cost and pricing, and management data or other information incidental to contract administration.

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

- I.5.6.2** Use the computer software and all accompanying documentation and manuals or instructional materials with a backup computer if the computer for which or with which it was acquired is inoperative;
- I.5.6.3** Copy computer programs for safekeeping (archives) or backup purposes; and modify the computer software and all accompanying documentation and manuals or instructional materials, or combine it with other software, subject to the provision that the modified portions shall remain subject to these restrictions.
- I.5.7** The restricted rights set forth in Section I.5.6 are of no effect unless the data is marked by Contractor with the following legend:
- I.5.7.1** RESTRICTED RIGHTS LEGEND
- Use, duplication, or disclosure is subject to restrictions stated in Contract No. _____ with _____ (Contractor's Name); and,
- I.5.7.2** If the data is computer software, the related computer software documentation includes a prominent statement of the restrictions applicable to the computer software. Contractor may not place any legend on the computer software indicating restrictions on the District's rights in such software unless the restrictions are set forth in a license or agreement made a part of the contract prior to the delivery date of the software. Failure of Contractor to apply a restricted rights legend to such computer software shall relieve the District of liability with respect to such unmarked software.
- I.5.8** In addition to the rights granted in Section I.5.6 above, Contractor hereby grants to the District a nonexclusive, paid-up license throughout the world, of the same scope as restricted rights set forth in Section I.5.6 above, under any copyright owned by Contractor, in any work of authorship prepared for or acquired by the District under this contract. Unless written approval of the Contracting Officer is obtained, Contractor shall not include in technical data or computer software prepared for or acquired by the District under this contract any works of authorship in which copyright is not owned by Contractor without acquiring for the District any rights necessary to perfect a copyright license of the scope specified in the first sentence of this paragraph.
- I.5.9** Whenever any data, including computer software, are to be obtained from a subcontractor under this contract, Contractor shall use this clause, I.5, Rights in Data, in the subcontract, without alteration, and no other clause shall be used to enlarge or diminish the District's or Contractor's rights in that subcontractor data or computer software which is required for the District.
- I.5.10** For all computer software furnished to the District with the rights specified in Section I.5.5, Contractor shall furnish to the District, a copy of the source code

with such rights of the scope specified in Section I.5.5. For all computer software furnished to the District with the restricted rights specified in Section I.5.6, the District, if Contractor, either directly or through a successor or affiliate shall cease to provide the maintenance or warranty services provided the District under this contract or any paid-up maintenance agreement, or if Contractor should be declared bankrupt or insolvent by a court of competent jurisdiction, shall have the right to obtain, for its own and sole use only, a single copy of the then current version of the source code supplied under this contract, and a single copy of the documentation associated therewith, upon payment to the person in control of the source code the reasonable cost of making each copy.

- I.5.11** Contractor shall indemnify and save and hold harmless the District, its officers, agents and employees acting within the scope of their official duties against any liability, including costs and expenses, for:
- I.5.11.1** Violation of proprietary rights, copyrights, or rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use or disposition of any data furnished under this contract, or,
- I.5.11.2** Based upon any data furnished under this contract, or based upon libelous or other unlawful matter contained in such data.
- I.5.12** Nothing contained in this clause shall imply a license to the District under any patent, or be construed as affecting the scope of any license or other right otherwise granted to the District under any patent.
- I.5.13** Paragraphs I.5.6, I.5.7, I.5.8, I.5.11 and I.5.12 above are not applicable to material furnished to Contractor by the District and incorporated in the work furnished under contract, provided that such incorporated material is identified by Contractor at the time of delivery of such work

I.6 OTHER CONTRACTORS

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

I.7 SUBCONTRACTS

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

Contractor shall remain liable to the District for all Contractor's work and services required hereunder.

I.8 INSURANCE

I.8.1 GENERAL REQUIREMENTS

The Contractor shall procure and maintain, during the entire period of performance under this contract, the types of insurance specified below. The Contractor shall have its insurance broker or insurance company submit a Certificate of Insurance to the Contracting Officer giving the evidence of required coverage prior to commencing work under this contract. In no event shall any work be performed until the required Certificates of Insurance signed by an authorized representative of that insurer(s) have been provided to and accepted by the Contracting Officer. All insurance shall be written with financially responsible companies authorized to do business in the District of Columbia or in the jurisdiction where the work is to be performed; have either an A.M. Best Company rating of A-VIII or higher. The Contractor shall require all subcontractors to carry the same insurance required herein. The Contractor shall ensure that all policies provide that the Contracting Officer shall be given thirty (30) days prior written notice in the event that the stated limits in the declaration page is reduced via endorsement or the policy is cancelled prior to the expiration date shown on the certificate. The Contractor shall provide the Contracting Officer with ten (10) days prior written notice in the event of non-payment of premium.

I.8.1.1 Commercial General Liability Insurance

The Contractor shall provide evidence satisfactory to the Contracting Officer with respect to the operations performed, that it carries \$1,000,000.00 per occurrence limits; \$2,000,000.00 aggregate; Bodily injury and property damage including but not limited to: premises-operations; broad form property damage; Products and Completed Operations; Personal and Advertising Injury; contractual liability and independent contractors; The policy coverage shall include the District of Columbia as an additional insured, shall be primary and non-contributory with any other insurance maintained by the District of Columbia, and shall contain a waiver of subrogation. The Contractor shall maintain Completed Operations coverage for five (5) years following final acceptance of the work performed under this contract.

I.8.1.2 Automobile Liability Insurance

The Contractor shall provide automobile liability insurance to cover all owned, hired or non-owned motor vehicles used in conjunction with the performance of the contract. The policy shall provide a \$1,000,000.00 per occurrence combined single limit for bodily injury and property damage.

I.8.1.3 Workers' Compensation Insurance**I.8.1.3.1 Workers' Compensation Insurance**

The Contractor shall provide Workers' Compensation insurance in accordance with the statutory mandates of the District of Columbia or the jurisdiction in which the contract is performed.

I.8.1.3.2 Employer's Liability Insurance

The Contractor shall provide employer's liability insurance as follows: \$1 million per accident for injury; \$1 million per employee for disease; and \$1 million for policy disease limit.

I.8.1.4 Umbrella or Excess Liability Insurance

The Contractor shall provide umbrella or excess liability insurance (which is excess over employer's liability, general liability, and automobile liability) insurance as follows: \$2,000,000.00 per occurrence with the District of Columbia as an additional insured.

I.8.1.5 Professional Liability Insurance (Errors & Omissions)

The Contractor shall provide Professional Liability Insurance (Errors and Omissions) to cover liability resulting from any error or omission caused by the performance of professional services under this Contract. The policy shall provide limits of \$1,000,000.00 per occurrence for each wrongful act and \$1,000,000.00 annual aggregate for each wrongful act.

The Contractor shall maintain this insurance for five (5) years following the District's final acceptance of the work.

I.8.2 DURATION

The Contractor shall carry all required insurance until the contract work is accepted by the District and shall carry the required General Liability; and Professional Liability; and any required Employment Practices Liability Insurance for five (5) years following final acceptance of the work performed under this contract.

I.8.3 LIABILITY

These are the required minimum insurance limits required by the District of

Columbia. HOWEVER THE REQUIRED MINIMUM INSURANCE REQUIREMENTS WILL IN NO WAY LIMIT THE CONTRACTOR'S LIABILITY UNDER THIS CONTRACT.

I.8.4 CONTRACTOR'S PROPERTY

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

I.8.5 MEASURE OF PAYMENT

The District shall not make any separate measure or payment for the cost of insurance and bonds. The Contractor shall include all of the costs of insurance and bonds in the contract price.

I.8.6 NOTIFICATION

The Contractor shall immediately provide the Contracting Officer with written notice in the event its insurance has or will be substantially changed, cancelled or not renewed, and provide an updated Certificate of Insurance to the Contracting Officer.

I.8.7 CERTIFICATES OF INSURANCE

The Contractor shall submit Certificates of Insurance giving evidence of the required insurance coverage as specified in this section prior to commencing work. Evidence of insurance shall be submitted to:

James H. Marshall
441 4th Street, NW, Room 700 South
Washington, DC 20001
Phone: 202 724-4197
E-Mail: jim.marshall@dc.gov

I.9 EQUAL EMPLOYMENT OPPORTUNITY

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

I.10 PRE-AWARD APPROVAL

In accordance with D.C. Official Code §1-301.05a and 1-204.51(c), the Council of the District of Columbia must approve award of any contract that has obligations that extend beyond the fiscal year for which appropriated.

I.11 CONTINUITY OF SERVICES

I.11.1 The Contractor recognizes that the services provided under this contract are vital to the District of Columbia and must be continued without interruption and that, upon contract expiration or termination, a successor, either the District or another contractor, at the District's option, may continue to provide these services. To that end, the Contractor agrees to:

- a. Furnish phase-out, phase-in (transition) training; and
- b. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

I.11.2 The Contractor shall, upon the Contracting Officer's written notice:

- a. Furnish phase-in, phase-out services for up to 90 days after this contract expires and
- b. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the Contracting Officer's approval.

I.11.3 The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this contract are maintained at the required level of proficiency.

I.11.4 The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

I.11.5 Only in accordance with a modification issued by the Contracting Officer, the Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract.

I.12 ORDER OF PRECEDENCE

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

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

SECTION J
LIST OF ATTACHMENTS

The following list of attachments are incorporated into the solicitation by reference and made a part of the resulting contract in the order of priority described in I.12.

Attachment Number	Document
J.1	Standard Contract Provisions for Use with the Supply and Service Contract, dated March 2007
J.2	U.S. Department of Labor Wage Determination No.: 2005-2103, Revision No.: 8, Date Of Revision: 05/26/2009
J.3	Office of Local Business Development Equal Employment Opportunity Information Report and Mayor's Order 85-85
J.4	Department of Employment Services First Source Employment Agreement
J.5	Way to Work Amendment Act of 2006 - Living Wage Notice
J.6	Way to Work Amendment Act of 2006 - Living Wage Fact Sheet
J.7	Tax Certification Affidavit
J.8	Cost/Price Certification and Data Package
J.9	Past Performance Evaluation Form
J.10	System Access Requirements and Confidentiality Statement

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

K.1 AUTHORIZED NEGOTIATORS

The Offeror represents that the following persons are authorized to negotiate on its behalf with the District in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators).

K.2 TYPE OF BUSINESS ORGANIZATION

The Offeror, by checking the applicable box, represents that

K.2.1 It operates as:

A corporation incorporated under the laws of the State of:

- An individual,
- A partnership,
- A nonprofit organization, or
- A joint venture

K.2.2 If the Offeror is a foreign entity, it operates as:

- An individual,
- A joint venture, or
- A corporation registered for business in (Country).

K.3 CERTIFICATION AS TO COMPLIANCE WITH EQUAL OPPORTUNITY OBLIGATIONS

K.3.1 Mayor’s Order 85-85, “Compliance with Equal Opportunity Obligations in Contracts”, dated June 10, 1985 and the Office of Human Rights’ regulations, Chapter 11, “Equal Employment Opportunity Requirements in Contracts”, promulgated August 15, 1986 (4 DCMR Chapter 11, 33 DCR 4952) are included as a part of this solicitation and require the following certification for contracts subject to the order. Failure to complete the certification may result in rejection of the Offeror for a contract subject to the order.

I hereby certify that I am fully aware of the content of the Mayor's Order 85-85 and the Office of Human Rights' regulations, Chapter 11, and agree to comply with them in performance of this contract.

Date, Name, Title, Signature.

K.3.2 Offeror has has not participated in a previous contract or subcontract subject to the Mayor's Order 85-85. Offeror has has not filed all required compliance reports, and representations indicating submission of required reports signed by proposed subcontractors. (The above representations need not be submitted in connection with contracts or subcontracts which are exempt from the Mayor's Order.)

K.4 DISTRICT EMPLOYEES NOT TO BENEFIT CERTIFICATION

Each Offeror shall check one of the following:

No person listed in Clause 13 of the Standard Contract Provisions (Attachment J.1) "District Employees Not to Benefit" will benefit from this contract.

The following person(s) listed in Clause 13 may benefit from this contract. For each person listed, attach the affidavit required by Clause 13 of the Standard Contract Provisions (Attachment J.1)

K.5 CERTIFICATION OF INDEPENDENT PRICE DETERMINATION

K.5.1 Each signature of the Offeror is considered to be a certification by the signatory that:

K.5.1.1 The prices in this contract have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any Offeror or competitor relating to:

- a. Those prices;
- b. The intention to submit a contract; or
- c. The methods or factors used to calculate the prices in the contract.

K.5.1.2 The prices in this contract have not been and will not be knowingly disclosed by the Offeror, directly or indirectly, to any other Offeror or competitor before contract opening unless otherwise required by law; and

K.5.1.3 No attempt has been made or will be made by the Offeror to induce any other concern to submit or not to submit a contract for the purpose of restricting competition.

K.5.2 Each signature on the offer is considered to be a certification by the signatory that the signatory:

K.5.2.1 Is the person in the Offeror's organization responsible for determining the prices being offered in this contract, and that the signatory has not participated and will not participate in any action contrary to Section K.5.1 above; or

K.5.2.2 Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to Section K.5.1 above:

(Insert full name of person(s) in the organization responsible for determining the prices offered in the Contract and the title of his or her position in the Offeror's organization);

K.5.2.3 As an authorized agent does certify that the principals named in subdivision:

- a. Have not participated, and will not participate, in any action contrary to Section K.5.1 above; and
- b. As an agent, has not participated, and will not participate, in any action contrary to Section K.5.1 above.

K.5.3 If the Offeror deletes or modifies Section K.5.1.2 above, the Offeror shall furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

K.6 TAX CERTIFICATION

Each Offeror shall submit with its offer, a sworn Tax Certification Affidavit, incorporated herein as Attachment J.7.

SECTION L
INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

L.1 CONTRACT AWARD

L.1.1 MOST ADVANTAGEOUS TO THE DISTRICT

The District intends to award multiple contracts resulting from this solicitation to the responsible Offerors whose offers conform to the solicitation and will be most advantageous to the District, cost or price, technical and other factors, specified elsewhere in this solicitation considered.

L.1.2 INITIAL OFFERS

The District may award contracts on the basis of initial offers received, without discussion. Therefore, each initial offer should contain the Offeror's best terms from a standpoint of cost or price, technical and other factors.

L.2 PROPOSAL FORM, ORGANIZATION AND CONTENT

One original and seven (7) copies of the written proposals shall be submitted in two parts, titled "Technical Proposal" and "Price Proposal". Proposals shall be typewritten in 12 point font size on 8.5" by 11" bond paper. Telephonic, telegraphic, and facsimile proposals will not be accepted. Each proposal shall be submitted in a sealed envelope conspicuously marked:

**Proposal in Response to
Solicitation No.: DCCB-2010-R-7002
Child Support Services Division
State Disbursement Unit
Offeror's Name**

Offerors are directed to the specific proposal evaluation criteria found in Section M of this solicitation, Evaluation Factors. The Offeror shall respond to each factor in a way that will allow the District to evaluate the Offeror's response. The offeror shall submit information in a clear, concise, factual and logical manner providing a comprehensive description of program services and service delivery. The information requested below for the technical proposal shall facilitate evaluation and source selection for all proposals. The technical proposal must contain sufficient detail to provide a clear and concise representation of the requirements in the statement of work.

(Offerors are directed to the specific proposal evaluation criteria found in Section M of this solicitation, Evaluation Factors. The Offeror shall respond to each factor in a way that will allow the District to evaluate the Offeror's response. The Offeror shall submit information in a clear, concise, factual and logical manner

providing a comprehensive description of program supplies and services delivery thereof. The information requested below for the technical proposal shall facilitate evaluation and best value source selection for all proposals. The technical proposal must contain sufficient detail to provide a clear and concise representation of the requirements in Section C.)

L.2.1 TECHNICAL PROPOSAL

The Offeror's Technical Proposal shall be organized and presented in the following clearly marked separate sections:

L.2.1.1 Technical Approach

The information requested in this section will be used to evaluate the Offeror's technical approach to establishing and maintaining the District's centralized SDU. The Offeror shall include at a minimum the following:

L.2.1.1.1 Technical Approach Narratives

- a. The Offeror shall provide a narrative to describe the Offeror's overall understanding of the District requirements (C.3) and objectives (C.2.5) including a discussion of the Offeror's knowledge and application of the federal and District laws and regulations, guidelines, and related industry standards as described in C.1.1.
- b. The Offeror shall provide a discussion of the Offerors methodology to successfully receive (C.3.1), process (C.3.2), deposit (C.3.3) and disburse (C.3.4) disburse child support payments. The Offeror shall include in its discussion the development of the following SDU related plans:
 1. Mail Processing and Sorting Plan as described in C.3.1.1.2.2
 2. Electronic Payment Processing Plan as described in C.3.1.2.1.2
 3. ACH/EFT Plan as described in C.3.2.2.1.1.2
 4. ACH Debit Program Plan as described in C.3.2.2.2.2
 5. Payment Application Problem Resolution Plan as described in C.3.2.2.4.2
 6. Foreign Currency Processing Plan as described in C.3.2.2.5.2
 7. Forged/Fraudulent Check Plan as described in C.3.2.2.6.2
 8. Source Document Retention and Maintenance Plan as described in C.3.2.4.2
 9. DCCSES Database Plan as described in C.3.2.6.4
 10. Deposit of Payment Plan as described in C.3.3.2
 11. Security of Checks Plan as described in C.3.4.1.2
 12. Returned Disbursement Check Plan as described in C.3.4.1.3.2
 13. Lost or Stolen Disbursement Check Plan as described in C.3.4.1.4.2

14. Direct Deposit Plan as described in C.3.4.2.2.1.2
15. Debit Card Plan as described in C.3.4.2.2.2.2
16. Misapplied Payments Plan as described in C.3.4.3.2
17. Insufficient Funds Plan as described in C.3.4.4.2
18. Rejected Electronically Disbursed Payments Plan as described in C.3.4.5.2

- c. The Offeror shall provide a discussion of innovative features and expected benefit of the feature to be used by the Offeror in the performance of the required services (C.3).

L.2.1.1.2 Technical Approach Attachments

The Offeror shall provide conceptual or draft SDU related plans for the following:

- a. Mail Processing and Sorting Plan (C.3.1.1.2.2)
- b. Electronic Payment Processing Plan (C.3.1.2.1.2)
- c. ACH/EFT Plan (C.3.2.2.1.1.2)
- d. ACH Debit Program Plan (C.3.2.2.2.2)
- e. Payment Application Problem Resolution Plan (C.3.2.2.4.2)
- f. Foreign Currency Processing Plan (C.3.2.2.5.2)
- g. Forged/Fraudulent Check Plan (C.3.2.2.6.2)
- h. Source Document Retention and Maintenance Plan (C.3.2.4.2)
- i. DCCSES Database Plan (C.3.2.6.4)
- j. Deposit of Payment Plan (C.3.3.2)
- k. Security of Checks Plan (C.3.4.1.2)
- l. Returned Disbursement Check Plan (C.3.4.1.3.2)
- m. Lost or Stolen Disbursement Check Plan (C.3.4.1.4.2)
- n. Direct Deposit Plan (C.3.4.2.2.1.2)
- o. Debit Card Plan (C.3.4.2.2.2.2)
- p. Misapplied Payments Plan (C.3.4.3.2)
- q. Insufficient Funds Plan (C.3.4.4.2)
- r. Rejected Electronically Disbursed Payments Plan (C.3.4.5.2)

L.2.1.2 Technical Expertise and Capacity

The information requested in this section will be used to evaluate the Offeror's technical expertise and capacity to establish and maintain the District's centralized SDU. The Offeror shall include at a minimum the following:

L.2.1.2.1 Technical Expertise and Capacity Narratives

- a. The Offeror shall provide a discussion of the Offerors Primary Operating Facility (C.3.1.6).

- b. The Offeror shall provide a narrative to describe the Offeror's staff and organization (C.3.5.2) including the Offeror's key personnel and their expertise and experience, the recruitment, selection and retention of staff, the staffing plan and the rationale for the plan. The Offeror shall also include a discussion of the Offeror's Staff Training and Development and the Offeror's use of training and development to ensure quality trained staff
- c. The Offeror shall provide a discussion of the Offeror's IT Systems (C.3.5.3) and capacity including technology to be used to enhance, expedite, and simplify collection of child support payments and the overall efficiency of the District's SDU.
- d. The Offeror shall provide a discussion of the Offeror's Quality Assurance and Internal Controls (.3.5.8.3) and the use of these policies and controls to ensure the effective and accurate performance of the required services as described in Section C.3. The Offeror's discussion shall also include how policies and controls will achieve continuous quality improvement in the Offeror's performance of the required services.
- e. The Offeror shall provide a discussion of the Offerors methodology to develop and provide the SDU related plans listed below. The Offeror shall include a discussion of the relevance and role of each to the successful establishment and maintenance of the District's SDU as described in C.3.
 - 1. Contingency/Disaster Recovery Plan (C.3.5.1.5)
 - 2. Security and Confidentiality Plan (C.3.5.4.15)
 - 3. Customer Service Plan (C.3.5.5.2)
 - 4. Outreach Plan (C.3.5.6)
 - 5. Audit and Inspection Plan (C.3.5.7.3)
 - 6. Quality Assurance and Internal Control Plan (C.3.5.8.3)
 - 7. Transition and Implementation Plan (C.3.5.13)
 - 8. Turnover Plan (C.3.5.14)
- f. The Offeror shall provide discussions of the Offerors technical capability to produce high quality checks in a timely manner as described in C.3.4.1.1.

L.2.1.2.2 Technical Expertise Attachments

The Offeror shall provide conceptual or draft SDU related plans for the following:

- a. Sample Work Products from the Offeror's performance of requirements similar to those described in C.3 including the following:

1. Sample of a statement of depository accounts that contains the number of payments deposited for the statement period
- b. Contingency/Disaster Recovery Plan (C.3.5.1.5)
- c. Primary Operating Facility Documentation (C.3.5.1.6)
- d. Staff and Organization
 1. Organizational Chart (C.3.5.2.3.1)
 2. Staff Resumes
 3. Staffing Plan (C.3.5.2.4)
 4. Position Descriptions (C.3.5.2.5)
 5. Staff Training and Development Curriculum and Schedule (C.3.5.2.6.2)
 6. Staff Training and Development Materials (C.3.5.2.6.3)
 7. Staff Training and Development Materials
- e. Security and Confidentiality Plan (C.3.5.4.15)
- f. Customer Service Plan (C.3.5.5.2)
- g. Outreach Plan (C.3.5.6)
- h. Audit and Inspection Plan (C.3.5.7.3)
- i. Quality Assurance and Internal Control Plan (C.3.5.8.3)
- j. Performance Standards Tracking Report (C.3.5.10.6)
- k. Transition and Implementation Plan (C.3.5.13)
- l. Turnover Plan (C.3.5.14)
- m. Documentation technical capability to produce high quality checks (C.3.4.1.1).

L.2.1.3 Past Performance

Provide statistical information that details ratio of correctly applied versus misapplied payments for the twenty-four-month period preceding this RFP.

- a. The Offeror shall describe its experience with operating an SDU with a collection volume equal to or greater than that of the District and performing the same or similar functions to those described in Section C.
- b. The Offeror shall describe its experience with transitioning an SDU from a preceding vendor or a State program, and turning over the SDU operations to a subsequent vendor or State program upon contract expiration or termination.
- c. The Offeror shall provide three (3) references who are able to verify the Offeror's capability to perform the services specified in this RFP, one (1) of which must be a District of Columbia reference if the Offeror has been a District contractor within the last five (5) years.

L.2.1.4 REPRESENTATIONS AND CERTIFICATIONS

Offeror shall complete the following representations and certifications:

- a. Signed Solicitation, Offer and Award form (page 1);
- b. Completed Section H.11.4;
- c. Completed Attachments J.3, J.4, and J.7 of this solicitation; and
- d. Completed Representations and Certifications and other statements of the Offeror in Sections K.1, K.2, K.3, K.4, K.5, and K.6.

L.2.2 PRICE PROPOSAL

Offeror's Price Proposal shall be organized and presented in the following clearly marked separate sections.

- a. Cover Letter
- b. Completed Price Schedule (B.3)
- c. Cost/Price Certification (Attachment J.8)

L.3 PROPOSAL SUBMISSION DATE AND TIME, AND LATE SUBMISSIONS, LATE MODIFICATIONS, WITHDRAWAL OR MODIFICATION OF PROPOSALS AND LATE PROPOSALS**L.3.1 PROPOSAL SUBMISSION**

Proposals must be submitted no later than 2:00 pm on **Thursday, March 11, 2010**. Proposals, modifications to proposals, or requests for withdrawals that are received in the designated District office after the exact local time specified above, are "late" and shall be considered only if they are received before the award is made and one (1) or more of the following circumstances apply:

- a. The proposal or modification was sent by registered or certified mail not later than the fifth (5th) day before the date specified for receipt of offers;
- b. The proposal or modification was sent by mail and it is determined by the Contracting Officer that the late receipt at the location specified in the solicitation was caused by mishandling by the District, or
- c. The proposal is the only proposal received.

L.3.2 WITHDRAWAL OR MODIFICATION OF PROPOSALS

An Offeror may modify or withdraw its proposal upon written, telegraphic notice, or facsimile transmission if received at the location designated in the solicitation for submission of proposals, but not later than the closing date for receipt of proposals.

L.3.3 POSTMARKS

The only acceptable evidence to establish the date of a late proposal, late modification or late withdrawal sent either by registered or certified mail shall be a U.S. or Canadian Postal Service postmark on the wrapper or on the original receipt from the U.S. or Canadian Postal Service. If neither postmark shows a legible date, the proposal, modification or request for withdrawal shall be deemed to have been mailed late. When the postmark shows the date but not the hour, the time is presumed to be the last minute of the date shown. If no date is shown on the postmark, the proposal shall be considered late unless the Offeror can furnish evidence from the postal authorities of timely mailing.

L.3.4 LATE MODIFICATIONS

A late modification of a successful proposal, which makes its terms more favorable to the District, shall be considered at any time it is received and may be accepted.

L.3.5 LATE PROPOSALS

A late proposal, late modification or late request for withdrawal of an offer that is not considered shall be held unopened, unless opened for identification, until after award and then retained with unsuccessful offers resulting from this solicitation.

L.4 EXPLANATION TO PROSPECTIVE OFFERORS

If a prospective Offeror has any questions relative to this solicitation, the prospective Offeror shall submit the question in writing to the contact person, identified on page one. The prospective Offeror shall submit questions no later than **March 1, 2010** for this solicitation. The District will not consider any questions received **March 1, 2010**. The District will furnish responses promptly to all other prospective Offerors prior to the closing date and time indicated for this solicitation. An amendment to the solicitation will be issued if that information is necessary in submitting offers, or if the lack of it would be prejudicial to any other prospective Offerors. Oral explanations or instructions given before the award of the contract will not be binding.

L.5 FAILURE TO SUBMIT OFFERS

Recipients of this solicitation not responding with a bid should not return this solicitation. Instead, they should advise the Contracting Officer, Office from the Office of Property Management, 441 4th Street, N.W., Suite 930 South, Washington, D.C. 20001, by e-mail, letter or postcard whether they want to receive future solicitations for similar requirements. It is also requested that such recipients advise the Contracting Officer, Office from the Office of Property Management, of the reason for not submitting a bid in response to this

solicitation. If a recipient does not submit a bid and does not notify the Contracting Officer that future solicitations are desired the recipient's name may be removed from the applicable mailing list.

L.6 RESTRICTION ON DISCLOSURE AND USE OF DATA

L.6.1 Offerors who include in their proposal data that they do not want disclosed to the public or used by the District except for use in the procurement process shall mark the title page with the following legend:

"This proposal includes data that shall not be disclosed outside the District and shall not be duplicated, used or disclosed in whole or in part for any purpose except for use in the procurement process.

If, however, a contract is awarded to this Offeror as a result of or in connection with the submission of this data, the District will have the right to duplicate, use, or disclose the data to the extent consistent with the District's needs in the procurement process. This restriction does not limit the District's rights to use, without restriction, information contained in this proposal if it is obtained from another source. The data subject to this restriction are contained in sheets (insert page numbers or other identification of sheets)."

L.6.2 Mark each sheet of data it wishes to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal."

L.7 PROPOSALS WITH OPTION YEARS

The Offeror shall include option year prices in its price/cost proposal. An offer may be determined to be unacceptable if it fails to include option year pricing for four (4) one-year options after the initial period of performance.

L.8 PROPOSAL PROTESTS

Any actual or prospective Offeror or Contractor, who is aggrieved in connection with the solicitation or award of a contract, must file with the D.C. Contract Appeals Board (Board) a protest no later than 10 business days after the basis of protest is known or should have been known, whichever is earlier. A protest based on alleged improprieties in a solicitation which are apparent at the time set for receipt of initial proposals shall be filed with the Board prior to the time set for receipt of initial proposals. In procurements in which proposals are requested, alleged improprieties which do not exist in the initial solicitation, but which are subsequently incorporated into the solicitation, must be protested no later than the next closing time for receipt of proposals following the incorporation. The protest shall be filed in writing, with the Contract Appeals Board, 717 14th Street, N.W.,

Suite 430, Washington, D.C. 20004. The aggrieved person shall also mail a copy of the protest to the Contracting Officer for the solicitation.

L.9 SIGNING OF OFFERS

The Offeror shall sign the offer and print or type its name on the Solicitation, Offer and Award form of this solicitation. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the Contracting Officer.

L.10 UNNECESSARILY ELABORATE PROPOSALS

Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective response to this solicitation are not desired and may be construed as an indication of the Offeror's lack of cost consciousness. Elaborate artwork, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor desired.

L.11 RETENTION OF PROPOSALS

All proposal documents will be the property of the District and retained by the District, and therefore will not be returned to the Offerors.

L.12 PROPOSAL COSTS

The District is not liable for any costs incurred by the Offerors in submitting proposals in response to this solicitation.

L.13 ELECTRONIC COPY OF PROPOSALS FOR FREEDOM OF INFORMATION ACT REQUESTS

In addition to other proposal submission requirements, the Offeror must submit an electronic copy of its proposal, redacted in accordance with any applicable exemptions from disclosure in D.C. Official Code § 2-534, in order for the District to comply with Section 2-536(b) that requires the District to make available electronically copies of records that must be made public. The District's policy is to release documents relating to District proposals following award of the contract, subject to applicable FOIA exemption under Section 2-534(a)(1).

L.14 CERTIFICATES OF INSURANCE

The Contractor shall submit a certificate of insurance giving evidence of the required insurance coverage specified in Section I.8 prior to commencing work. to:

James H. Marshall

Contracting Officer
Office of Contracting and Procurement
441 4th Street NW Suite 700 South
Washington, D.C. 20001

and

Office of Risk Management
441 4th Street, NW, Suite 800 South
Washington, D.C. 20001

L.15 ACKNOWLEDGMENT OF AMENDMENTS

The Offeror shall acknowledge receipt of any amendment to this solicitation (a) by signing and returning the amendment; (b) by identifying the amendment number and date in the space provided for this purpose in Section A, Solicitation, Offer and Award form; or (c) by e-mail or letter. The District must receive the acknowledgment by the date and time specified for receipt of offers. Offerors' failure to acknowledge an amendment may result in rejection of the offer.

L.16 BEST AND FINAL OFFERS

If, subsequent to receiving original proposals, negotiations are conducted, all Offerors within the competitive range will be so notified and will be provided an opportunity to submit written best and final offers at the designated date and time. Best and Final Offers will be subject to the Late Submissions, Late Modifications and Late Withdrawals of Proposals provision of the solicitation. After receipt of best and final offers, no discussions will be reopened unless the Contracting Officer determines that it is clearly in the District's best interest to do so, e.g., it is clear that information available at that time is inadequate to reasonably justify Contractor selection and award based on the best and final offers received. If discussions are reopened, the Contracting Officer shall issue an additional request for best and final offers to all Offerors still within the competitive range.

L.17 LEGAL STATUS OF OFFEROR

Each proposal must provide the following information:

- a. Name, address, telephone number and federal tax identification number of Offeror;
- b. A copy of each District of Columbia license, registration or certification that the Offeror is required by law to obtain. This mandate also requires the Offeror to provide a copy of the executed "Clean Hands Certification" that is referenced in D.C. Official Code §47-2862 (2001), if the Offeror is required by law to make such certification. If the Offeror is a corporation or partnership and does not provide a copy of its license, registration or

certification to transact business in the District of Columbia, the offer shall certify its intent to obtain the necessary license, registration or certification prior to contract award or its exemption from such requirements; and

- c. If the Offeror is a partnership or joint venture, the names and addresses of the general partners or individual members of the joint venture, and copies of any joint venture or teaming agreements.

L.18 FAMILIARIZATION WITH CONDITIONS

Offerors shall thoroughly familiarize themselves with the terms and conditions of this solicitation, acquainting themselves with all available information regarding difficulties which may be encountered, and the conditions under which the work is to be accomplished. Contractors will not be relieved from assuming all responsibility for properly estimating the difficulties and the cost of performing the services required herein due to their failure to investigate the conditions or to become acquainted with all information, schedules and liability concerning the services to be performed.

L.19 STANDARDS OF RESPONSIBILITY

Offeror must demonstrate to the satisfaction of the District the capability in all respects to perform fully the contract requirements; therefore, the Offeror must submit the documentation listed below, within five (5) days of the request by the District. Any Offeror that fails to submit the documentation will be deemed non-responsible and ineligible to receive a contract under this solicitation.

- L.19.1** Evidence of adequate financial resources, credit or the ability to obtain such resources as required during the performance of the contract.
- L.19.2** Evidence of the ability to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments.
- L.19.3** Evidence of the necessary organization, experience, accounting and operational control, technical skills or the ability to obtain them. The Offeror shall provide the criminal background checks for the Offeror's Key Staff.
- L.19.4** Evidence of compliance with the applicable District licensing and tax laws and regulations.
- L.19.5** Evidence of a satisfactory performance record, record of integrity, and business ethics.
- L.19.6** Evidence of other qualifications and eligibility criteria necessary to receive an award under applicable laws and regulations

L.19.7 If the prospective contractor fails to supply the information requested, the Contracting Officer shall make the determination of responsibility or non-responsibility based upon available information. If the available information is insufficient to make a determination of responsibility, the Contracting Officer shall determine the prospective contractor to be non-responsible.

L.20 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held at **10:00a.m. on February 17, 2010** at the Office of Contracting and Procurement, 441 4th Street, NW, Room 700 South, Washington, DC 20001. Prospective offerors will be given an opportunity to ask questions regarding this solicitation at the conference. The purpose of the conference is to provide a structured and formal opportunity for the District to accept questions from offerors on the solicitation document as well as to clarify the contents of the solicitation. Attending offerors must complete the pre-proposal conference Attendance Roster at the conference so that their attendance can be properly recorded. Impromptu questions will be permitted and spontaneous answers will be provided at the District's discretion. Verbal answers given at the pre-proposal conference are only intended for general discussion and do not represent the Department's final position. All oral questions must be submitted in writing following the close of the pre-proposal conference but no later than five working days after the pre-bid conference in order to generate an official answer. Official answers will be provided in writing to all prospective offerors who are listed on the official offerors' list as having received a copy of the solicitation. Answers will be posted on the OCP website at www.ocp.dc.gov.

L.21 KEY PERSONNEL

L.21.1 The District considers the positions identified in C.3.5.2.1 to be key personnel for this contract.

L.21.2 The Offeror shall set forth in its proposal the names and reporting relationships of the key personnel the offeror will use to perform the work under the proposed contract. Their resumes shall be included. The hours that each will devote to the contract shall be provided in total and broken down by task.

SECTION M EVALUATION FACTORS FOR AWARD

M.1 EVALUATION FOR AWARD

The contract will be awarded to the responsible Offeror whose offer is most advantageous to the District, based upon the evaluation criteria specified below. Thus, while the points in the evaluation criteria indicate their relative importance, the total scores will not necessarily be determinative of the award. Rather, the total scores will guide the District in making an intelligent award decision based upon the evaluation criteria.

M.2 TECHNICAL RATING SCALE

M.2.1 The Offeror's technical proposal response for each technical factor will be evaluated by the District and assigned a technical rating based on the quality of the Offeror's response. The Technical Rating Scale follows:

Numeric Rating	Adjective	Description
0	Unacceptable	Fails to meet minimum requirements, e.g., no demonstrated capacity, major deficiencies which are not correctable; Offeror did not address the factor.
1	Poor	Marginally meets minimum requirements; major deficiencies which may be correctable.
2	Minimally Acceptable	Marginally meets minimum requirements; minor deficiencies which may be correctable.
3	Acceptable	Meets requirements; no deficiencies
4	Good	Meets requirements and exceeds some requirements; no deficiencies
5	Excellent	Exceeds most, if not all requirements; no deficiencies.

The technical rating is a weighting mechanism that will be applied to the point value for each evaluation factor and significant subfactor to determine the Offeror's score for each factor. The Offeror's total technical score will be determined by adding the Offeror's score in each evaluation factor. For example, if an evaluation factor has a point value of zero (0) to forty (40) points, utilizing the Technical Rating Scale above the District evaluates the Offeror's response as "Good," the score for that evaluation factor is 4/5 of 40 or 32.

M.3 EVALUATION CRITERIA

Each of the following evaluation factors, listed below in descending order of importance, will be used by the District in evaluating the services proposed by the Offeror under this solicitation. The Offeror should respond to each factor in a way that will allow the District to evaluate the Offeror's response. The scoring for each evaluation factor will be based on the District's determination of the degree to which the Offeror satisfies the requirements within the evaluation factor.

M.3.1 TECHNICAL EVALUATION FACTORS (0-70 POINTS MAXIMUM)

- a. Technical Approach (0-30 Points maximum)
- b. Technical Expertise (0-20 Points maximum)
- c. Past Performance (0-20 Points maximum)

M.3.2 PRICE FACTOR (30 POINTS MAXIMUM)

M.3.2.1 The Offeror's total price for the Base Period of Performance - Year One' Base Period of Performance - Year Two' Base Period of Performance - Year Three, Option Year One and Option Year Two will be converted to a price score as listed below. For purposes of evaluation of price, the District will use the proposed price for CLINs 0001, 0002, 0101, 0201, 1001 and 2001 to determine the total price. Price is less important than the combined weight of the technical factors listed above.

M.3.2.2 Lowest Price Proposal (Base Period + option years*) X 30 = Price Score
 Total Price of Proposal Being Evaluated
 (Base Period + option years*)

* as described in M.3.2.1

M.3.3 PREFERENCE POINTS

Preference points will be applied as described in Sections M.5.2 and M.5.3.

M.4 EVALUATION OF OPTION YEARS

The District will evaluate offers for award purposes by evaluating the total price for all options as well as the base year. Evaluation of options shall not obligate the District to exercise them. The total District's requirements may change during the option years. Quantities to be awarded will be determined at the time each option is exercised.

M.5 PREFERENCES FOR CERTIFIED BUSINESS ENTERPRISES

Under the provisions of the “Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005”, as amended, D.C. Official Code § 2-218.01 *et seq.* (the Act), the District shall apply preferences in evaluating proposals from businesses that are small, local, disadvantaged, resident-owned, longtime resident, or local with a principal office located in an enterprise zone of the District of Columbia.

M.5.1 SUBCONTRACTING REQUIREMENTS

If the prime contractor subcontracts any portion of the work under this contract, the prime contractor shall meet the following subcontracting requirements:

M.5.1.1 At least 35% of the dollar volume shall be subcontracted to certified small business enterprises; provided, however, that the costs of materials, goods and supplies shall not be counted towards the 35% subcontracting requirement unless such materials, goods and supplies are purchased from certified small business enterprises; or

M.5.1.2 If there are insufficient qualified small business enterprises to completely fulfill the requirement of paragraph M.5.1.1, then the subcontracting may be satisfied by subcontracting 35% of the dollar volume to any certified business enterprises; provided, however, that all reasonable efforts shall be made to ensure that qualified small business enterprises are significant participants in the overall subcontracting work.

M.5.2 APPLICATION OF PREFERENCES

For evaluation purposes, the allowable preferences under the Act for this procurement shall be applicable to prime contractors as follows:

M.5.2.1 Any prime contractor that is a small business enterprise (SBE) certified by the Department of Small and Local Business Development (DSLBD) will receive the addition of three points on a 100-point scale added to the overall score for proposals submitted by the SBE in response to this Request for Proposals (RFP).

M.5.2.2 Any prime contractor that is a resident-owned business (ROB) certified by DSLBD will receive the addition of five points on a 100-point scale added to the overall score for proposals submitted by the ROB in response to this RFP.

M.5.2.3 Any prime contractor that is a longtime resident business (LRB) certified by DSLBD will receive the addition of ten points on a 100-point scale added to the overall score for proposals submitted by the LRB in response to this RFP.

M.5.2.4 Any prime contractor that is a local business enterprise (LBE) certified by DSLBD will receive the addition of two points on a 100-point scale added to the overall score for proposals submitted by the LBE in response to this RFP.

M.5.2.5 Any prime contractor that is a local business enterprise with its principal offices located in an enterprise zone (DZE) certified by DSLBD will receive the addition of two points on a 100-point scale added to the overall score for proposals submitted by the DZE in response to this RFP.

M.5.2.6 Any prime contractor that is a disadvantaged business enterprise (DBE) certified by DSLBD will receive the addition of two points on a 100-point scale added to the overall score for proposals submitted by the DBE in response to this RFP.

M.5.3 **MAXIMUM PREFERENCE AWARDED**

Notwithstanding the availability of the preceding preferences, the maximum total preference to which a certified business enterprise is entitled under the Act for this procurement is the equivalent of twelve (12) points on a 100-point scale for proposals submitted in response to this RFP. There will be no preference awarded for subcontracting by the prime contractor with certified business enterprises.

M.5.4 **PREFERENCES FOR CERTIFIED JOINT VENTURES**

When DSLBD certifies a joint venture, the certified joint venture will receive preferences as a prime contractor for categories in which the joint venture and the certified joint venture partner are certified, subject to the maximum preference limitation set forth in the preceding paragraph.

M.5.5 **VENDOR SUBMISSION FOR PREFERENCES**

M.5.5.1 Any vendor seeking to receive preferences on this solicitation must submit at the time of, and as part of its proposal, the following documentation, as applicable to the preference being sought:

M.5.5.1.1 Evidence of the vendor's or joint venture's certification by DSLBD as an SBE, LBE, DBE, DZE, LRB or ROB, to include a copy of all relevant letters of certification from DSLBD; or

M.5.5.1.2 Evidence of the vendor's or joint venture's provisional certification by DSLBD as an SBE, LBE, DBE, DZE, LRB or ROB, to include a copy of the provisional certification from DSLBD.

M.5.5.2 Any vendor seeking certification or provisional certification in order to receive preferences under this solicitation should contact the:

Department of Small and Local Business Development
ATTN: CBE Certification Program
441 Fourth Street, NW, Suite 970N
Washington DC 20001

M.5.5.3 All vendors are encouraged to contact DSLBD at (202) 727-3900 if additional information is required on certification procedures and requirements.

M.5.6 SUBCONTRACTING PLAN

If the prime contractor intends to subcontract under this contract, it must subcontract at least 35% of the dollar volume of this contract in accordance with the provisions of section M.5.1. The prime contractor responding to this solicitation which intends to subcontract shall be required to submit with its proposal, a notarized statement detailing its subcontracting plan. Proposals responding to this RFP shall be deemed nonresponsive and shall be rejected if the offeror intends to subcontract in accordance with the provisions of section M.5.1, but fails to submit a subcontracting plan with its proposal. Once the plan is approved by the contracting officer, changes to the plan will only occur with the prior written approval of the contracting officer and the Director of DSLBD. Each subcontracting plan shall include the following:

- M.5.6.1** A description of the goods and services to be provided by SBEs or, if insufficient qualified SBEs are available, by any certified business enterprises;
- M.5.6.2** A statement of the dollar value of the proposal that pertains to the subcontracts to be performed by the SBEs or, if insufficient qualified SBEs are available, by any certified business enterprises;
- M.5.6.3** The names and addresses of all proposed subcontractors who are SBEs or, if insufficient SBEs are available, who are certified business enterprises;
- M.5.6.4** The name of the individual employed by the prime contractor who will administer the subcontracting plan, and a description of the duties of the individual;
- M.5.6.5** A description of the efforts the prime contractor will make to ensure that SBEs, or, if insufficient SBEs are available, that certified business enterprises will have an equitable opportunity to compete for subcontracts;
- M.5.6.6** In all subcontracts that offer further subcontracting opportunities, assurances that the prime contractor will include a statement, approved by the contracting officer, that the subcontractor will adopt a subcontracting plan similar to the subcontracting plan required by the contract;
- M.5.6.7** Assurances that the prime contractor will cooperate in any studies or surveys that may be required by the contracting officer, and submit periodic reports, as

requested by the contracting officer, to allow the District to determine the extent of compliance by the prime contractor with the subcontracting plan;

M.5.6.8 A list of the type of records the prime contractor will maintain to demonstrate procedures adopted to comply with the requirements set forth in the subcontracting plan, and assurances that the prime contractor will make such records available for review upon the District's request; and

M.5.6.9 A description of the prime contractor's recent effort to locate SBEs or, if insufficient SBEs are available, certified business enterprises and to award subcontracts to them.

M.5.7 COMPLIANCE REPORTS

By the 21st of every month following the execution of the contract, the prime contractor shall submit to the contracting officer and the Director of DSLBD a compliance report detailing the contractor's compliance, for the preceding month, with the subcontracting requirements of the contract. The monthly compliance report shall include the following information:

M.5.7.1 The dollar amount of the contract or procurement;

M.5.7.2 A brief description of the goods procured or the services contracted for;

M.5.7.3 The name and address of the business enterprise from which the goods were procured or services contracted;

M.5.7.4 Whether the subcontractors to the contract are currently certified business enterprises;

M.5.7.5 The dollar percentage of the contract or procurement awarded to SBEs, or if insufficient SBEs, to other certified business enterprises;

M.5.7.6 A description of the activities the contractor engaged in, in order to achieve the subcontracting requirements set forth in section M.5.1; and

M.5.7.7 A description of any changes to the activities the contractor intends to make by the next month to achieve the requirements set forth in section M.5.1.

M.5.8 ENFORCEMENT AND PENALTIES FOR BREACH OF SUBCONTRACTING PLAN

M.5.8.1 If during the performance of this contract, the contractor fails to comply with the subcontracting plan submitted in accordance with the requirements of this contract, and as approved by the contracting officer and the Director of DSLBD, and the contracting officer determines the contractor's failure to be a material breach of the contract, the contracting officer shall have cause to terminate the contract under the default clause of the Standard Contract Provisions.

M.5.8.2 In addition, the willful breach by a contractor of a subcontracting plan for utilization of certified business enterprises in the performance of a contract, the failure to submit any required subcontracting plan monitoring or compliance report, or the deliberate submission of falsified data may be enforced by DSLBD through the imposition of penalties, including monetary fines of \$15,000 or 5% of the total amount of the work that the contractor was to subcontract to certified business enterprises, whichever is greater, for each such breach, failure, or falsified submission.