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The State Accounting Office (SAO), Department of Administrative Services (DOAS), and Office of the State Treasurer (OST) have reviewed and attempted to answer all vendor questions as factually and completely as possible.

We have attached the timeline associated with this RFP process to answer any questions associated with deliverable dates. We also have an attachment (Attachment A), listing the number of payroll paper checks that are currently printed by all agencies.

We sincerely hope that our answers to your questions will be helpful, and we appreciate your interest in supporting the State's stored value card administrative needs.

Please remember that all vendor responses to this Request for Proposals (RFP) are due by 4:00 p.m. EDT on Thursday, July 28, 2011.

I. Workers' Compensation

1. Please specify the indemnification requirements referenced on Page 2, in the first paragraph?

GA Statute 34-9 governs all workers' compensation payments. Indemnification benefits are the weekly disability payments to an employee. The Statute requires delivery of benefits within 7 days of the benefits due date. As workers' compensation benefits are issued from Monday through Sunday, we will require funding of cards no later than Wednesday of the week due.

2. As requested in Item 7 on Page 3, please provide an example of acceptable verification confirming cards have been funded. Would confirmation that the file has been processed be acceptable?

Electronic confirmation of a file processed will be sufficient but the confirmation must contain the number of cards funded and total dollar amount funded.

3. Item 12 on page 3 references the return of funds to DOAS if a card is not activated after 6 months. Please confirm the onus of funds (i.e. the State or Employee)

If a card is not activated the funds should be returned to the state.

4. What is the approximate duration in which employees who receive worker's compensation payments?

Weekly; ranging for 1 month to 5 years.

5. Is direct deposit currently offered to employees who receive workers compensation payments?

If so, what is the number of monthly transactions excluding the 1,200 payments made via check?

Yes, direct deposit is offered. Currently 1,200 paper checks and 425-450 direct deposits are issued per week.

6. Does each agency process its own worker's compensation payments or is the process centralized?

- a.) Are multiple accounts and/or financial institutions utilized?
- b.) Are payments processed through a positive pay platform?

Workers' compensation is centralized through DOAS using one account at a single financial institution with positive pay.

7. What is the average dollar amount of a workers compensation payment?

The average Workers' Compensation payment is approximately \$375 per week.

8. Please specify your online reporting expectations for the worker's compensation card (i.e. what information would you like to see)?

At a minimum, the information DOAS would prefer:

Name of recipient

Amount funded

Date funded

Card balance

Last used date by employee

Fees charged for usage and type

9. Can you please provide the following metrics:

a. Anticipated number of cards issued on an annual basis

The number of cards issued on an annual basis can vary based on the number of injured workers. It is difficult to determine the anticipated number as the participation in the stored value card program is optional for a workers' compensation recipient.

b. Estimated average 'load' (\$) amount deposited per card

The average workers' compensation payment is \$375 per week.

c. Number of times an employee receives a worker's compensation payment (per month and per year)

The payments are issued once a week.

d. Estimated duration of a workers' compensation card (i.e., how long the average card will be active)

Workers' compensation benefits vary in duration, anywhere from 1 month to 5 years.

10. Can you describe the acceptable methods and timing of delivery of the card funding written confirmations?

Electronic confirmation of a processed file, at the time of processing, will be sufficient but the confirmation must contain the number of cards funded and total dollar amount funded.

11. Can you please elaborate more on your requirements for the managing of returns of funds for cards that have been inactive for 6 months (a general description of the requirement and whether or not the process is shared with DOAS or solely owned by the selected vendor)?

The selected vendor will be responsible for returning funds to DOAS through the check or ACH process.

12. Does the Workers Compensation recipients have any non electronic disbursement options (i.e. check option)?

Yes.

13. The RFP advises there are about 1,200 employees who currently receive workers' compensation claims via check and those employees are paid weekly.

a.) What is the average dollar amount of a workers compensation payment?

The average workers' compensation payment is \$375 per week.

14. Please advise the average number of weeks or months a workers' compensation recipient receives payments?

Workers' Compensation benefits vary in duration, anywhere from 1 month to 5 years.

15. Please clarify in Question 7 what is an acceptable delivery method of written conformation? Would a system generated report that is provided as needed suffice for this purpose?

Electronic confirmation of a file processed will be sufficient but the confirmation must contain the number of cards funded and total dollar amount funded. A system generated report will be acceptable.

16. What is the number of checks issued per agency for workers compensation?

Workers' compensation is centralized through DOAS using one account at a single financial institution with positive pay, and is not issued at the agency level.

II. Payroll Services

1. The RFP states that there are approximately 84 separate agencies that "are responsible for funding their individual employee on payday." Does the State intend to establish a single payroll card program for each of the 84 agencies?

The State expects to implement a single payroll card program that can be used by all agencies.

2. Does the state expect each of the 84 participating agencies to set up/enroll cardholders for a payroll card, or will this function be managed by a central entity such as the State Accounting Office (SAO)?

The State expects each of the 84 participating agencies to provide the necessary materials to each employee for set up/enrollment. SAO will work with the qualified vendor and the agencies in establishing a uniform registration platform and connectivity for each of the 84 agencies to use.

3. Of the approximate 84 agencies, how many still have employees that receive a payroll checks today? Does the state expect each agency that is still issuing checks to participate in the stored value card program?

As of May 31, 2011, 76 agencies out of 81 total had at least (1) payroll check. Yes – the State expects each agency that is still issuing checks to participate in the stored value card program.

4. The RFP advises there are about 4,000 employees currently paid by check and that a majority of those employees are semi-monthly paid. Please advise:
 - a. The approximate number or percentage paid on other payroll payment cycles, and
 - b. The net wage per employee for each payroll cycle period.

The State of Georgia has the following pay cycles:

Weekly – 2.46% (average net pay of \$215)

Monthly – 24.05% (average net pay of \$898)

Semi Monthly – 73.49% (average net pay of \$1,046)

5. The RFP advises that SAO's goal is to eliminate the number of payroll checks generated. Will the State of Georgia and its agencies mandate direct deposit of wages to bank accounts or payroll cards or will payroll cards simply be offered without a mandate?

The State of Georgia currently has a Mandatory Direct Deposit Policy in place. The policy was released in May 2010 and states the following (as the policy relates to exemptions):

"In his/her role of prescribing the manner in which State organizations make disbursements, the State Accounting Officer has exclusive authority to grant any exemption from the direct deposit requirement. A personal exemption may only be granted for the reason stated above (i.e., unable to acquire an account at a financial institution) or other specific situation that the State Accounting Officer may deem to be an extreme hardship. An employee desiring to request an exemption from the direct deposit requirement will do so by completing a "Direct Deposit Personal Exemption Request Form."

The State Accounting Officer may allow a business exemption from participating in direct deposit to accommodate an organization's payroll processing special business needs, such as payment cancellations and re-writes, limited employment period, categories of employees not eligible for direct deposit, etc. Business exemption requests will be made by sending an email to the following address: stateaccountingoffice@sao.ga.gov.

For those employees who are granted an exemption, **the State Accounting Officer may secure and offer other payment methods as options, other than paper check, when such options may become available.**

6. Please advise the day or days prior to the pay days when the State of Georgia and its agencies transmit their ACH credits for direct deposit and the originating financial institution or institutions for ACH origination.

Currently, ACH files are created centrally by the State Accounting Office and are transmitted to multiple banks (3) business days prior to pay day. ACH files are created centrally for the following banks: Wells Fargo, SunTrust, Bank of America, Regions, Synovus, United Community Bank, Citizens Bank of Americus, Citizens Bank of Washington County, Community Banking Company, and BB&T.

7. Does the State of Georgia and its agencies provide their employees with paper statements of gross wages and deductions and deductions and withholdings or does the State of Georgia and its agencies provide employees with statements of gross wages and deductions and withholdings electronically?

All employees paid by the PeopleSoft HCM central payroll system (system) administered by the State Accounting Office (SAO) have access to Employee Self Service. Therefore, employee pay statements are available electronically.

8. Please briefly describe the new employee on-boarding process and advise if the State of Georgia or its agency staff performing the new employee on-boarding does not have access to a computer with internet access.

New employee on-boarding is handled by each agency's Human Resource office. Typically, new employees are provided with various employment documents to complete prior to their first day of employment. On their first day of employment (or soon thereafter) the new employee will attend an orientation session to cover various employment topics. The assumption is that Human Resource staff performing the new employee on-boarding process has access to a computer with Internet access.

9. Will the State of Georgia and its agencies permit the payroll card program provider to present checking account services to employees who might prefer such services in lieu of a payroll card?

With approval from SAO, the State of Georgia may allow the qualified vendor to offer checking account services to employees.

10. Please briefly describe the State of Georgia's and its agencies I-9 process. Does the State of Georgia and its agencies verify employees' SSNs directly with the SSA or otherwise?

The State of Georgia has been mandated to use the e-Verify system for its I-9 process.

11. The RFP advises that the State of Georgia and its agencies wish to implement a payroll card program as early as September 13, 2011. What is the timeline for the evaluation of RFP responses, the selection of finalists and when a provider will be selected?

The RFP timeline is included with the original RFP posting.

12. Has the state of Georgia or its agencies determined the approximate cost to issue and deliver a payroll check and what was that approximate cost?

The State of Georgia is currently working to determine the costs associated with the issuance and delivery of a payroll check.

13. What is the estimated average 'load' (\$) amount deposited per card?

The average estimated load per card is \$917.00. This estimate is based on one pay cycle (all pay groups) for the employees paid by the PeopleSoft HCM central payroll system administered by the State Accounting Office.

14. Is this SAO Payroll Card program expected to be developed as a single program or will a separate program be created for each participating agency (i.e., one implementation for all agencies or 1 for each agency)?

The SAO payroll card program is expected to have one implementation for all agencies.

15. Will SAO be responsible for ordering cards on behalf of all the agencies? Or will each agency order their own cards?

Each agency will be responsible for ordering its own cards.

16. From an administrative perspective, will SAO be the primary point of contact? Will they be accessing reporting? Or will each agency need access to their own reports?

Yes- SAO will be the primary point of contact. SAO and each agency will need access to reporting.

17. Approximately how many of the 4,000 employees currently receiving payroll checks do you anticipate converting to payroll cards?

Please refer to Attachment A.

18. Does the State have a preference of whether to utilize an "open" payroll card allowing other vendors to make payments on the cards or a "closed loop" payroll card?

The State does not have a preference.

19. What is the average dollar amount of a semi monthly payroll check?

The average net pay of a semi-monthly payroll check is \$1,046.

20. What is the likelihood DOAS and SAO will be ready to implement as early as September 13, 2011?

We see no reason why DOAS and SAO will not be ready. September 13, 2011 is the objective.

NOTE: All vendor questions are listed verbatim as we received them.