

## SOLICITATION ADDENDUM

Date: **3-13-15**  
Subject: **Electronic Funds Transfer**  
Solicitation Number: **RFP #14-IGWF-93**  
Due Date/Time: **4-15-15/2:00PM**  
Addendum Number: **1**

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To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation “Addendum” as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

*List any and all changes:*

- Vendor Sign-in Sheet
- Revised Appendix C - Cost Proposal Sheet
- Questions and Answers (1 through 34)
- Section II-9. Small Diverse Business Participation Submittal

Type of Solicitation: Hard Copy (Paper) Bid - If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Respectfully,

Name: Russ Ilgenfritz  
Title: Administrative Officer  
Phone: 717-728-3919  
Email: rilgenfrit@pa.gov

Vendor Sign In Sheet

Date: 3-11-15

RFP #14-IGWF-93 Name	Company Name	Address	Phone	E-mail
Armando VALEIANO	SECURUS	DALLAS TX	260-316-8947	EVALEIANO@SECURUSTECH.NET
STEVE CADWELL	SECURUS	DALLAS, TX	805-581-0003	SCADWELL@SECURUSTECH.NET
SUSAN QUIGLEY	Adept Consulting	Harrisburg, PA	717-691-0167	SQUIGLEY@hhd.adeptusa.com
Michael Manning	Keefe	St. Louis, MO	314 704-4653	MManning@Keefeand.com Keefeand.com
Tom Gibney	GITZ	Altoona, PA	814-330-3230	tgibney@gitl.net
Scott Haith	Keefe	Edison, NJ	609-251-9941	Sha.H@Keefegroup.com
Jessica Camuffo	JPay	Miramar, FL	9177499588	jcamuffo@jpay.com

**RFP #14-IGWF-93**  
**Electronic Funds Transfer**

**Questions and Answers**  
**(1 through 34)**

1. Could I receive a copy of the current contract that this RFP will supersede?  
**Current contract can be found on the PA Treasury website at:**  
<http://www.patreasury.gov/eContracts.html>  
**JPay, Inc. – Contract #AGR-10-210**
  
2. Could I receive a copy of the current contract for the lobby KIOSK's?  
**Current contract can be found on the PA Treasury website at:**  
<http://www.patreasury.gov/eContracts.html>  
**Global Tel\*Link – Contract #4400013765**
  
3. Is the EFT RFP available in Word format? **No**
  
4. I noticed the Electronic Funds Transfer RFP was released and doesn't mention email services. We understood that PADOE would like to acquire Inmate Banking Services and Inmate Email Services under one umbrella contract. Is there no longer a need to contract for email services, or will they be procured separately? **Email services are provided under the PADOE Kiosk contract. See answer to Question #2.**
  
5. The instructions for Appendix C – Cost Proposal Sheet indicate, "This will not include MoneyGram or money order transaction." Please clarify since "sending cash" on rows 39-46 in the table may be sent at a MoneyGram location. **The cost proposal sheet will be revised to eliminate money orders and to include cash transactions. See Addendum 1 - Revised Appendix C – Cost Proposal Sheet.**
  
6. The same table asks for fees for cash transactions of "\$201.00 to 300." Are cash transactions below \$200 permitted? **Yes, cash transactions of any amount will be permitted. See Addendum 1 – Revised Appendix C – Cost Proposal Sheet.**

7. The notes on the Cost Proposal Sheet refer to the lowest average fee can receive 80% of the maximum points allowed and the highest commission percentage can receive 20% of the maximum points allowed. However, the tables on rows 49-57 assign 90% and 10% to the same categories. Please clarify. **The cost proposal sheet will be revised to reflect the correct percentages (80% Fee) (20% Commission). See Addendum 1 – Revised Appendix C – Cost Proposal Sheet.**
8. Would the DOC consider allowing 2 sets of fees for credit/debit card transactions - one for phone payments and one for Internet payments? **No, the PADOc will not consider allowing two (2) sets of fees. The PADOc will only require one (1) fee.**
9. Section IV-1.B. requests, "... identifying document numbers, copies of deposit slips, money orders and mailing envelopes." Is the contractor required to make these documents available online or can they be stored and provided upon request? **There is no requirement to make these documents available online. These documents can be stored by the contractor but MUST be provided upon request by PADOc.**
10. As per Section IV-2., "This contract does not include EFT deposits accepted via lobby kiosks. This is part of another DOC awarded contract already in place. The selected Offeror, having the required Money Transmitter License, will be required to work with this established Provider to coordinate the receiving of funds for deposit into PA DOC IGWF bank accounts and the posting of accepted transactions to PA DOC inmate accounts along with EFT transactions accepted by the selected Offeror." How does PADOc expect the selected Offeror to work with the established provider? **The PADOc expects the Offeror to establish/develop a workable solution with the awarded provider.**

11. On page 21 it states, “The selected Offeror, having the required Money Transmitter License, will be required to work with this established Provider to coordinate the receiving of funds for deposit into PA DOC IGWF bank accounts and the posting of accepted transactions to PA DOC inmate accounts along with EFT transactions accepted by the selected Offeror.” Will the DOC require the awarded vendor to ACH the funds and post the file of the transactions taken by the current Lobby Kiosk provider or just post the file of those transactions? **The selected offeror will be the sole provider of EFT services for PA DOC. Therefore, PA DOC will require the awarded vendor to post the file of transactions and transfer the funds via ACH taken by the lobby kiosk provider.**
12. Is the commission proposed based on just the fee revenue or is it based on the total amount deposited? Meaning, if the fee proposed was \$5.00 and the amount deposited was \$20.00, would the commission percentage be based on the \$5.00 fee or on the total deposit (fee plus deposit amount) of \$25? **The Commission percentage will be based on both transaction fee and deposited amounts.**
13. How many total points will the RFP be evaluated against? **1,000 points.**
14. Is the RFP available as a Word document for easier editing? **See the answer to Question 3.**
15. Under Section II-10 Cost Submittal, Section A – H requires respondents to provide information on different categories of costs. Is this information still required since this RFP is a “no cost or fee” proposition to the Commonwealth? **Yes.** Can these sections be deleted from the vendor’s response? **No.**
16. What current vendors provide electronic funds transfer services to inmates for the PA DOC. **JPay, Inc.**
17. Is the transaction data available by site for the years 2013 and 2014? **Yes.** Will the PA DOC provide this data to vendors? PADOc will provide this data. **See Addendum 1.**

18. How many release checks are currently issued per year? Is this data available on a per site basis? **PA DOC averages 20,000 releases per year. Of these releases, about 6,500 receive checks. This information is not available on a per site basis.**
19. What is the average dollar amount of each release check?  
**Average dollar amount of each check is \$75.00**
20. What is (are) the current minimum and maximum amount of release checks provided to date? **The minimum amount could be as low as \$1.00. The maximum amount will be the current inmate account balance at the time of his/her release.**
21. The DOC has set the deadline for questions as 3/3/15 with responses from the DOC back to all vendors by 3/19/15. A lot of times these questions and their corresponding answers can drive additional questions that may be necessary for all vendors to accurately respond to the issued solicitation. Additionally, there may be questions which may come up after the preproposal conference on March 11th. For these reasons, we respectfully request that a second question and answer period be permitted after the initial one. **Vendors will have an opportunity to submit follow-up questions in writing no later than March 13, 2015 4:00PM (EST). Please submit your follow-up questions via email to: rilgenfrit@pa.gov**
22. The resulting submission from all vendors to this solicitation will more than likely be very voluminous and detailed. Additionally there is a holiday that will occur prior to the submission of this solicitation. For these reasons and others, we respectfully request a 3-4 week extension on the due date for this submittal. **No.**

23. On Page 3, Section I-12, the DOC states “In addition to the paper copies of the proposal, Offerors shall submit two **complete and exact** copies of the entire proposal (Technical, Cost and SDB submittals, along with all requested documents) on CD-ROM or Flash drive in Microsoft Office or Microsoft Office-compatible format. The electronic copy must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel.” We respectfully request that each vendor be able to submit any signature documents (letters, forms, etc.) in pdf format while submitting the balance of the response in Microsoft office compatible format. **Pdf files are acceptable, however any excel spreadsheet must be in Microsoft Excel format.**
24. On Page 3, Section I-12, the DOC allows for the technical, cost and SDB to be submitted on flash drives. Later in the section the DOC asks for our video demonstration but requires it on CD/DVD and does not permit it to be provided on a flash drive. We respectfully request that the DOC permit the video demonstration to be supplied on a flash driver provided it is marked appropriately. **Flash drives are not acceptable for the video demonstration because some evaluators are located inside the jail and flash drives are not permitted inside the jail.**
25. The solicitation allocates 20% with a maximum of 200 points to SDB. Due to the specialized nature of this RFP and the fact that zero companies that currently have a Money Transmitter License in Pennsylvania are SDB’s, we respectfully request that this requirement be removed from the solicitation. **No this requirement will not be removed.**
26. On Page 10, Section II-4, the DOC states “Prior experience should include a minimum of three (3) years of experience in the fields of Electronic Funds Transmittal, money order lock box service, release card services and intelligence/data gathering, with successful deployment of comparable size and scope as PADO. PADO requires examples of such experience and successful deployment (this proven experience will serve as a reference).” In order to protect the DOC, we suggest the DOC modify the requirement so that each vendor must provide a minimum of two (2) references at the state corrections level. **The PADO will not change this requirement.**

27. On Pages 3, 9 and 10, the DOC requests a brief 'video demonstration' of each vendor's proposed solution. Typically the proposed solution is demonstrated to the DOC via an onsite presentation post RFP submittal. Knowing how this video will be evaluated may be very helpful in preparing such a video for all responsive vendors. Please provide the requirements of the video including content, duration as well as how the demonstration video will be evaluated. **The video shall include examples of the Offeror's solution and should be no more than 15 minutes in length pursuant to the RFP, Part II, Section II-3 Work Plan. The video will be evaluated as part of the technical submittal.**
28. The DOC has supplied a Cost Sheet labeled as Appendix C. Several questions have arisen around Appendix C:
- a. The Second paragraph down states "This is an example for evaluation purposes only. Vendors are to use their standard rate schedule for completion of the chart below". What is a vendor to do if their "Standard Rate Schedule" does not line up with the ranges detailed on the sheet? How will the DOC reconcile the two? If a vendor does not submit a schedule that mirrors the Excel file then errors in evaluation could occur. For this reason we respectfully request that the DOC mandate the vendor's schedule match the Excel sheet. **The cost must be submitted in accordance with the Revised Appendix C – Cost Proposal Sheet. No variations will be accepted.**
  - b. We are assuming that rows 18-36 within the cost sheet reference credit /debit card transactions that occur either through the Phone, Mobile, web, etc. Please confirm that this is what the ranges are evaluating. **Yes.**
  - c. Rows 38-46 refers to cash deposits, assuming through a walkup service. How can the DOC evaluate Cash Deposits if it is only evaluating deposits made from \$200.01 to \$300? We respectfully request that the DOC amend this evaluation and include all ranges below \$200.01 as well. **Please see the answer to Question #6.**
  - d. Since the Evaluation sheet ends at \$300.00 are we to assume that is the maximum per transactional deposit? **No, this sheet is for evaluation purposes only. The maximum limits will depend upon the applicable Federal laws and vendor requirements under the law (Patriot Act).**



29. Since JPay, the current provider, has access to transactional level data this creates an unfair and unlevelled playing field for all other vendors. For this reason we respectfully request that the DOC supply all vendors with one year's worth of transactional data that would include at the transaction level the following data elements: date of transaction, source, method, dollar amount, fee(s) collected and total transaction amount. This is the only way that other vendors can compete fairly. **See answer to Question #17.**
30. Starting on Page 13, A – Direct Labor Costs and ending on Page 14, I-Total Costs the DOC requires the submitting vendor to submit various costs. Since this is a zero cost contract to the DOC, we respectfully request that these be removed. In the alternative, how are our costs relevant to the scope and evaluation of this procurement? **Offeror's are being evaluated based upon the costs/fee(s) charged to the senders. The section referred to in this question does not apply to the evaluation.**
31. On page 15, Section III-4.A, the DOC provides an RFP link for the scoring formulas. Even once authenticated, we are still having difficulties with the Link not working and we have not been able to obtain these formulas. Will the DOC please provide this document? **The links have changed in the following sections to:**

**Section I-27. RFP Protest Procedure**

<http://www.dgs.pa.gov/Businesses/Materials%20and%20Services%20Procurement/Supplier%20Service%20Center/Pages/default.aspx>.

**Section III-4. Evaluation Criteria**

**A. Technical**

**B. Cost**

**C. Small Diverse Business Participation – Priority Rank 4**

**D. Domestic Workforce Utilization**

<http://www.dgs.pa.gov/Businesses/Materials%20and%20Services%20Procurement/Procurement-Resources/Pages/default.aspx>.

**32.** On Page 15, Section III-4.A, the DOC states “The final Technical scores are determined by giving the maximum number of technical points available to the proposal with the highest raw technical score.” This does not create a fair and level playing field and can significantly disadvantage the proposer, the citizens of the Commonwealth and the DOC. As an example, should the two highest companies score 360 and 370 respectfully, as written the company scoring 370 would be elevated to 500 points. This elevation could very easily cause an award to a company that could be significantly higher in cost and lower in commission. For this reason we respectfully request that all vendors receive the technical scores that they are due and no elevation to the maximum points occurs. **No. All raw technical scores will be prorated against the highest raw technical score. So, the company with a raw score of 370 will be elevated to 500 points and the company with a raw score of 360 will be elevated to 486 points.**

**33.** Based upon our research, there are no SDBs with money transmitter licenses. Based upon the unique requirements of this procurement and the lack of SDBs with money transmitter licenses, we request the hard commitment of 20% for SDB participation is converted to a desirable element of the RFP. We certainly understand and appreciate the importance of SDB participation and intend to use SDBs and believe a ‘desirable’ approach is more appropriate for the unique requirements of this RFP. For this reason, we respectfully request that this requirement be removed from the RFP or modified due to the unique nature of this procurement. **Even though there are currently no SDBs with licenses, based on your research, there is subcontracting opportunities for SDBs and therefore the requirement will not be removed or modified.**

**34.** On Page 34, Section IV-8.B, the DOC states “Offeror’s commission to be paid to PADOE shall be computed as a percentage of the total gross revenue generated by the application of the approved transactions for every completed money transfer. The Offeror’s proposed commission percentage shall be presented Appendix C, Cost Proposal.” Please confirm that the commission is only to be paid on the fee portion of the transaction as the remaining portion of the transaction, the money to go to the inmate, is nothing more than a pass through from the public to the Inmate. For example, if an inmate friend and family member makes a deposit of \$100.00 and incurs a fee of \$3.00 for the transaction, the only source of gross

revenue to the provider is the \$3.00 fee and not the \$100.00 deposit. The deposit amount is not retained in part or whole by the provider and is simply a transmission from the friend and family member to the inmate.

**See answer to Question #12.**

Thus it is impractical to base commissions on the deposit amount and not solely on the gross revenue, in this case the fee. Using the example above with a 25% commission and Appendix C as is, we would be required to pay a commission of \$25.75 ( $\$103 \times 25\%$ ) yet our only source of revenue is the \$3.00 transaction resulting in an immediate and unrecoverable loss of \$22.75 for that transaction. For these reasons, please modify Appendix C to remove the deposit amount as a source of gross revenue. **The PADOE will not modify the Revised Appendix C – Cost Proposal Sheet.**

## Section II-9. Small Diverse Business Participation Submittal

- A. To receive credit for being a Small Diverse Business or for subcontracting with a Small Diverse Business (including purchasing supplies and/or services through a purchase agreement), an Offeror must include proof of Small Diverse Business qualification in the Small Diverse Business participation submittal of the proposal, as indicated below:

A Small Diverse Business verified by BSBO as a Small Diverse Business must provide a photocopy of its DGS issued certificate entitled "Notice of Small Business Self-Certification and Small Diverse Business Verification" indicating its diverse status.

- B. In addition to the above certificate, the Offeror must include in the Small Diverse Business participation submittal of the proposal the following information:

1. **All** Offerors must include a numerical percentage which represents the total percentage of the work (as a percentage of the total cost in the Cost Submittal) to be performed by the Offeror and not by subcontractors and suppliers.
2. **All** Offerors must include a numerical percentage which represents the total percentage of the total cost in the Cost Submittal that the Offeror commits to paying to Small Diverse Businesses (SDBs) as subcontractors. To support its total percentage SDB subcontractor commitment, Offeror must also include:
  - a) The percentage and dollar amount of each subcontract commitment to a Small Diverse Business;
  - b) The name of each Small Diverse Business. The Offeror will not receive credit for stating that after the contract is awarded it will find a Small Diverse Business.

- c) The services or supplies each Small Diverse Business will provide, including the timeframe for providing the services or supplies.
- d) The location where each Small Diverse Business will perform services.
- e) The timeframe for each Small Diverse Business to provide or deliver the goods or services.
- f) A subcontract or letter of intent signed by the Offeror and the Small Diverse Business (SDB) for each SDB identified in the SDB Submittal. The subcontract or letter of intent must identify the specific work, goods or services the SDB will perform, how the work, goods or services relates to the project, and the specific timeframe during the term of the contract and any option/renewal periods when the work, goods or services will be performed or provided. In addition, the subcontract or letter of intent must identify the fixed percentage commitment and associated estimated dollar value that each SDB will receive based on the total value of the initial term of the contract as provided in the Offeror's Cost Submittal. Attached is a letter of intent template **Appendix E** which may be used to satisfy these requirements.
- g) The name, address and telephone number of the primary contact person for each Small Diverse Business.

3. The total percentages and each SDB subcontractor commitment will become contractual obligations once the contract is fully executed.

4. The name and telephone number of the Offeror's project (contact) person for the Small Diverse Business information.

C. The Offeror is required to submit **two** copies of its Small Diverse Business participation submittal. The submittal shall be clearly identified as Small Diverse Business information and sealed in its own envelope, separate from the remainder of the proposal.

D. A Small Diverse Business can be included as a subcontractor with as many prime contractors as it chooses in separate proposals.

E. An Offeror that qualifies as a Small Diverse Business and submits a proposal as a prime contractor is not prohibited from being included as a subcontractor in separate proposals submitted by other Offerors.