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Purchasing Division  
2019 Washington Street East  
Post Office Box 50130  
Charleston, WV 25305-0130

State of West Virginia  
Solicitation Response

Proc Folder : 403907

Solicitation Description : Addendum No. 2- Banking Services- Child Support Enforcement

Proc Type : Central Master Agreement

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SYSTEMS & METHODS INC

Solicitation Number: CRFQ 0511 CSE1800000001

Total Bid : \$0.00

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FOR INFORMATION CONTACT THE BUYER

Heather D Bundrage  
304-558-2566  
heather.d.bundrage@wv.gov

Signature on File

FEIN #

DATE

All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	Bank Contract				

Comm Code	Manufacturer	Specification	Model #
84121500			

Extended Description :	Please see Exhibit A pricing page or the Excel Pricing page which is attached. Please note the Excel Pricing page has multiple tabs on the bottom. Please make sure you fill out all of the tabs on the Excel Pricing page.
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# State of West Virginia



Department of Health and Human  
Resources, Bureau for Child Support  
Enforcement

Banking Services— Child Support  
Enforcement



## Technical Response

Solicitation No. CRFQ 0511 CSE1800000001

Due Date: July 30, 2018

Proposal Contact:  
Karen Middlebrooks, CMO  
karen.middlebrooks@smimail.net  
770-851-8727

Systems & Methods, Inc.  
106 Wedgewood Drive  
Carrollton, GA 30117





## TECHNICAL RESPONSE

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Acronym Quick Reference	
Acronym	Definition
ACD	Automatic Call Distribution
ACFE	Association of Certified Fraud Examiners
ACH	Automatic Clearing House
ACTS	Automated Collection and Tracking System
API	Application Programming Interface
ATM	Automated Teller Machine
BCSE	Bureau for Child Support Enforcement
CAD	Cisco Agent Desktop
CAR/LAR	Courtesy Amount Recognition/Legal Amount Recognition
CASS	Coding Accuracy Support System
CCO	Centralized Collections Operation
CCSPC	Centralized Child Support Processing Center
CDCMP	Certified Data Center Management Professional
CDIA	Certified Document Imaging Architect
CFE	Certified Fraud Examiner
CGI	Common Global Implementation
CIAC	Center Industry Advisory Council
CIC	Customer Interaction Center
CMM	Capability Maturity Model
CRM	Customer Relationship Management
CSC	Child Support Clearinghouse
CSE	Child Support Enforcement
CSR	Customer Service Representative
CST	Customer Service Tool
CSTP	Corporate Straight-Through Processing



Acronym Quick Reference	
CSV	Comma-Separated Values
CTI	Computer Telephony Integration
DCSE	Division of Child Support Enforcement
DDA	Demand Deposit Account
DFAS	Defense Finance and Accounting Service
DFCS	Division of Family and Children Services
DHHR	Department of Health and Human Resources
DPI	Dots Per Inch
DoS	Denial-of-Service
EDI	Electronic Data Interchange
EFT	Electronic Funds Transfer
EFTA	Electronic Funds Transfer Association
EIN	Employer Identification Number
EPN	Electronic Payments Network
FAQs	Frequently Asked Questions
FDIC	Federal Deposit Insurance Corporation
FEIN	Federal Employer Identification Number
FEMA	Federal Emergency Management Agency
FFIEC	Federal Financial Institutions Examination Council
FinCEN	Financial Crimes Enforcement Network
FPLS	Federal Parent Locator Service
FSLIC	Federal Savings and Loan Insurance Corporation
FSPC	Family Support Payment Center
FSR	Family Support Registry
FTP	File Transfer Protocol
GAAP	Generally Accepted Accounting Principles



Acronym Quick Reference	
GAAS	Generally Accepted Auditing Standards
GUI	Graphical User Interface
HID	High Intensity Discharge
ICBM	Interaction Center Business Manager
ICL	Image Cash Letter
ICLs	Image Cash Letters
ICR	Intelligent Character Recognition
IMb	Intelligent Mail barcode
IRDs	Image Replacement Documents
ISO	International Standards Organization
ITIL	Information Technology Infrastructure Library
IVR	Integrated Voice Response
LAN	Local Area Network
MACSS	Missouri Automated Child Support System
MCP	Microsoft Certified Professional
MCSE	Microsoft Certified Systems Engineer
MFT	Managed File Transfer
MICR	Magnetic Ink Character Recognition
MIS	Management Information Services
MPLS	Multiprotocol Label Switching
NACHA	National Automated Clearing House Association
NAS	Network Attached Storage
NIST	National Institute of Standards and Technology
NMSN	National Medical Support Notice
NSF	Non-Sufficient Funds
OCC	Office of the Comptroller of the Currency



Acronym Quick Reference	
OCR	Optical Character Recognition
OCSE	Office of Child Support Enforcement
OCSR	Oklahoma Centralized Support Registry
ODFI	Originating Depository Financial Institution
OFAC	Office of Foreign Assets Control
OMB	Office of Management and Budget
OMR	Optical Mark-sense Recognition
OSCAR	On-line Support Collections and Reporting System
PCI DSS	Payment Card Industry Data Security Standard
PIN	Personal Identification Number
PMBOK	Project Management Body of Knowledge
PMI	Project Management Institute
PMM	Project Management Methodology
PMP	Project Management Professional
POS	Point of Sale
PPD	Prearranged Payment and Deposit
PSU	Payment Service Unit
PTO	Paid Time Off
QA	Quality Assurance
QC	Quality Control
RFQ	Request for Quotation
RMG	Registration Management Group
SDU	State Disbursement Unit
SEG	Standards Evaluation Group
SEI	Software Engineering Institute
SFTP	Secure File Transfer Protocol



Acronym Quick Reference	
SIP	Session Initiation Protocol
SMI	Systems & Methods, Inc.
SSA	Social Security Administration
SSL	Secure Sockets Layer
SSN	Social Security Number
TANF	Temporary Assistance for Needy Families
TAWPI	The Association for Work Process Improvement
TFS	Team Foundation Server
UAT	User Acceptance Testing
USPS	United States Postal Service
VMs	Virtual Machines
VPN	Virtual Private Network
WAN	Wide Area Network
WANs	Wide Area Networks
WBS	Work Breakdown Structure



## Section 1. Purpose and Scope

I. PURPOSE AND SCOPE: The West Virginia Purchasing Division is soliciting bids on behalf of West Virginia Department of Health and Human Resources, Bureau for Child Support Enforcement, hereinafter referred to as the "Agency", to establish a contract to provide for the centralized collection, distribution, and tracking of child support payments.

This request is covered in part or in whole by federal funds. All bidders will be required to acknowledge and adhere to Attachment I- Provisions Required for Federally Funded Procurements.

The WVDHHR has developed an EEOP Utilization Report and it is available at <http://www.wvdhhr.org/pdfs/HI.5%20Utilization%20Report%20and%20EEO%20policy.pdf>

The Vendor/Contractor, hereinafter referred to as the "Vendor", shall be responsible for providing a centralized system for the processing of all support payments received under the West Virginia Child Support Enforcement Program. This responsibility shall include, but is not limited to: receiving, opening, sorting, and imaging mail; depositing receipts into an interest bearing account; identifying the correct payor and payee when necessary; loading all required information into the On-line Support Collections and Reporting system, "OSCAR" or IES that has been awarded to OptumInsight Inc; distributing money to the appropriate party based on a computer file generated by the OSCAR system by means of direct deposit, debit card, or check; and maintaining a Web-based payment option for non-custodial parents to initiate payments by Visa, Master Card, Debit Card, and through the Automatic Clearing House (ACH) network or other on-line payment processes as may be recommended by the vendor and approved by the state.

The Vendor shall in all circumstances meet the mandatory requirements set forth in this RFQ. Mandatory requirements are those which must be met by the Vendor as a part of the submitted bid. Failure on the part of the Vendor to meet any of the mandatory specifications shall result in the disqualification of the bid. The terms "must", "will", "shall", "minimum", "maximum", or "is/are required" identify a mandatory item or factor. Decisions regarding compliance with any mandatory requirements shall be at the sole discretion of the State.

Since July 1988, the Agency has used the services of a local financial institution for its lockbox services to process and track receipts and make disbursements in relation to its child support enforcement program.

The services provided include, but are not limited to, traditional lockbox functions such as collecting mail from a dedicated post office box, sorting and batching the envelopes' contents, endorsing and depositing the remittances into an interest bearing account maintained by the Agency, providing detailed management reports to the Agency, and disbursing child support receipts by check, debit card, and through the ACH network, and establishing Web-based and telephonic payment options.

Systems & Methods, Inc. (SMI) has read and understands the scope of services required by the Request for Quotation (RFQ) for Open-end Child Support Collecting, Tracking, & Disbursement, Solicitation No. CRFQ 0511 CSE1800000001.



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As detailed in Section 3. Qualifications, SMI has 18 plus years of experience providing similar services for 15 States.

SMI understands this RFQ is covered in part or in whole by federal funds. SMI has read, understands, and agrees to adhere to the provisions set forth in Attachment I – Provisions Required for Federally Funded Procurements.

SMI has reviewed the West Virginia Department of Health and Human Resources (DHHR) EEOP Utilization Report. To provide equal employment and advancement opportunities to all individuals, SMI's employment decisions are based on merit, qualifications, and abilities. We do not discriminate in employment opportunities or practices based on race, color, religion, sex (including pregnancy and gender identity), national origin, age, disability, family medical history, genetic information, or any other characteristic protected by federal or State laws.

SMI understands that West Virginia has used the services of a financial institution for its lockbox services since 1988. Partnering with J.P.Morgan and later KeyBank, SMI is proud to have been a partner in delivering these critical services in West Virginia since 2011. We look forward to continuing our partnership with West Virginia to ensure the timely and accurate delivery of child support collecting, tracking, and disbursement services.



## Section 2. Definitions

2. DEFINITIONS: The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.

2.1 "Contract Services" means to provide for the centralized collection, distribution, and tracking of child support payments and that the majority of said payments, approximately 99%, are disbursed within forty-eight hours of receipt.

2.2 "Pricing Page" means the pages, contained wvOASIS or attached hereto as Exhibit A, upon which Vendor should list its proposed price for the Contract Services.

2.3 "Solicitation" means the official notice of an opportunity to supply the State 'with goods or services that is published by the Purchasing Division.

SMI has reviewed and understands the terms listed in Section 2. Definitions, and in Section 2. of the General Terms and Conditions of the RFQ.





## Section 3. Qualifications

3. QUALIFICATIONS: Vendor, or Vendor's staff if requirements are inherently limited to individuals rather than corporate entities, shall have the following minimum qualifications:

*The best predictor of future performance is past performance. In a new contract term, SMI's experience and expertise, gained during our six plus years of West Virginia State Disbursement Unit (SDU) operations, will greatly minimize implementation activities and provide for a low-risk transition. More importantly, it will ensure the best possible child support collecting, tracking, and disbursement services for West Virginia families.*

SMI's mission is simple but strong—one we carry out in all our operations each day:

“Going the Extra Mile with a Passion to Serve”

In a new contract term, we will continue to provide the State of West Virginia with a tailored solution for its critical SDU services.

Our solution, as described throughout this proposal, has been customized to meet West Virginia's specifications.

**SMART**—our nationally recognized solution for child support payment processing and other crucial SDU functions—was developed with the direct involvement of child support professionals. Our smiONE™ Visa® Prepaid Debit Card, known as the smiONE Card, was developed specifically for child support disbursements with a focus on providing the best customer experience possible. We back up our solutions with six-plus years of West Virginia SDU experience and an SDU staff with an average of nine years' West Virginia SDU experience.

We pledge to continue providing a sharp focus on helping West Virginia meet all SDU State and federal requirements, to meet or exceed contract performance standards, and to serve our mutual child support customers with respect while providing timely and accurate collecting, tracking, and disbursement services.

### EXPERIENCE WEST VIRGINIA CAN TRUST

- West Virginia SDU provider since 2011
- Currently operate SDUs for 15 States
- Transitioned four States from State/local/court payment processing systems and 11 States from other Vendors
- During 2017:
  - ✓ Processed over 67 million payments totaling \$11.9 billion
  - ✓ Maintained a combined payment processing accuracy rate of 99.99%
  - ✓ Disbursed 32.9 million payments totaling \$5.8 billion
  - ✓ Handled 56 million calls to SMI IVRs and 2.8 million calls to SMI CSRs
- During our 18 years as an SDU provider, have never lost a child support services customer



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3.1. Vendor qualifications shall be divided into the following separate categories.

---

## 3.1 Vendor Qualifications

SMI's and our banking partner's qualifications are discussed in the categories that follow.

---

3.1.1. Eligibility of the Proposer - The Vendor shall provide a statement and documentation that it is:

---

### 3.1.1 Eligibility of the Proposer

SMI and our affiliated bank, J.P.Morgan Chase & Co, N.A. (J.P.Morgan), meet the eligibility requirements required by this section of the RFQ. Documentation is provided in the sections that follow.

---

3.1.1.1. A company with a minimum 5 years of experience in lockbox operations; or, is affiliated with a company with a minimum 5 years of experience in lockbox operations; and

---

#### 3.1.1.1 Lockbox Operations Experience

SMI exceeds the minimum experience requirements having 18 plus years providing lockbox operations for SDU operations in 15 States, including 6.6 years in West Virginia.

SMI successfully transitioned four States from State/local/court payment processing systems and 11 States from other Vendors. Our experience with transitioning SDU operations, including lockbox operations, from other Vendors cannot be matched by any other company in the nation. Through our unique approach to public/private partnerships, SMI has been successful in improving SDU performance in each of the States we transitioned. We have consistently improved payment identification rates, payment posting accuracy rates, and electronic collection and disbursement rates in our SDU operations.

The following figure shows the States where we currently provide SDU lockbox operations and provides the years of operations experience for each State.

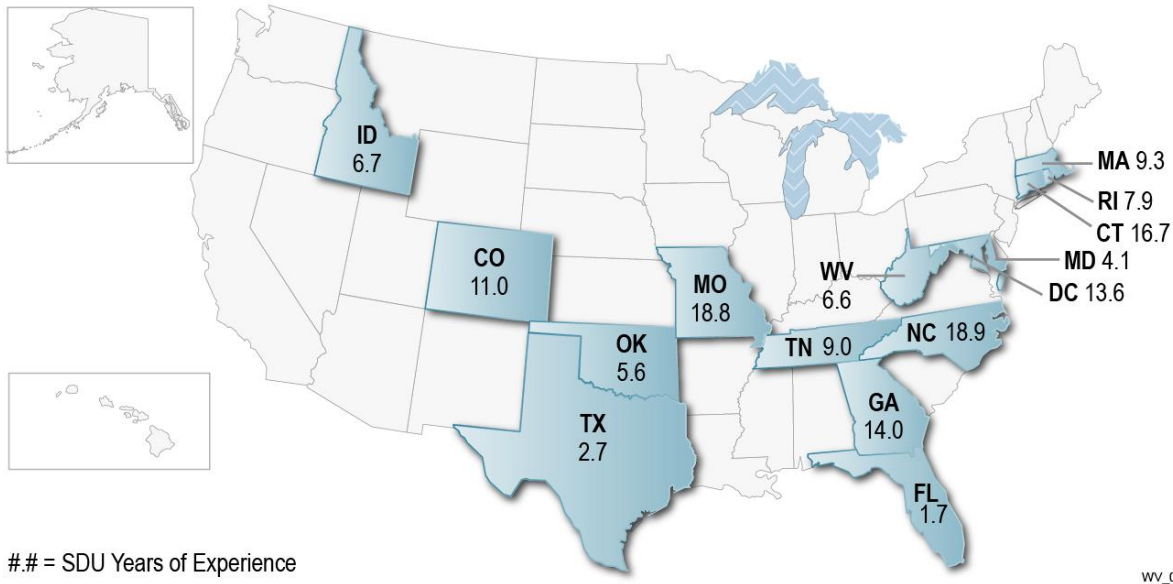


Figure 3-1: SDU Lockbox Operations Experience. SMI has 18 plus years providing lockbox operations for SDU operations in 15 States.

SMI has focused tremendous effort on establishing ourselves as the premier provider of child support collecting, tracking, and disbursement services. Because of our efforts, experience, and approach, SMI has now been selected to deliver critical SDU services in 15 States. We have been awarded multiple SDU contracts in seven States and have yet to lose an SDU customer. We know this success is due to our highly skilled staff, our technology that continuously brings new efficiencies to our operations, and our unwavering commitment to going the extra mile each day for our State partners.

### 3.1.1.2. A National or State Bank, or is affiliated with a National or State Bank.

The statement and documentation must be included with the bid submission.

#### 3.1.1.2 National or State Bank

SMI's banking partner for depository and disbursement banking services for the West Virginia SDU is J.P.Morgan Chase Bank, N.A. J.P.Morgan Chase & Co. is a financial holding company. Its principal banking subsidiaries are J.P.Morgan Chase Bank, N.A., a national banking association with branches in 23 States, and Chase Bank USA, N.A., the firm's credit card issuing bank. J.P.Morgan Chase Bank, N.A. is wholly owned by J.P.Morgan Chase & Co.

J.P.Morgan is a national banking association, organized and existing under the laws of the United States pursuant to a charter issued by the U.S. Office of the Comptroller of the Currency (OCC).

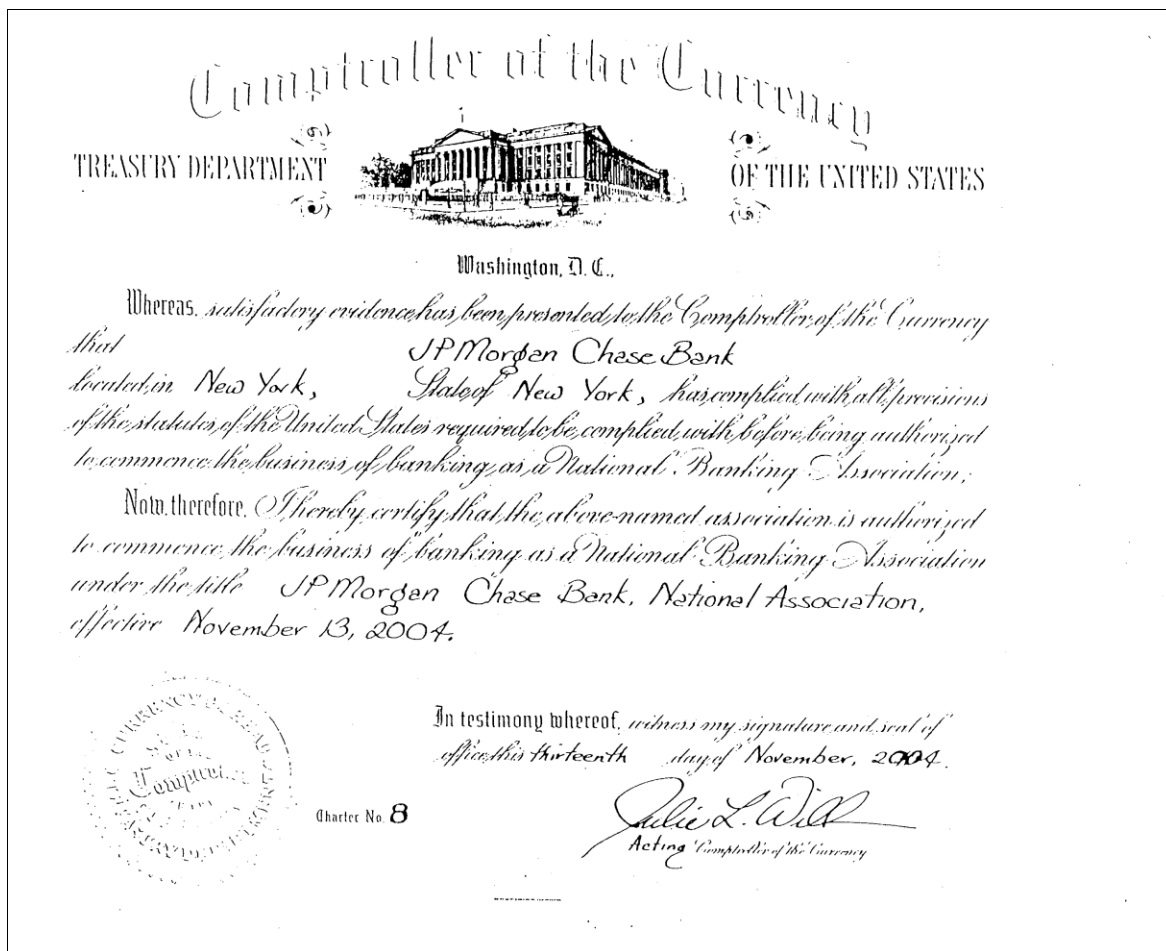


Figure 3-2: OCC Certificate of Corporate Existence and Fiduciary Powers. J.P.Morgan is a national banking association, organized and existing under the laws of the United States pursuant to a charter issued by the U.S. OCC.

A component of the Dow Jones industrial average, J.P.Morgan Chase & Co. has its corporate headquarters in New York. J.P.Morgan serves millions of consumers in the United States and many of the world's most prominent corporate, institutional, and government clients under the J.P.Morgan and Chase brands.

J.P.Morgan is a leading global financial services firm with assets of more than \$2.6 trillion. J.P.Morgan is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing, and asset management. With offices in 118 U.S. cities and 14 international locations, J.P.Morgan's Commercial Banking provides comprehensive financial solutions, including lending, treasury services, investment banking, and asset management to meet its clients' domestic and international financial needs.

As a qualified public depository of the State of West Virginia, J.P.Morgan has been operating in West Virginia through its predecessor Union National Bank for more than 100 years. J.P.Morgan provides depository and disbursement banking services under the current West Virginia SDU



contract. J.P.Morgan will continue to comply with all aspects of Chapter 12 of the West Virginia Code, which includes full collateralization of all funds deposited over the amount insured by the Federal Deposit Insurance Corporation (FDIC). Deposits in J.P.Morgan Chase are insured by the FDIC as provided by law and regulation.

<b>DUPLICATE</b>	
<b>FEDERAL DEPOSIT INSURANCE CORPORATION</b> WASHINGTON, D. C.	
Hereby certifies that the deposits of each depositor in	
<b>JPMORGAN CHASE BANK, NATIONAL ASSOCIATION</b>	
<b>COLUMBUS</b>	
<b>OHIO</b>	
are insured to the maximum amount provided by the Federal Deposit Insurance Act	
	No: <u>628</u>
	In testimony whereof, witness my signature and the seal of the Corporation this <u>13TH</u> day of <u>NOVEMBER, 2004</u>
Attest:  EXECUTIVE SECRETARY	 CHAIRMAN OF THE BOARD OF DIRECTORS

Figure 3-3: FDIC Insured. Deposits in J.P.Morgan are insured by the FDIC as provided by law and regulation.

J.P.Morgan has shown over the years, and through this proposal, that they have the experience, the products, and the people to effectively, efficiently and securely support the West Virginia SDU with pioneering treasury solutions. J.P.Morgan's Treasury Services business is a full-service provider of innovative cash management services, specifically developed to meet the challenges treasury professionals face today. More than 135,000 governments, and municipalities, financial institutions, and corporations in more than 180 countries and territories entrust their business to J.P.Morgan.

J.P.Morgan's financial strength and scale allow for significant investments in technology that enhance the bank's ability to provide ongoing improvements as West Virginia SDU technologies advance. They continually innovate to enhance their client solutions, reduce processing costs, and increase operating efficiency.

J.P.Morgan is constantly analyzing the latest trends and investing in protecting their clients. The technology investment, which includes technology, communication, and equipment costs, is



approximately \$9 billion annually. They invested over \$600 million in 2017 on cybersecurity alone and will continue to invest to stay one step ahead. They take a multi-pronged approach in their recommendations to their clients to prevent fraud.

3.1.2 A direct participant and originator in the Automated Clearinghouse (ACH) system, or a company affiliated with such a participant and originator.

### 3.1.2 Direct Participant and Originator in ACH

SMI and our banking partner, J.P.Morgan are direct participants and originators in the ACH System. During 2017, SMI processed more than 46.5 million electronic payment transactions through electronic funds transfer (EFT). During this same period, we issued 31.8 million electronic disbursements through EFT. We offer a nationwide network of child support electronic payment subject matter experts. We follow and stay current with the rules the National Automated Clearing House Association (NACHA) publishes each January, including those encompassed by the Bankers Electronic Data Interchange (EDI) Council standards. As an affiliate member of the network, we are asked to participate in new rules discussion and feedback, allowing us to anticipate changes and do planning with the State agency, when appropriate. We are also active in the Electronic Funds Transfer Association (EFTA), the nation's leading inter-industry professional association promoting the adoption of electronic payment systems and commerce.

J.P.Morgan has provided ACH solutions to clients and has ranked consistently as a top originator of ACH transactions since the founding of the ACH network in 1972. They are highly involved and committed to the ACH industry and actively participate in legal reviews and monitoring of NACHA changes. With representation on the board of directors NACHA, as well as membership in several NACHA, Electronic Payments Network (EPN) and The Association for Work Process Improvement (TAWPI) councils, J.P.Morgan is an expert, thought leader, and driver of change in the payments industry and passes the benefits of this influence and experience directly to its clients.

J.P.Morgan's executives serve on several Federal Reserve Bank and private sector ACH task forces concerning processing, posting, settlement, and finality of payment. J.P.Morgan is committed to ACH issues, monitoring regulatory and legal issues closely. They are actively involved in developing industry processes to mitigate the rising risks associated with ACH payments.

Additionally, J.P.Morgan lends its leadership, expertise, and experience to the following industry committees:

- New York Clearing House – ACH Committee
- NACHA – The Electronic Payments Association – Board of Directors
- NACHA – The Electronic Payments Association – The Global Payments Forum
- NACHA – The Electronic Payments Association – The Council for Electronic Billing and Payment
- NACHA – The Electronic Payments Association – Internet Council





J.P.Morgan is active in industry forums related to the creation and adoption of International Organization for Standardization (ISO) 20022 standards that include the ISO 20022 Registration Management Group (RMG), the ISO 20022 Payment Standards Evaluation Group (SEG), and the Common Global Implementation (CGI) workgroup and its predecessor the Corporate Straight-through Processing (CSTP) workgroup.

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### 3.1.2.1 Related Experience-

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#### 3.1.2.1 Related Experience

SMI began as a provider of data processing services for human services agencies. Responding to our clients' needs, SMI soon developed a system to automate food stamp distribution for 15 States. SMI's core food stamp business provided the stepping-stone for SMI's governmental contracting niche. SMI expanded its service offerings to include transitional food stamp issuance, financial management systems, social services tracking and document management systems, child support payment processing and disbursements systems, customer service, and debit card services. It all adds up to a deeper level of experience that benefits our clients and the citizens we serve together—in everything we do.

#### SDU Experience

During 2017, using our **SMART** solution, SMI processed more than 67 million child support payment transactions totaling \$11.9 billion while maintaining a combined posting accuracy rate of 99.99 percent—a true industry benchmark. During the same period, we also issued 32.9 million disbursements totaling more than \$5.8 billion.

To support our SDU operations, SMI has also been delivering child support customer service for more than 18 years. We provide various levels of customer service in our child support contracts, ranging in complexity from providing collection and disbursement information only to providing a full-service Customer Service Center and integrated voice response (IVR) functionality. In 2017, we handled 3.6 million calls to our SDU IVRs and 1.3 million calls to our SDU CSRs. SMI understands the importance of ensuring a technologically sound customer service solution that guarantees prompt and reliable service, while also providing enough well-trained CSRs to deliver courteous and accurate responses to customer inquiries.

To prepare for any State requirements, SMI adopts a “big picture” approach to customer service wherein we design our customer service operations to be able to meet any goal with minimal adaptation necessary. All the SDUs operate with a monthly average speed of answer goal of either one or two minutes and most consistently achieve less than a one-minute monthly average.

The infographic in the following figure shows the locations of our SDU operations, years of experience, scope and volume of services provided, and payment processing accuracy rates.



### SDU SERVICES FOR ALL STATES

- ✓ Paper and Electronic Receipting and Processing
- ✓ Document Imaging and Management
- ✓ Depository Banking
- ✓ Image Cash Letters
- ✓ Payment Research and Resolution
- ✓ Network Infrastructure
- ✓ Image Viewer
- ✓ Outreach
- ✓ e-Commerce (with exception of Idaho)

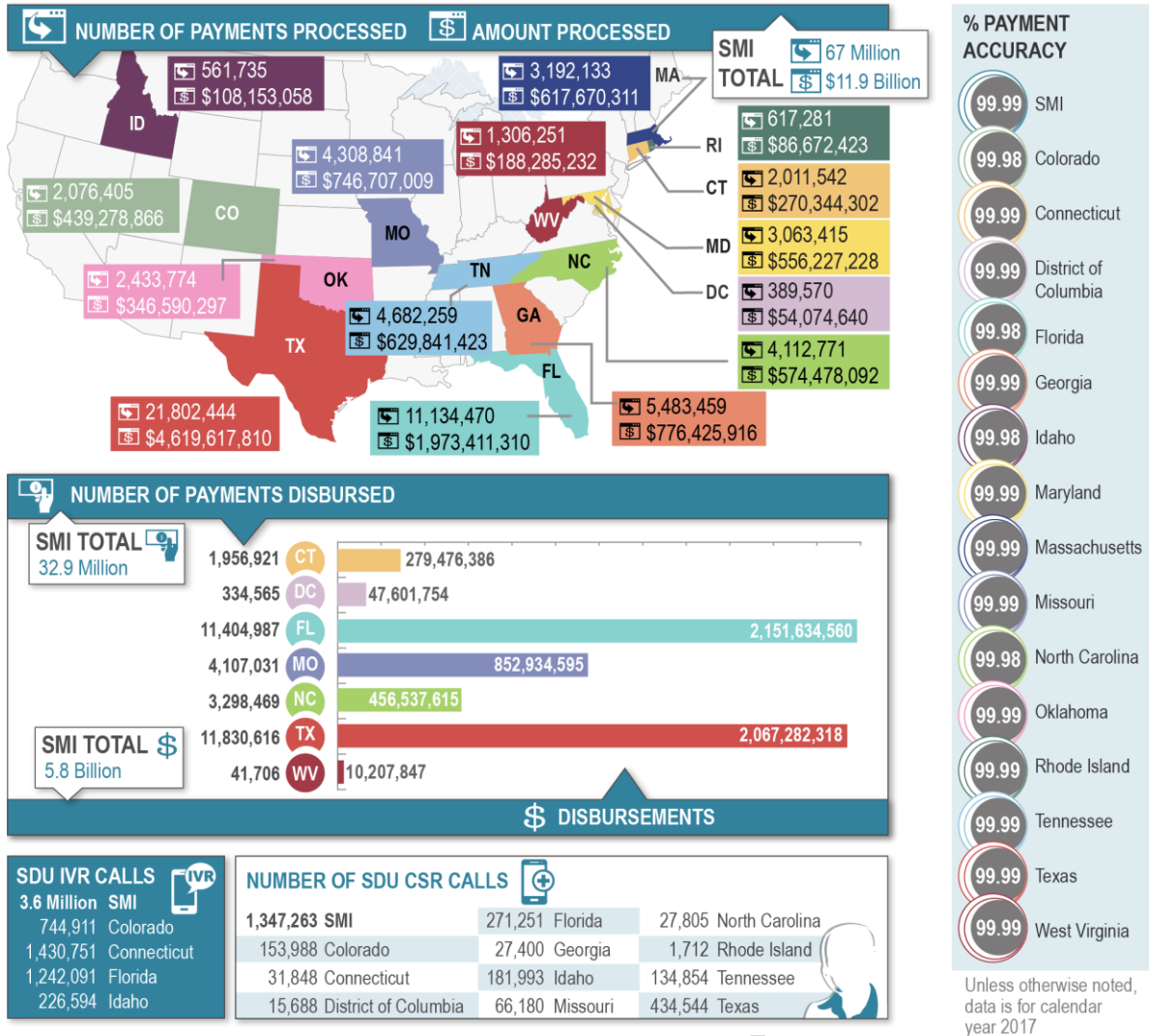


Figure 3-4: Extensive SDU Experience. SMI currently operates SDUs for 15 States. We have been awarded multiple contracts in seven States and transitioned SDU and related child support services from other Vendors in 11 States.





In terms of payment receipting and processing volumes, our SDUs range in size from some of the smallest to the nation's largest. No operation is too small or too large for our **SMART** solution. Additional details regarding our current scope of work in each SDU operation are provided in the following table.

Table 3-1: SDU Services. SMI has broad SDU experience that exceeds the scope of work required for West Virginia's SDU.

Service	CO	CT	DC	FL	GA	ID	MD	MA	MO	NC	OK	RI	TN	TX	WV
Transitioned SDU from State/Local/Court System			X						X	X		X			
Transitioned SDU from Another Vendor	X	X		X	X	X	X	X			X		X	X	X
Paper & Electronic Receipting & Processing	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Document Imaging & Management	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Image Viewer	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Paper Disbursements		X	X	X					X						X
Electronic Disbursements		X	X	X					X	X				X	
Depository Banking	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Image Cash Letters (ICLs)	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Disbursement Banking		X	X	X					X	X				X	
Reconciliation	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Payment Research & Resolution	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Payment <i>Exception Processing</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Adjustments	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
NSF/Non-Payment Collection Activities		X	X		X	X	X		X		X		X	X	
Statements/Coupon Production & Delivery		X							X	X					
Other/Special Notices Production & Delivery		X	X		X		X		X	X					
Network Infrastructure and Secure File Transfers	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Outreach	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
e-Commerce	X	X	X	X	X		X	X	X	X	X	X	X	X	X
Non-IVD State Case Registry Processing					X			X						X	
Medical Support								X							



Service	CO	CT	DC	FL	GA	ID	MD	MA	MO	NC	OK	RI	TN	TX	WV
Employer Table Maintenance		X	X												
New Hire Data Processing								X							
Paternity Document Imaging & Management										X					
Customer Service	IVR	X	X		X										
	CSRs	X	X	X	X	X		X	X			X	X	X	
	Chat Service												X		

In each of the above-referenced partnerships, SMI operates the State's federally required SDU, providing for the centralized collection receipting and processing of child support payments. SMI was selected for each of our State SDU contracts due to our distinct, innovative approach that combines state-of-the-art technology with common-sense workflow. Equally important is our management accessibility and the special attention we give to each of our partners.

Except for the West Virginia SDU, SMI is the prime Vendor for each of these SDU operations. In West Virginia, we serve as a subcontractor to KeyBank. We provide child support payment collection, processing, tracking, and check printing and mailing services as part of our subcontract with KeyBank and formerly as a subcontractor to J.P.Morgan.

In each of the 15 States we serve, SMI has experience providing SDU services similar in nature and complexity as required in delivering services under the RFQ. Tailored to each State's specific needs, we use our **SMART** solution in all our SDU operations. SMI also provides and manages the facility, staff, software, hardware, infrastructure, security, and equipment for each operation.

## Debit Card Experience

SMI has been a provider of debit card services for government issued payments since 2006, delivering debit card services for seven States and seven tribes. During our 12 years of debit card experience, SMI has implemented new programs for five States and seven tribes and transitioned programs from other Vendors to the smiONE Card in Texas and Florida. We've also transitioned debit card programs from our prior subcontractor's cards to the smiONE Card in five States.

The smiONE Card currently has 1.85 million cards in service. In 2017, we processed 24.2 million debit card loads totaling more than \$3.96 billion and processed 118 million debit card transactions totaling \$3.6 billion. For the delivery of debit card services, our partners include:



- Visa, providing the world's largest retail payment network transacting more than \$8.9 trillion per year
- The Bancorp Bank, the #1 Visa prepaid debit card issuer, serves as the card-issuing and depository bank
- Galileo Processing, Inc. provides transaction processing and currently processes transactions totaling more than \$10 billion annually
- Arroweye Solutions, Inc. serves as our EMV® card production partner and provides the capacity to produce 750,000 cards per day in each of their two card production facilities
- Coleman & Associates, LLC, with 15 years' experience supporting SDU printing and mailing operations, serves as our partner for the printing and mailing of monthly debt card statements

With our industry-leading team, the smiONE Card offers advanced processing technology for branded debit card payments with a complete range of supportive services.

SMI's customer-focused service sets the smiONE Card apart from other government debit card programs. Instead of building our IVR scripts so that it is virtually impossible to speak with a Customer Service Representative (CSR), SMI builds our IVR scripts to allow a cardholder to easily access a CSR when desired. SMI's Customer Service Center is staffed by SMI employees. By handling this critical aspect of customer service, we can ensure timely and accurate responses to customer contacts. Additionally, obtaining direct customer feedback through customer contacts is invaluable to delivering the best possible customer service. We learn first-hand from our customers when there is an issue that needs to be addressed and can immediately respond to those needs without having to address the issues through a subcontractor. In 2017, we handled 52.96 million calls to our smiONE IVRs and 1.47 million calls to our smiONE CSRs.

The following figure shows the current locations of our debit card programs, the scope and volume of services provided, and the years of experience in each State. Our extensive debit card experience includes large, high-volume projects as well as smaller projects.



### DEBIT CARD SERVICES FOR ALL STATES

- ✓ Deposits of Government Payments
- ✓ Outreach/Marketing
- ✓ 24/7/365 IVR
- ✓ 24/7/365 CSR Availability
- ✓ Secure Website
- ✓ Mobile App
- ✓ Online Bill Pay
- ✓ Text/Email Notifications
- ✓ Paper and Online Statements
- ✓ Secondary Cards
- ✓ Personal Deposits
- ✓ Reporting

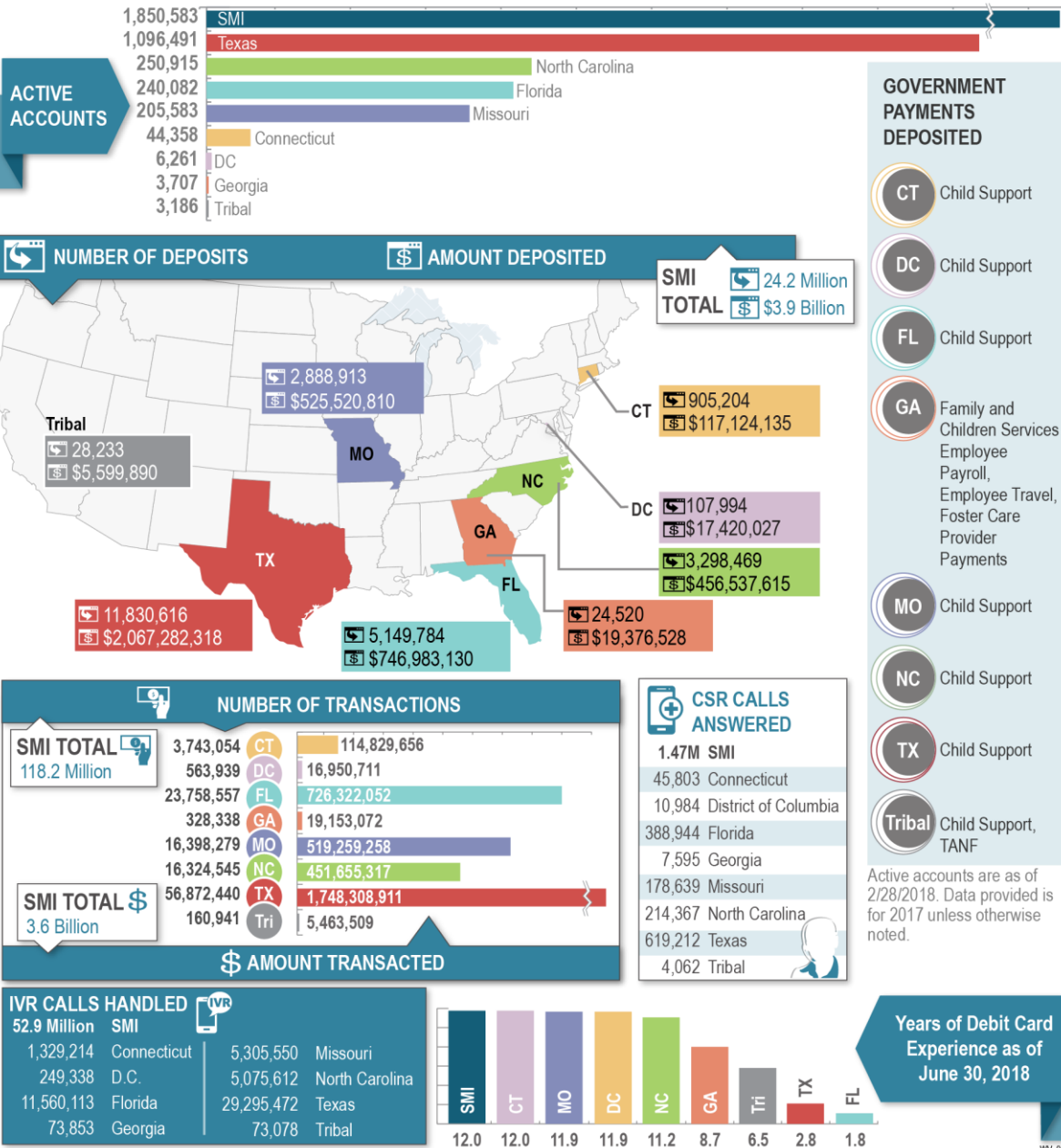


Figure 3-5: Extensive Debit Card Experience. SMI has 12 years of experience providing debit card services for seven States and seven tribes.



As a part of our SDU contracts in Connecticut, the District of Columbia, Florida, Missouri, North Carolina, and Texas, we provide debit card services for the disbursement of support payments with 1.85 million cards in service. We have debit card only contracts to disburse child support payments via the smiONE Tribal Card for the Delaware, Eastern Band of Cherokee, Lac Courte Oreilles, Modoc, Muscogee Creek Nation, Ponca, and Winnebago Tribes. We also load Temporary Assistance for Needy Families (TANF) payments for the Eastern Band of Cherokee Tribe. As a part of our financial services contract with the Georgia Division of Family and Children Services (DFCS), we provide debit card services to disburse payments to foster parents and providers and payroll to DFCS employees.

The following table provides additional details regarding the scope of work for each of our debit card programs.

Table 3-2: Debit Card Services. SMI has experience providing all services required for West Virginia's debit card.

Debit Card Services	CT	DC	FL	GA	MO	NC	TX	Tribal
Implemented New Program	X	X		X	X	X		X
Transitioned Program from SMI Subcontractor	X	X		X	X	X		
Transitioned Program from Another Vendor			X				X	
Child Support Deposits	X	X	X		X	X	X	X
Payroll Deposits				X				
Travel Deposits				X				
Foster Care Provider Deposits				X				
TANF Deposits								X
Personal Deposits for Payroll, Tax Refunds, and Government Benefits	X	X	X	X	X	X	X	X
Outreach/Marketing	X	X	X	X	X	X	X	X
24/7/365 IVR	X	X	X	X	X	X	X	X
24/7/365 Customer Service Center CSR Availability	X	X	X	X	X	X	X	X
Secure Website	X	X	X	X	X	X	X	X



Debit Card Services	CT	DC	FL	GA	MO	NC	TX	Tribal
Mobile App	X	X	X	X	X	X	X	X
Online Bill Pay	X	X	X	X	X	X	X	X
Text Messaging/Email Notifications	X	X	X	X	X	X	X	X
State Access to Customer Service Tool (CST)	X	X	X	X	X	X	X	X
Secondary Cards	X	X	X	X	X	X	X	X
Paper Statements	X	X	X	X	X	X	X	X
Electronic Statements	X	X	X	X	X	X	X	X

For each of the smiONE Card programs, we provide all card related services including 24/7/365 customer service through an IVR and Customer Service Center, online account management through a website and mobile app, and options such as personal deposits, secondary cards, online bill pay services, and cardholder-managed notifications. For each of the smiONE implementations or transitions, we also designed and distributed outreach and marketing materials providing cardholders with important program information.

### SDU Project Summaries

The following project summaries provide additional information regarding our SDU experience in our 15 SDU operations in Colorado, Connecticut, the District of Columbia, Florida, Georgia, Idaho, Maryland, Massachusetts, Missouri, North Carolina, Oklahoma, Rhode Island, Tennessee, Texas, and West Virginia. Included for each project is our State customer name and contact information, contract dates, a summary of the scope and volume of work, innovation, and results.



## Colorado Family Support Registry (FSR)

In Colorado, our primary responsibilities include collections receipting and processing and expanded customer service. SMI is in its 12th year of operations in Colorado. See the following project summary for details on our Colorado experience.

SMI-COLORADO FSR	
<b>Customer Name and Address:</b> Department of Human Services Division of Child Support Enforcement 1575 Sherman Street Denver, CO 80203	<b>Contract Dates:</b> 11/2006–6/2014 7/2014–6/2020 with three one-year extension options
<b>Services Provided:</b> <ul style="list-style-type: none"><li>Paper and electronic collections receipting and processing</li><li>Document imaging and management</li><li>Depository banking services, including ICL processing</li><li>Unidentified payment research and resolution</li><li>Collection exception processing</li><li>Adjustments</li><li>Reconciliation</li><li>Network infrastructure administration and secure file transfers</li><li>Payment website/mobile website portal administration</li><li>Employer outreach for electronic payment initiatives</li><li>Online debit card and direct deposit applications</li><li>Customer service, including an IVR and CSRs to assist payees, payors, employers, and other States' IV-D agencies with questions on collections, disbursements, and case management issues. As part of our customer service delivery, SMI is also responsible for tracking unresolved issues, including forwarding requests to local child support offices, when necessary, and processing requests for Direct Deposit Applications, Recurring Automatic Withdrawals, Pay-by-Phone, and Payment Histories. SMI also provides outbound text messaging to provide case updates to payors.</li></ul>	
<b>Volume of Work Performed Calendar Year 2017:</b> <ul style="list-style-type: none"><li>Payments Processed Number: 2,076,405</li><li>Payments Processed Dollars: \$439,278,866</li><li>IVR Calls: 744,911</li><li>Customer Service Calls: 153,988</li><li>Correspondence Processed: 142,735</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>Successfully transitioned the Colorado FSR from another Vendor</li><li>Increased electronic receipt of collections by 6% during first year of operations</li><li>Added web-based services for employers, including secure automated reconciliation process and an ACH Debit option in 2011</li><li>Implemented automated hold of Defense Finance and Accounting Service (DFAS) and U.S. Treasury EFT payments in months when two payments are received</li><li>Completed upgrade from mainframe interface to web services interface for the IVR in 2013</li><li>As part of 2015 re-implementation of services, implemented new and enhanced services including outbound text messaging to provide case updates to payors, an IVR option to request payment and disbursement records, online debit card and direct deposit applications, online ACH payment options and a mobile website for payors.</li><li>Implemented receipt of PayNearMe payments in 2017</li><li>2017 error-free posting accuracy rate of 99.99%</li><li>2017 electronic remittance rate of 58%</li></ul>	





## Connecticut Centralized Child Support Processing Center (CCSPC)

We are in our 17th year in Connecticut, operating a full-service SDU. Our primary responsibilities include collections receipting and processing, electronic and paper disbursements, and customer service. SMI continues to provide all services described below under a contract extension with Connecticut. See the following project summary for details on our Connecticut experience.

SMI-CONNECTICUT CCSPC	
<b>Customer Address:</b> Bureau of Child Support Enforcement 25 Sigourney Street Hartford, CT 06106	<b>Contract Dates:</b> 11/2001–10/2008 11/2008–10/2018
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Paper and electronic disbursements</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Disbursement banking services</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ Non-sufficient funds (NSF) and other non-payment collection activities</li><li>▪ Payor statement/coupon production and delivery</li><li>▪ Consumer Reporting Agency Notices</li><li>▪ Special notice production and delivery</li><li>▪ Network infrastructure administration</li><li>▪ Payment website/mobile website portal administration</li><li>▪ Employer table maintenance</li><li>▪ Employer and payor outreach for electronic payment initiatives</li><li>▪ Employer compliance monitoring for income withholding</li><li>▪ Customer service, including CSRs to assist payees, payors, State agencies, employers, other States' IV-D agencies, and State staff with questions on collections, disbursements, and other SDU functions. The CSRs provide case management services, including updating case information, securing date of withholding, and managing the State's Application Problem Resolution report. SMI also operates a Customer Service Center that provides 24-hour/7 days-per-week customer service for the Connecticut smiONE Card.</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number 2,011,542</li><li>▪ Payments Processed Dollars: \$270,344,302</li><li>▪ Payments Disbursed Number: 1,956,921*</li><li>▪ Payments Disbursed Dollars: \$279,476,386*</li><li>▪ CCSPC IVR Calls: 1,430,751</li><li>▪ CCSPC Customer Service Calls: 31,848</li><li>▪ Correspondence Processed: 36,638</li><li>▪ Statements/Coupons Printed and Mailed: 583,760</li><li>▪ Consumer Reporting Agency Notices: 8,197</li><li>▪ NSF and Other Non-Payment Collections: \$196,767</li><li>▪ smiONE Transactions Number: 2,011,542</li><li>▪ smiONE Transactions Dollars: \$270,344,302</li><li>▪ smiONE IVR Calls: 1,430,751</li><li>▪ smiONE Customer Service Calls: 31,848</li></ul> <p>*Includes cardholder personal loads</p>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned the CCSPC from another Vendor's processing application</li><li>▪ Successfully transitioned bank accounts as part of our CT CCSPC implementation</li><li>▪ Working with State, reduced previous Vendor's undistributed collections by 98.99%</li><li>▪ Implemented an employer compliance solution</li><li>▪ Implemented debit cards for disbursements in 2006</li></ul>	



**West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001**



- Transitioned debit card services to the smiONE Card in 2013/2014, issuing 36,000 cards and providing upgraded card features including online account management, ability to load personal funds, 18 different alerts through text/email, online bill pay option, and mobile app
- In 2016, upgraded phone system for smiONE to provide enhanced features including call parking, supervisory consult option, enhanced reporting, and built-in workforce capability
- 2017 error-free posting accuracy rate of 99.996%
- 2017 electronic remittance rate of 69%



## District of Columbia Child Support Clearinghouse (CSC)

SMI operates a full-service SDU for the District. Our primary responsibilities include collections receipting and processing, electronic and paper disbursements, and customer service. SMI is in its 14th year of operations in the District. Additional details regarding our experience in the District are provided in the following project summary.

SMI– DISTRICT OF COLUMBIA CSC	
<b>Customer Address:</b> Office of the Attorney General, DC Child Support Enforcement Division 441 4th Street, N.W. 5th Floor South Washington, DC 20001	<b>Contract Dates:</b> 9/2004–7/2010 7/2010–7/2015 7/2015–03/2016 03/2016–03/2019 with two one-year extension options
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Paper and electronic disbursements</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Disbursement banking services</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ NSF and other non-payment collection activities</li><li>▪ Quarterly Notice production and delivery</li><li>▪ Network infrastructure administration</li><li>▪ Payment website portal administration</li><li>▪ Employer outreach for electronic payment initiatives</li><li>▪ Employer table maintenance</li><li>▪ Customer service, including CSRs to assist payees, payors, employers, other States' IV-D agencies, and District staff with questions on collections, disbursements, and other SDU functions. SMI also operates a Customer Service Center that provides 24-hour/7 days-per-week customer service for the District's smiONE Card.</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number: 389,570</li><li>▪ Payments Processed Dollars: \$54,074,640</li><li>▪ Payments Disbursed Number: 334,565*</li><li>▪ Payments Disbursed Dollars: \$47,601,754*</li><li>▪ SDU Customer Service Calls: 15,688</li><li>▪ Correspondence Processed: 2,624</li><li>▪ Quarterly Notices Printed and Mailed: 34,031</li><li>▪ NSF and Other Non-Payment Collections \$27,245</li><li>▪ smiONE Transactions Number: 563,939</li><li>▪ smiONE Transactions Dollars: \$16,950,711</li><li>▪ smiONE IVR Calls: 249,338</li><li>▪ smiONE Customer Service Calls: 10,984</li></ul> *Includes cardholder personal loads	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned collection, disbursement, and customer service operations from a court-based system</li><li>▪ Implemented debit cards for disbursements in 2006</li><li>▪ Helped resolve the unidentified child support payments backlog in the District at the same time SMI converted the project from the court-based system</li><li>▪ Enhanced electronic payment options</li><li>▪ First SDU in the nation to implement ICLs in 2006</li><li>▪ Transitioned to the District's new bank in 2011 with no cost to the District</li><li>▪ Transitioned debit card services to smiONE Card in 2013/2014, issuing 3,000 cards and providing upgraded card features including online account management, ability to load personal funds, 18 different alerts through text/email, online bill pay option, mobile app</li></ul>	



**West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001**



- In 2016, upgraded phone system for smiONE to provide enhanced features including call parking, supervisory consult option, enhanced reporting, and built-in workforce capability
- 2017 error-free posting accuracy rate of 99.998%
- 2017 electronic remittance rate of 68%



## Florida SDU

SMI operates a full-service SDU in Florida. Our primary responsibilities include collection receipting and processing, electronic and paper disbursements, and customer service. We are in our 2nd year of operations in Florida. See the following project summary for details on our Florida experience.

SMI-FLORIDA SDU	
<b>Customer Address:</b> Florida Department of Revenue Child Support Program 2450 Shumard Oak Blvd Tallahassee, FL 32311	<b>Contract Dates:</b> 01/2016–10/2021 with five one-year renewal options
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Paper and electronic disbursements</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Disbursement banking services</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ Network infrastructure administration</li><li>▪ Payment website/mobile website portal administration</li><li>▪ Employer outreach for electronic payment initiatives</li><li>▪ Online debit card and direct deposit applications</li><li>▪ Customer service, including an IVR and CSRs to assist payees, payors, employers, other States' IV-D agencies, court, and State staff with questions on collections, disbursements, and other SDU functions. SMI also operates a Customer Service Center that provides 24-hour/7 days-per-week customer service for the Florida smiONE Card.</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number: 11,134,470</li><li>▪ Payments Processed Dollars \$1,973,411,310</li><li>▪ Payments Disbursed Number: 11,404,987*</li><li>▪ Payments Disbursed Dollars: \$2,151,634,560*</li><li>▪ SDU IVR Calls: 1,242,091</li><li>▪ SDU Customer Service Calls: 271,251</li><li>▪ Correspondence Processed: 156,075</li><li>▪ smiONE Transactions Number: 23,758,557</li><li>▪ smiONE Transactions Dollars: \$726,322,052</li><li>▪ smiONE IVR Calls: 11,560,113</li><li>▪ smiONE Customer Service Calls: 388,944</li></ul> *Includes cardholder personal loads	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned collection, disbursement, and customer service operations from another Vendor</li><li>▪ Successfully transitioned non-IV-D, non-SDU mandated collections and disbursements for 62 Clerk of Court offices to the SDU</li><li>▪ Successfully transitioned SDU banking services as part of our SDU implementation</li><li>▪ First State to implement Platinum smiONE Card with EMV chip functionality</li><li>▪ First State to implement upgrade to the smiONE website and mobile app, including fingerprint authentication, dashboard, feedback screen, ability to suspend the card, and Automated Teller Machine (ATM) locate</li><li>▪ When Hurricane Irma shutdown local operations in 2017, successfully maintained all critical SDU operations off-site</li><li>▪ 2017 Error-free posting accuracy rate of 99.98%</li><li>▪ 2017 Electronic remittance rate of 82%</li></ul>	



## Georgia Family Support Registry (FSR)

SMI's primary responsibilities in Georgia include collections receipting and processing, customer service, expanded document imaging and management, and non-IV-D case registration services. We are in our 15th year of operations in Georgia. The following project summary provides additional details regarding our Georgia operations.

SMI-GEORGIA FSR	
<b>Customer Address:</b> Georgia Department of Human Services Division of Child Support Services 2 Peachtree Street, NW, Suite 20-101 Atlanta, GA 30303-3142	<b>Contract Dates:</b> 7/2004-3/2013 4/2013-12/2018
<b>Services Provided:</b> <ul style="list-style-type: none"><li>Paper and electronic collections receipting and processing</li><li>Document imaging and management</li><li>Depository banking services, including ICL processing</li><li>Unidentified payment research and resolution</li><li>Collection exception processing</li><li>Adjustments</li><li>Reconciliation</li><li>Special notice production and delivery</li><li>Non-IV-D case registration</li><li>Expanded document imaging and management/electronic filing cabinet for case records</li><li>Network infrastructure administration</li><li>Payment website/mobile website portal administration</li><li>Employer outreach for electronic payment initiatives</li><li>Customer service, including CSRs to assist employers, other States' IV-D agencies, and State staff with questions on collections, disbursements, and other FSR functions</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>Payments Processed Number: 5,483,459</li><li>Payments Processed Dollars: \$776,425,916</li><li>FSR Customer Service Calls: 27,400</li><li>Electronic Case File Imaging (pages): 1,302,099</li><li>Correspondence Processed: 52,962</li><li>Non-IV-D Case Registration: 808</li><li>NSF and Other Non-Payment Collections: \$228,796</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>Successfully transitioned the FSR from another Vendor to our <b>SMART</b> solution in less than three months</li><li>Increased electronic receipt of collections by 43% in our first year of operations</li><li>Developed and implemented document imaging and management solution for child support applications and locate forms in 2006</li><li>Developed and implemented payor bank account auto withdrawal at no cost to State in 2006</li><li>Transitioned PO Boxes to increase mail receipt efficiency</li><li>Transitioned to State's new bank with no cost to State in 2012</li><li>Developed and implemented an electronic file cabinet solution for child support case records in 2011</li><li>Developed and implemented <b>SMART Remote</b> in 2012 for same-day processing of locally received and scanned payments</li><li>In partnership with TouchPay, developed and implemented kiosk-based payment solution in 2012</li><li>Vastly Improved error free posting accuracy rate from previous Vendor's 99.6%</li><li>Integrated SMI mobile <b>SMART e-Pay</b> website with State's mobile app in 2016</li><li>2017 error-free posting accuracy rate of 99.998%</li><li>2017 Electronic remittance rate of 63%</li></ul>	



## Idaho Child Support Receipting Services

SMI's primary responsibilities in Idaho have been collections receipting and processing, customer service, and case management. As of November 13, 2017, our customer service was no longer needed as the State implemented an agency wide customer service unit. Additional information regarding the Idaho contract is provided in the following project summary. We are in our 7th year of operations in Idaho.

SMI-IDAHO CHILD SUPPORT RECEIPTING SERVICES	
<b>Customer Address:</b> Idaho Department of Health and Welfare 650 W. State Street Boise, ID 83702	<b>Contract Dates:</b> 7/2011–7/2018 with one additional one-year extension option
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper collections receipting and processing</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ Network infrastructure administration</li><li>▪ Employer outreach for electronic payment initiatives</li><li>▪ Customer service, including an IVR and CSRs to assist payees, payors, employers, other States' IV-D agencies, and State staff with questions on collections, disbursements, and other ID SDU functions</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number 561,735</li><li>▪ Payments Processed Dollars: \$108,153,058</li><li>▪ IVR Calls: 226,594</li><li>▪ Customer Service Calls: 181,993</li><li>▪ Correspondence Processed: 23,744</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned the ID SDU from another Vendor to our <b>SMART</b> solution in less than 90 days from contract award</li><li>▪ IVR and <b>SMART Contact</b> implemented for customer service</li><li>▪ IVR script and functionality changes in 2012, 2013, 2014, 2015, 2016, and 2017 at no cost to the State</li><li>▪ Updates to collection types and magnetic ink character recognition (MICR) profile to meet changing business needs for payment processing at no cost to the State in 2011, 2012, and 2013</li><li>▪ Enhancements to <b>SMART Contact</b> at no cost to the State to add an alert for special situations and to enable copying of narratives to all applicable cases in 2013</li><li>▪ 2017 error-free posting accuracy rate of 99.98%</li></ul>	





## Maryland SDU

SMI's primary responsibilities in Maryland include collections receipting and processing services. We are in our 5th year of operations in Maryland. Additional information regarding the Maryland contract is provided in the following project summary.

SMI-MARYLAND SDU	
<b>Customer Address:</b> Department of Human Services Child Support Enforcement Administration 311 W. Saratoga Street Baltimore, MD 21201	<b>Contract Dates:</b> 3/2014–5/2019 with a two-year extension option
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ NSF and other non-payment collection activities</li><li>▪ Special notice production and delivery</li><li>▪ Network infrastructure administration</li><li>▪ Payment website portal administration</li><li>▪ Employer and payor outreach for electronic payment initiatives</li><li>▪ Online direct deposit application</li><li>▪ Imaging and indexing of local office mail (incoming and returned mail items) made available in file imported into Maryland's child support enforcement system dashboard</li><li>▪ Customer service, including CSRs to assist employers, other States' IV-D agencies, and State staff with questions on collections, disbursements, and other SDU functions</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number: 3,063,415</li><li>▪ Payments Processed Dollars: \$556,227,228</li><li>▪ Correspondence Processed: 33,973</li><li>▪ NSF and Other Non-Payment Collections: \$491,812</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned the MD SDU from another Vendor to our <b>SMART</b> solution in 90 days</li><li>▪ Brought <b>SMART e-Pay</b> online a week earlier than planned to allow employers and payors the opportunity to register and schedule payments</li><li>▪ At the State's request (outside contract scope), developed, printed, and mailed approximately 80,000 notices informing employers and payors using ExpertPay for a fee that SMI provides free electronic payment options</li><li>▪ Implemented <b>SMART Remote</b> in 2015 for same-day processing of locally received and scanned payments</li><li>▪ In partnership with TouchPay, implemented kiosk-based payment solution in 2015</li><li>▪ Provide imaging and indexing of local office mail (incoming and returned mail items); after completing quality assurance, images are made available in a file imported into Maryland's child support enforcement system dashboard for worker access</li><li>▪ 2017 error-free posting accuracy rate of 99.997%</li><li>▪ 2017 electronic remittance rate of 74%</li></ul>	



## Massachusetts SDU

In addition to child support collection receipting and processing in Massachusetts, our primary responsibilities include data processing for New Hire Reporting, National Medical Support Notice (NMSN) processing and customer service, and non-IV-D case processing for the State Case Registry. We are in our 10th year of operations in Massachusetts. See the following project summary for additional information on the services we provide in Massachusetts.

SMI-MASSACHUSETTS SDU	
<b>Customer Address:</b> Massachusetts Department of Revenue Child Support Services 100 Cambridge St., 6th Floor Boston, MA 02114	<b>Contract Dates:</b> 4/2009–3/2017 5/2016-5/2021 with two additional two-year renewal options; note, second contract ran concurrent with first
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ Special notice production and delivery</li><li>▪ Non-IV-D case processing for State Case Registry</li><li>▪ New Hire Reporting data processing</li><li>▪ NMSN processing and customer service</li><li>▪ Network infrastructure administration</li><li>▪ Payment website portal administration</li><li>▪ Employer outreach for electronic payment initiatives</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number: 3,192,133</li><li>▪ Payments Processed Dollars: \$617,670,311</li><li>▪ New Hire Reporting Data Processing: 12,742</li><li>▪ Correspondence Processed: 379,396</li><li>▪ NMSN Processing: 63,665</li><li>▪ Non-IV-D Case Processing: 773</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned the MA SDU from another Vendor to our <b>SMART</b> solution</li><li>▪ Successfully transitioned bank accounts as part of the SDU implementation</li><li>▪ Increased electronic receipt of collections by 26% after our 2009 transition, despite Massachusetts having mandated electronic remittance of support payments under the previous SDU Vendor in 2004</li><li>▪ Implemented automated hold of DFAS and U.S. Treasury EFT payments in months when two payments are received</li><li>▪ As part of current contract transition, worked with the State as they implemented their new automated child support system, including moving from file transfers to data transfers via web services</li><li>▪ 2017 error-free posting accuracy rate of 99.999%</li><li>▪ 2017 electronic remittance rate of 74%</li></ul>	



## Missouri Family Support Payment Center (FSPC)

SMI operates a full-service SDU in Missouri. Our primary responsibilities in Missouri include collection receipting and processing, electronic and paper disbursements, coupon and bill printing as well as electronic production, and customer service. We are in our 3rd contract and 19th year of operations in Missouri. Additional details regarding the Missouri contract are provided in the following project summary.

SMI-MISSOURI FSPC	
<b>Customer Address:</b> Department of Social Services Family Support Division PO Box 2320 Jefferson City, MO 65102-2320	<b>Contract Dates:</b> 6/1999-3/2006 3/2006-4/2013 4/2013-10/2018
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Paper and electronic disbursements</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Disbursement banking services</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ NSF and other non-payment collection activities</li><li>▪ Payor statement/coupon production and delivery (paper and electronic)</li><li>▪ Special notice production and delivery</li><li>▪ Network infrastructure administration</li><li>▪ Payment website/mobile website portal administration</li><li>▪ Employer and payor outreach for electronic payment initiatives</li><li>▪ Online direct deposit application</li><li>▪ Customer service, including CSRs to assist payees, payors, employers, other States' IV-D agencies, and State staff with questions on collections, disbursements, and other FSPC functions. SMI also operates a Customer Service Center that provides 24/7 customer service for the Missouri smiONE Card.</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number 4,308,841</li><li>▪ Payments Processed Dollars: \$746,707,009</li><li>▪ Payments Disbursed Number: 4,107,031*</li><li>▪ Payments Disbursed Dollars: \$852,934,595*</li><li>▪ FSPC Customer Service Calls: 66,180</li><li>▪ Correspondence Processed: 92,323</li><li>▪ Statements/Coupons Printed and Mailed: 1,138,906</li><li>▪ Statements/Coupons Sent Electronically: 73,810</li><li>▪ NSF and Other Non-Payment Collections: \$526,466</li><li>▪ smiONE Transactions Number: 16,398,279</li><li>▪ smiONE Transactions Dollars: \$519,259,258</li><li>▪ smiONE IVR Calls 5,305,550</li><li>▪ smiONE Customer Service Calls: 178,639</li></ul> *Includes cardholder personal loads	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned collection, disbursement, and customer service operations from 114 counties and City of St. Louis</li><li>▪ Worked with State in 2006 to implement debit card disbursements achieving 98% electronic disbursement rate</li><li>▪ Implemented enhancements to e-commerce and online services in 2013, including: online direct deposit application, online billing statements/coupons, credit card payments, automated employer reconciliation, employer EFT/EDI file creation, and mobile website for payors</li></ul>	



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- Transitioned debit card services to smiONE Card in 2013/2014, issuing 136,000 cards and providing upgraded card features including online account management, ability to load personal funds, 18 different alerts through text/email, online bill pay option, mobile apps
- In 2016, upgraded phone system for smiONE to provide enhanced features including call parking, supervisory consult option, enhanced reporting, and built-in workforce capability
- 2017 error-free posting accuracy rate of 99.995%
- 2017 electronic remittance rate of 62%



## North Carolina Centralized Collections Operation (CCO)

SMI's primary responsibilities in North Carolina include collections receipting and processing, debit card disbursements, billing statement/coupon printing and mailing as well as electronic production, paternity acknowledgment imaging and online access, and customer service. We are in our 4th contract term in North Carolina and our 19th year of operations. Additional details regarding our experience in North Carolina are provided in the following project summary.

SMI-NORTH CAROLINA CCO			
<b>Customer Address:</b> Department of Health and Human Services, Contracts Office, Division of Social Services 820 S. Boylan Avenue 2402 Mail Service Center Raleigh, NC 27699-2401	<b>Contract Dates:</b> 1/1999–9/2005 10/2005–9/2010 10/2010–12/2015 1/2016–12/2018 with two one-year extension options		
<b>Services Provided:</b> <ul style="list-style-type: none"> <li>Paper and electronic collections receipting and processing</li> <li>Debit card disbursements</li> <li>Document imaging and management</li> <li>Depository banking services, including ICL processing</li> <li>Disbursement banking services</li> <li>Unidentified payment research and resolution</li> <li>Collection exception processing</li> <li>Adjustments</li> <li>Reconciliation</li> <li>NSF activities</li> <li>Payor statement/coupon production and delivery (paper and electronic)</li> <li>Special notice production and delivery</li> <li>Network infrastructure administration</li> <li>Payment website portal administration</li> <li>Employer and payor outreach for electronic payment initiatives</li> <li>Paternity document imaging, indexing, and online access</li> <li>Customer service, including CSRs to assist employers, other States' IV–D agencies, and State staff with questions on collections, disbursements, and other CCO functions. SMI also provides 24-hour/7 day-per-week customer service for the smiONE Card.</li> </ul>			
<b>Volume of Work Performed for Calendar Year 2017:</b> <table> <tr> <td> <ul style="list-style-type: none"> <li>Payments Processed Number: 4,112,771</li> <li>Payments Processed Dollars: \$574,478,092</li> <li>Payments Disbursed Number: 3,298,469*</li> <li>Payments Disbursed Dollars: \$456,537,615*</li> <li>CCO Customer Service Calls: 27,805</li> <li>Correspondence Processed: 29,539</li> <li>Statements/Coupons Sent Electronically: 89,908</li> </ul> </td><td> <ul style="list-style-type: none"> <li>Statements/Coupons Printed and Mailed: 1,037,065</li> <li>smiONE Transactions Number: 16,324,545</li> <li>smiONE Transactions Dollars: \$451,655,317</li> <li>smiONE IVR Calls: 5,075,612</li> <li>smiONE Customer Service Calls: 214,367</li> </ul> </td></tr> </table> <p>*Includes cardholder personal loads</p>		<ul style="list-style-type: none"> <li>Payments Processed Number: 4,112,771</li> <li>Payments Processed Dollars: \$574,478,092</li> <li>Payments Disbursed Number: 3,298,469*</li> <li>Payments Disbursed Dollars: \$456,537,615*</li> <li>CCO Customer Service Calls: 27,805</li> <li>Correspondence Processed: 29,539</li> <li>Statements/Coupons Sent Electronically: 89,908</li> </ul>	<ul style="list-style-type: none"> <li>Statements/Coupons Printed and Mailed: 1,037,065</li> <li>smiONE Transactions Number: 16,324,545</li> <li>smiONE Transactions Dollars: \$451,655,317</li> <li>smiONE IVR Calls: 5,075,612</li> <li>smiONE Customer Service Calls: 214,367</li> </ul>
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<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"> <li>Successfully transitioned State/local collection operations to centralized SDU operations</li> <li>Implemented NCKIDSCARD for disbursements in 2007</li> <li>Transitioned existing NCKIDSCARD to smiONE Card in 2011, issuing 140,000 cards</li> <li>Implemented electronic smiONE statements in 2011</li> <li>Enhanced website for employers in 2012</li> <li>Implemented electronic statements/coupons in May 2012</li> <li>Implemented imaging of paternity documents and online access via <b>SMART Image Viewer</b> in 2014</li> </ul>			



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- In 2016, upgraded phone system for smiONE to provide enhanced features including call parking, supervisory consult option, enhanced reporting, and built-in workforce capability
- 2017 error-free posting accuracy rate of 99.98%
- 2017 electronic remittance rate of 46% (in North Carolina, the State receipts electronic payments in addition to the payments receipted by SMI; the 46% is applicable only to SMI receipted payments)



## Oklahoma Centralized Support Registry (OCSR)

SMI's primary responsibilities in Oklahoma include collections receipting and processing services. We are in our 6th year of service in Oklahoma. Additional information regarding the Oklahoma contract is provided in the following project summary.

SMI-OKLAHOMA OCSR	
<b>Customer Address:</b> Oklahoma Department of Human Services Child Support Services PO Box 248822 Oklahoma City, OK 73124	<b>Contract Dates:</b> 8/2012–11/2018 with one additional one-year extension options
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ Network infrastructure administration</li><li>▪ Payment website/mobile website portal administration</li><li>▪ Employer and payor outreach for electronic payment initiatives</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number: 2,433,774</li><li>▪ Payments Processed Dollars: \$346,590,297</li><li>▪ Correspondence Processed: 39,942</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned the OCSR from another Vendor to our <b>SMART</b> solution in 90 days</li><li>▪ In 2013, added new payment types for BancFirst, MoneyGram, and Pay by Phone at no cost to the State</li><li>▪ In 2014, added ability to change EFT payment types and a process to allocate certain payments by payor number at no cost to the State</li><li>▪ Implemented automated hold for DFAS and U.S. Treasury EFT payments in months when two payments are received</li><li>▪ Implemented mobile website for payors in 2014</li><li>▪ 2017 error-free posting accuracy rate of 99.99%</li><li>▪ 2017 electronic remittance rate of 59%</li></ul>	





## Rhode Island Payment Service Unit (PSU)

SMI, Connecticut, and Rhode Island joined together in 2010 to create a regional SDU. SMI successfully integrated the operations of two States into one facility in Connecticut. To meet each State's unique requirements, SMI provides a customized version of **SMART**, with separate databases for each individual State. SMI's primary responsibilities in Rhode Island include collections receipting and processing services and customer service. We are in our 8th year of operations in Rhode Island. Additional details regarding our Rhode Island contract are provided in the project summary that follows. (Connecticut details are provided earlier within this section.)

SMI-RHODE ISLAND PSU	
<b>Customer Address:</b> Rhode Island Department of Human Services Office of Child Support Services 77 Dorrance St., 4th Floor Providence, RI 02903	<b>Contract Dates:</b> 4/2010–10/2018
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ Network infrastructure administration</li><li>▪ Payment website portal administration</li><li>▪ Employer and payor outreach for electronic payment initiatives</li><li>▪ Customer service, including CSRs to assist payees, payors, employers, other States' IV-D agencies, and State staff with questions on collections, disbursements, and other CCSPC functions</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number: 617,281</li><li>▪ Payments Processed Dollars: \$86,672,423</li><li>▪ Customer Service Calls: 1,712</li><li>▪ Correspondence Processed: 3,333</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully integrated operations of two States into one facility, transitioning Rhode Island from a court-based system to the CT CCSPC</li><li>▪ 2017 error-free posting accuracy rate of 99.997%</li><li>▪ 2017 electronic remittance rate of 64%</li></ul>	



## Tennessee SDU

SMI's primary responsibilities in Tennessee include collections receipting and processing and expanded customer service. We are in our 10th year of operations in Tennessee. Additional details regarding our Tennessee contract are provided in the following project summary.

SMI-TENNESSEE SDU	
<b>Customer Address:</b> Tennessee Department of Human Services Child Support Fiscal Services 400 Deaderick Street Nashville, TN 37243	<b>Contract Dates:</b> 7/2009–2/2014 3/2014–2/2019
<b>Services Provided:</b> <ul style="list-style-type: none"><li>Paper and electronic collections receipting and processing</li><li>Document imaging and management</li><li>Depository banking services, including ICL processing</li><li>Unidentified payment research and resolution</li><li>Collection exception processing</li><li>Adjustments</li><li>Reconciliation</li><li>NSF and other non-payment collection activities</li><li>Network infrastructure administration</li><li>Payment website/mobile website portal administration</li><li>Employer outreach for electronic payment initiatives</li><li>Correspondence processing</li><li>Customer service, including CSRs and a chat service. Activities include tracking unresolved issues and, as necessary, forwarding requests to local child support offices or child support fiscal services and placing outbound follow-up calls to update clients on the status of their inquiries. CSRs also process requests for Administrative Hearings and Payment Histories.</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>Payments Processed Number: 4,682,259</li><li>Payments Processed Dollars: \$629,841,423</li><li>Customer Service Calls: 134,854</li><li>Live Chats: 971</li><li>Correspondence Processed: 22,667</li><li>NSF and Other Non-Payment Collections: \$50,798</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>Successfully transitioned the TN SDU from another Vendor to our <b>SMART</b> solution</li><li>Increased electronic receipt of collections by 9% during first year of operations</li><li>Implemented <b>SMART Contact</b></li><li>Through proactive actions, decreased call volume in 2011 by more than 90,000</li><li>Transitioned to the State's new bank with no cost to State in 2012</li><li>Implemented automated hold for DFAS and U.S. Treasury EFT payments in months when two payments are received</li><li>Implemented mobile website, credit card payments, and customer service chat service in 2014</li><li>2017 error-free posting accuracy rate of 99.99%</li><li>2017 electronic remittance rate of 60%</li></ul>	



## Texas SDU

SMI's primary responsibilities in Texas include collections receipting and processing, debit card disbursements, mailing of State-issued paper disbursements, and customer service. We are in our 3rd year of operations in Texas. Additional information for the Texas contract is provided in the following project summary.

SMI-TEXAS SDU	
<b>Customer Address:</b> Texas Office of the Attorney General PO Box 12548 Austin, TX 78711	<b>Contract Dates:</b> 9/2015–8/2019 with three additional two-year extension options
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Mailing of paper disbursements</li><li>▪ Debit card disbursements</li><li>▪ Document imaging and management</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Disbursement banking services</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ Network infrastructure administration</li><li>▪ Payment website/mobile website portal administration</li><li>▪ Employer and payor outreach for electronic payment initiatives</li><li>▪ Customer service, including CSRs to assist payees, payors, employers, other States' IV-D agencies, and State staff with questions on collections, disbursements, and other SDU functions. SMI also operates a Customer Service Center that provides 24-hour/7 days-per-week customer service for the smiONE Card in Texas.</li></ul>	
<b>Volume of Work Performed for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number: 21,802,444</li><li>▪ Payments Processed Dollars: \$4,619,617,810</li><li>▪ Payments Disbursed Number: 11,830,616*</li><li>▪ Payments Disbursed Dollars: \$2,067,282,318*</li><li>▪ SDU Customer Service Calls: 434,544</li><li>▪ Correspondence Processed: 128,328</li><li>▪ Paper checks inserted and mailed: 771,014</li><li>▪ NSF and Other Non-Payment Collections: \$1,404,501</li><li>▪ smiONE Transactions Number: 56,872,440</li><li>▪ smiONE Transactions Dollar: \$1,748,308,911</li><li>▪ smiONE IVR Calls: 29,295,472</li><li>▪ smiONE Customer Service Calls: 619,212</li></ul> *Includes cardholder personal loads	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned collection, disbursement, and customer service operations from another Vendor in six months</li><li>▪ Successfully transitioned debit card services from another Vendor, issuing 630,161 debit cards from mid-September 2015 through mid-November 2015</li><li>▪ In 2016, upgraded phone system for smiONE to provide enhanced features including call parking, supervisory consult option, enhanced reporting, and built-in workforce capability</li><li>▪ Upgrade to Platinum smiONE Card with EMV chip functionality started October 2017 with more than 600,000 cards issued through early 2018</li><li>▪ In 2017, upgrade to enhanced smiONE website and mobile app including fingerprint authentication, dashboard, feedback screen, ability to suspend the card, and ATM locate</li><li>▪ After Hurricane Harvey struck in 2017, the smiONE Card was approved as a vehicle to deliver Red Cross and Federal Emergency Management Agency (FEMA) disaster benefits to current cardholders.</li><li>▪ 2017 error-free posting accuracy rate of 99.99%</li><li>▪ 2017 electronic remittance rate of 75%</li></ul>	



## West Virginia SDU

In West Virginia, SMI's primary responsibilities include collections receipting and processing and check printing and mailing services as part of our subcontract with the current prime Vendor, KeyBank. We are in our 7th year of operations in West Virginia. Additional information regarding the West Virginia contract is provided in the following project summary.

SMI-WEST VIRGINIA SDU	
<b>Customer Address:</b> KeyBank – Public Sector Cards & Payment 127 Public Square Cleveland, OH 44114-1306	<b>Contract Dates:</b> 9/2011–06/2019
<b>Services Provided:</b> <ul style="list-style-type: none"><li>▪ Paper and electronic collections receipting and processing</li><li>▪ Document imaging and management</li><li>▪ Paper disbursements</li><li>▪ Depository banking services, including ICL processing</li><li>▪ Unidentified payment research and resolution</li><li>▪ Collection exception processing</li><li>▪ Adjustments</li><li>▪ Reconciliation</li><li>▪ Network infrastructure administration</li><li>▪ Payment website portal administration</li><li>▪ Employer and payor outreach for electronic payment initiatives</li></ul>	
<b>Volume of Work for Calendar Year 2017:</b> <ul style="list-style-type: none"><li>▪ Payments Processed Number: 1,306,251</li><li>▪ Payments Processed Dollars: \$188,285,232</li><li>▪ Paper Disbursements Number: 41,706</li><li>▪ Paper Disbursements Dollars: \$10,207,847</li><li>▪ Correspondence Processed: 16,132</li></ul>	
<b>Innovation and Performance Results:</b> <ul style="list-style-type: none"><li>▪ Successfully transitioned the WV SDU from another Vendor in less than 90 days from contract award</li><li>▪ 2017 error-free posting accuracy rate of 99.99%</li><li>▪ 2017 electronic remittance rate of 62%</li></ul>	

As demonstrated by the project summaries above, SMI has wide experience providing services of similar nature and complexity as required by West Virginia's RFQ.

3.1.2.1.1 The Vendor shall provide documentation via memo regarding the size of its corporation and its current organizational structure, its transaction capacity currently being utilized, and any capacity that must be acquired in order to provide the specific work requirements as outlined within this RFQ.

### 3.1.2.1.1 Corporate Size, Structure, and Capacity

Within Appendix B. Corporate Size, Structure, and Capacity, we provide documentation via memo regarding our corporate size, structure, and transaction capacity.



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3.1.2.1.2. Specifically, the Vendor shall attest to the capability to process an estimated 100,000 incoming receipts and outgoing disbursement transactions a month (200,000 total).

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### 3.1.2.1.2 Processing Capability

SMI hereby attests that we have the capability to process an estimated 100,000 incoming receipts and outgoing disbursement transactions a month for a total of 200,000.

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3.1.2.1.3. The Vendor shall also provide documentation via memo regarding the average monthly transaction volume, both incoming and outgoing, currently being handled by its lockbox operation.

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### 3.1.2.1.3 Average Monthly Transaction Volume

Within Appendix B. Corporate Size, Structure, and Capacity, we provide documentation via memo regarding the incoming and outgoing transaction volumes currently being handled by our lockbox operations.

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3.1.3 In relation to the scope of the services to be provided, the Vendor must provide a response to the following items of specific information:

Provide a written plan and prioritized schedule for the performance of each of the required activities outlined in this RFQ as referenced in section 4.1.4.8. The plan shall contain a description of how the work shall be accomplished for each function. Simple statements that a task shall be completed or a reiteration of the RFQ language relating to the tasks is not acceptable. Anticipated dates of accomplishments for the transition phase which is referenced in 4.1.4.8.1.4 of this RFQ, shall also be included with this schedule.

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### 3.1.3 Written Plan and Prioritized Schedule

Our work plan, or written plan, for each of the required activities outlined in the RFQ is provided in Sections 3. and 4. of our proposal. Our *Project Schedule*, which provides a prioritized schedule and anticipated dates of accomplishments for the transition phase, is provided in Appendix A. of our proposal.

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3.1.3.1 The Vendor shall provide a chart of the proposed project organization and a description of how the personnel employed directly or through a subcontractor shall be organized, and shall identify who shall be responsible for providing the overall direction to the centralized collection and distribution function. The Vendor shall also provide documentation showing bonding for each employee and each subcontracted employee in a minimum of \$100,000.00 for the services that are to be performed.

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### 3.1.3.1 Proposed Organization and Bonding

SMI is pleased to propose an exceptional team of personnel for the transition and ongoing operations of the West Virginia SDU.

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### 3.1.3.1.1 Transition Team

SMI is excited about the opportunity to continue our partnership with the State of West Virginia for the delivery of new and enhanced SDU services. To lead the transition activities, we have assembled a team separate from our Ongoing Operations Team. This approach allows us to ensure the uninterrupted delivery of SDU services, as well as a smooth transition to the smiONE Card and re-implementation of SDU services.

Because SMI and our banking partner, J.P.Morgan, already provide most of the services required by the RFQ, the role of some team members will be minimal during transition and implementation. However, after implementation, this team continues to be responsible for any updates or changes made to **SMART**, the equipment, or our infrastructure.

Achieving a smooth transition and ongoing operations for all stakeholders is critical to the success of the West Virginia SDU. Our Transition Team is comprised of staff who have direct experience in successfully transitioning SDUs in new projects as well as re-implementations for continued and expanded SDU operations under second, third, and fourth contract awards. Our team members work together on each of our SDU implementations, providing the opportunity to establish breadth and depth of experience while refining their project methodology. Our Transition Team is already identified and will be in place at the time of contract execution.

The following organizational chart shows our proposed structure for the West Virginia SDU Transition Team.



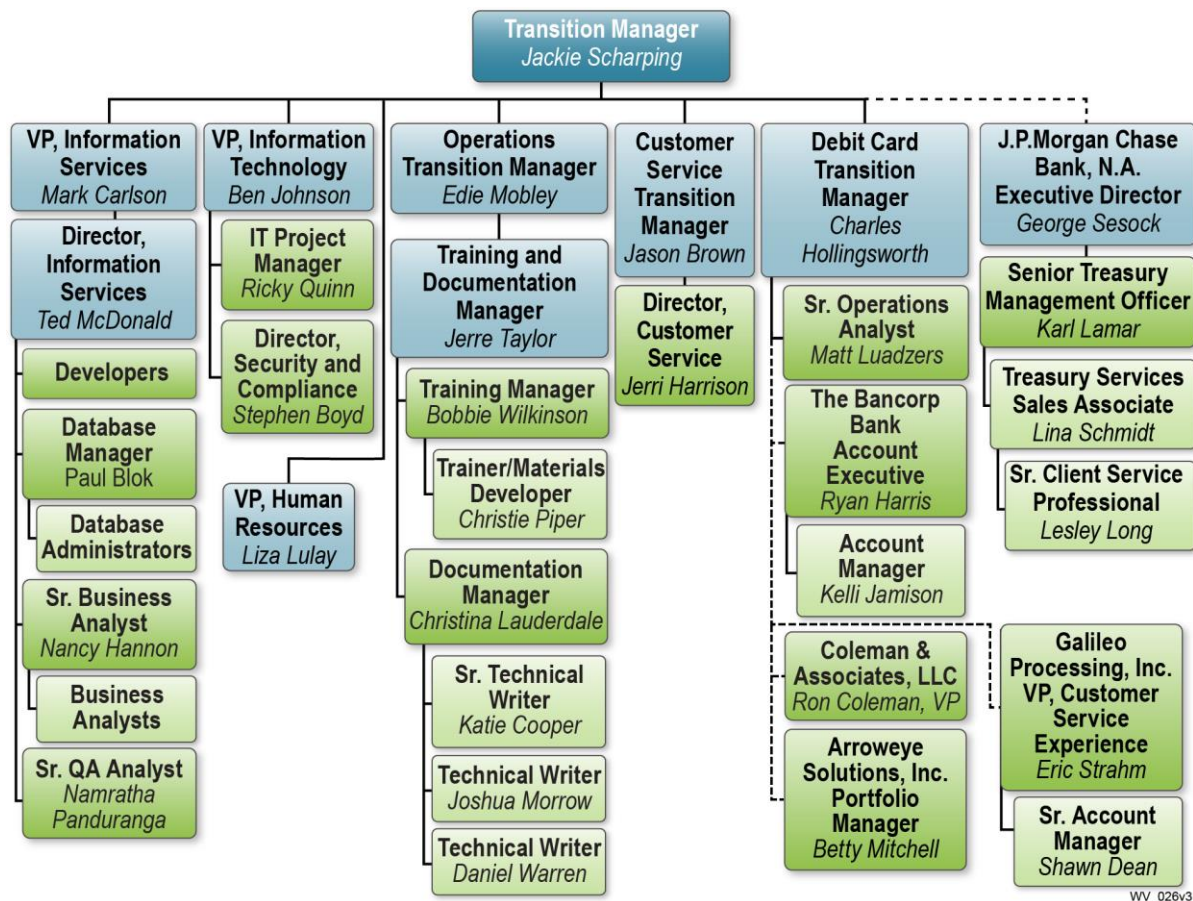


Figure 3-6: Experienced Transition Team. SMI's Transition Team members have experience gained from multiple SDU transitions. West Virginia can rely upon SMI to provide a smooth transition for its SDU.

SMI has formed a Transition Team skilled and experienced in project management methodologies. To follow we provide resumes for our Transition Manager and other critical Transition Team staff.

### 3.1.3.1.1 Jackie Scharping, Assistant VP and Transition Manager

Providing leadership for our Transition Team will be SMI's Assistant Vice President, Jackie Scharping. Jackie will serve as the Transition Manager, managing, controlling, and supervising the transition.

Since joining the SMI team in May of 2016, Jackie has provided leadership for SMI's SDU operations in Colorado, Idaho, Missouri, Oklahoma, and Tennessee. In February of 2018, Jackie was tapped to take over responsibility for leading SMI's transitions of new operations as well as reimplementation for existing projects. Jackie brings outstanding organization, management, and communications skills that are critical for success in this position. She has spent the last two years learning all aspects of our SDU operations, and she is ready to put her knowledge and experience to work for West Virginia.





Jackie brings more than 24 years' progressive child support experience. Her experience includes serving as the Wisconsin State IV-D Director for four years, managing one of the largest county child support agencies in Wisconsin for more than three years, and serving as a Program Coordinator for the Wisconsin automated child support system for seven years. Jackie's program and system knowledge and experience will be a tremendous asset in ensuring a smooth transition for West Virginia.

#### **Jackie Scharping – Assistant VP and Transition Manager**

##### **Systems & Methods, Inc., Carrollton, GA**

**May 2016 – Present**

##### **Assistant Vice President, May 2016 – Present**

Jackie Scharping serves as SMI's Transition Manager responsible for coordinating the transition and implementation of new projects and reimplementation for existing projects. In this position, she serves as a liaison to States during meetings and detail design sessions. She provides project management leading, controlling, and supervising the activities necessary to deliver a smooth transition and implementation for our clients.

Prior to accepting her role as Transition Manager, Jackie provided leadership and direction for SMI's SDU operations in Colorado, Idaho, Missouri, Oklahoma, and Tennessee.

##### **Maximus, HSNA**

**2015 – 2016**

##### **Operations Manager**

Jackie managed the operation of the administrative paternity process at four project sites, including collaborative outreach to hospitals, registrars, local agencies, and vital records departments to improve paternity establishment. Her responsibilities included ensuring contract compliance and client satisfaction; developing and maintaining project budgets; and evaluating policies, processes, operations and management practices.

##### **Bureau of Child Support, Department of Children and Families, Madison, WI 2011 – 2015**

##### **Director**

As the IV-D Director, Jackie was responsible for developing and implementing Wisconsin's Title IV-D plan in conformance with State and federal law, federal regulations, and administrative rules. Her leadership responsibilities included:

- Directing the development of child support program policy, the IV-D State plan, and procedures governing Wisconsin's caseload of 365,000 IV-D cases
- Managing and directing bureau administrative operations including a \$40 million budget, contracted services, supervision of management and personnel issues, operational planning, and training
- Directing the strategic planning, development and implementation of child support initiatives to continuously improve the delivery of services to clients, enhancing self-sufficiency for Wisconsin families
- Providing oversight of the development and implementation of performance monitoring, technical assistance, training and evaluation of county child support agencies to maximize collections and meet federal performance measures
- Maintaining effective State-county relationships and overseeing development and negotiation of the State-county contract, including determining allocations and performance standards
- Upholding quality State-tribe relationships to promote interjurisdictional cooperation for the benefit of Wisconsin's families
- Providing direction to the on-going production and utilization of the statewide automated case management system to ensure effective management of cases at the State and county level, to ensure



## Jackie Scharping – Assistant VP and Transition Manager

accurate and timely collection and distribution of child support payments and to ensure reporting of program and fiscal activities in accord with federal requirements

- Providing oversight of the development of system enhancements, updates and maintenance, including development of the annual service level agreement and the Advanced Planning Document required by federal regulation
- Directing the operation of the SDU to ensure fiscal integrity of accounting practices and accurate receipting and distribution of child support and other support-related payments
- Directing management of interpretations of operations and policies to members of State and federal legislatures, the public at large, employers, parents, the media, and other interested parties

### **Brown County Child Support Agency, Green Bay, WI**

**1991- 1998; 2000 – 2011**

#### **Administrator, 2008 - 2011**

Jackie was responsible for administration of Brown County's child support program in accordance with local ordinance, State statute, administrative rules, and federal regulations necessary to establish paternity, child support and medical support orders, enforce orders and collect arrears. She prepared the agency's annual \$3 million budget, various monthly budget summary reports, federal reports, collection and statistical reports, and case management reports; maintained collaborative relationships with local human service agencies and tribal agencies; and supervised 30 agency staff for case and financial management of over 14,000 cases.

#### **KIDS Program Coordinator, 2000 – 2007**

In this position, Jackie ensured the agency's compliance with policy, State statutes, administrative rules, and federal regulations through training and creation of reference guides. She served as consultant on various statewide workgroups for establishing policy, procedure, system changes.

#### **Child Support Specialist, 1991 – 1998**

### **Center for Career Development, UW-Oshkosh, WI**

**1998 – 2000**

#### **Department of Economic Support Regional Trainer**

In this position, Jackie delivered training of Wisconsin-specific child support policies and procedures. She was hired as trainer to train county financial workers to transition to the SDU function, but also provided broader child support training.

## Education and Credentials

### **Education**

University of Wisconsin, Platteville, Project Management Essentials, Certified Associate in Project Management CAPM® Prep (currently enrolled)

Paralegal Degree – American Institute for Paralegal Studies (accredited)

University of Wisconsin-Green Bay, University of Wisconsin-Madison

### **Professional Achievements**

2015 Inductee – Wisconsin's Child Support Enforcement Association Hall of Fame

2010 Wisconsin Child Support Enforcement Association Administrator of the Year

2001 Wisconsin Child Support Enforcement Association Worker of the Year

### **Training**

Annual federal tax information training



### Jackie Scharping – Assistant VP and Transition Manager

Annual supervisory and management training  
Recurring SDU operational training  
Annual security and confidentiality training



### 3.1.3.1.1.2 Mark Carlson, Vice President, IS

Mark Carlson leads SMI's Information Services department in delivering professional system and networking services for our clients and internal operations. Serving in a leadership position as SMI's Vice President of IS, he draws on his rich combination of human services, technical, and management experience.

Mark has helped our customers achieve an exceptional level of system innovation and performance without passing the typical research and development work on to the customer. He demonstrates a cooperative style of leadership and relaxed professionalism while developing a comprehensive IS program based on customer needs.

Mark has provided technical oversight and project management in 12 SDU transitions including Georgia, the District of Columbia, Colorado, Massachusetts, Tennessee, Rhode Island, Idaho, West Virginia, Oklahoma, Maryland, Texas, and Florida. He has also served in this role for re-implementations in Colorado, the District of Columbia, Georgia, Massachusetts, Missouri, and North Carolina. Mark is a crucial member of the Transition Team. His technical expertise will ensure our systems meet or exceed all West Virginia requirements.

#### Mark Carlson – Vice President, IS

**Systems & Methods, Inc., Carrollton, GA**

**1999 – Present**

##### **Vice President, IS, November 2013 – Present**

In 2013, Mark Carlson accepted his current leadership position with SMI as Vice President of IS. In this position, Mark provides overall direction for SMI's systems, providing leadership for SMI's development and database operations. He provides oversight and technical direction for each of our system environments. He also provides system oversight and project management for SDU transitions and implementations, re-implementations, and upgrades.

##### **Vice President, Information Technology, November 2009 – November 2013**

In this position, Mark focused his technology and management background onto a business-centric model for SMI. His perspective helped SMI offer personal and agile hardware services typically only associated with a small organization, yet with the reliability and security granted from a managed program. In this position, Mark led the education on and implementation of a corporate IT Service Management program, specifically in the design and refinement of configuration management. He was responsible for any organizational changes to enhance IT governance, including strategic redefinition of IT roles and responsibilities. This allowed for greater accountability and scalability.

After Mark's appointment to this position, maintenance costs and overhead expenses were reduced by implementing server and SAS storage technology standards. This, built upon Mark's past accomplishments with SMI, reduced hardware implementation time by 50 percent and upfront costs by 15 percent, while also simplifying IT administration in current and future client contracts. He has been a catalyst and designer of a growing IT governance structure through corporate IT policy, procedures, and processes. Specific implementations include system maintenance and notification process and procedures, change management processes, and account management process and procedures.

##### **Director, IT, August 2002 – November 2009**

Mark became the initial IT Director with oversight and technical direction of each SDU's system and hardware environment. Weaving together independent remote system administrators and building a central



## Mark Carlson – Vice President, IS

corporate technical group was his objective. Within his tenure as Director, he increased the support from three to seven remote SDU sites, while adding only two positions. Mark also provided top-tier system support to the remote offices while specializing in disaster recovery assurance, research and development, and progression of the SMI domains. He spearheaded the research and development of new system technologies, followed by a significant technology refresh and replacement for SMI's remote sites and new implementations, including: system virtualization, system consolidation, 64-bit architecture, and remote access for applications.

Mark cultivated a new product design and development for an external SAS/SATA server storage device. This device encapsulated all data backups and archive storage, including off-site removable media. Under Mark's direction, backup performance increased up to 100 percent; backup storage costs reduced from \$40,000 to \$6,000, while management simplicity and standardization were added. He provided both management and technical services, such as institution of new IT procedures while providing last-tier support and administration of Active Directory and Citrix MetaFrame software. He led the design and migration of Windows 2000 Active Directory domain into AD 2003 for four geographically dispersed sites, including two domains.

Multiple successful site implementations were carried out with Mark providing direct technical and project management. These included facilities in Georgia, Washington DC, Virginia, and Colorado. Mark then moved to project and technical oversight for other SDU facility implementations, including those in Massachusetts and Tennessee.

### Local Area Network (LAN) Administrator, Jefferson City, MO, September 2000 – July 2002

Mark was responsible for the local support of Missouri FSPC operations. His responsibilities included developing a network infrastructure, troubleshooting for scanner and PC hardware, and serving as liaison between State and bank technical representatives. Additional responsibilities included directly supervising two technical staff.

He was responsible for the identification and management of significant data integrity risks, resulting in the initial database maintenance routines for the **SMART** systems. Cost and administration overhead were simplified through the replacement of the existing data archive system. This helped transform the \$40,000 archive technology into a \$4,000 solution for the Missouri site and eventually other SMI sites. He introduced methodical maintenance procedures of Panasonic and BUIC scanning equipment, allowing both the transition of procedures to other staff and the scanning units to function well beyond their typical duty cycles.

### Network Engineer, May 1999 – September 2000

Mark advanced to becoming the Microsoft NT lead, supporting multiple small business contracts within the first three months of employment at SMI. He demonstrated self-directed organizational skills by completing his MCSE certification while managing a full technical schedule. His achievements included: numerous small business network design, implementation, and support; MS SQL implementations; and the creation of technical standard operating procedures.

### Volunteers of America, Greenville, GA

1997 – 1999

#### Site Coordinator

Volunteers of America is a not-for-profit organization that requested Mark's services to help pilot one of the first mental health assisted living programs in Georgia. He co-implemented the program in Greenville, Georgia, with the goals of helping mental health patients regain their independence through management of their own apartment and development of their daily living skills. His responsibilities included management of 15-20 professional and paraprofessional staff, client finance management, training course development, and policy and procedure formulation.

### West Georgia Health Care System, LaGrange, GA

1993 – 1997



## Mark Carlson – Vice President, IS

### Behavior Therapist

Mark served as a counselor for adolescent, adult, and geriatric patients in an in-patient hospital setting. He provided educational and group counseling, as well as behavior modification techniques. Mark was the Education Committee chairperson and started the Department of Psychiatry's first internal marketing initiative. He developed departmental brochures and advertisements, organized public health fairs, and designed web pages.

## Education and Credentials

### Education

Colorado State University, Fort Collins, CO, MBA-Technology Management  
Ameritrain, Inc., Atlanta, GA  
University of West Georgia, Carrollton, GA, BA Psychology

### Certifications

Certified Document Imaging Architect (CDIA)  
Introduction to Capability Maturity Model (CMM) Version I.I  
Microsoft Certified Professional (MCP) for Windows NT, 2000 and 2003 Systems  
MCSE (Microsoft Certified System Engineer)  
MCP+I (Microsoft Certified Professional plus Internet)  
Citrix MetaFrame Administrator

### Training

Annual federal tax information training  
Annual supervisory and management training  
Recurring SDU operational training  
Annual security and confidentiality training



### 3.1.3.1.1.3 Ben Johnson, Vice President, IT

Ben is a highly competent IT professional who has expert knowledge of Windows, Linux, and Mac OS client and server operating systems as well as Active Directory and Microsoft Exchange 2003, 2007, and 2010 systems. He provides oversight and technical direction of each system and hardware environment. Personal attributes include the ability to work with all levels of management, including experience working with those in child support, banking, and IT professions.

Ben has invaluable experience in startup and ongoing project development and implementations. During 2014, Ben provided IT oversight for our SDU implementation in Maryland; during 2015, he served as the Technical Manager for the SDU implementation in Texas; and during 2016, he served as the Systems IT Manager for the SDU implementation in Florida. Ben also managed the implementation of SMI's enterprise telecommunications solution for our Customer Service Center operations.

Ben can provide professional support for all areas of technology, including software, hardware, and networking in all windows environments. He exhibits outstanding communication, organizational, and interpersonal skills, which help facilitate the meeting of deadlines and effective problem resolution. Ben will provide technical direction and project management to implement all necessary IT to support the West Virginia SDU.

#### Ben Johnson – Vice President, IT

##### Systems & Methods, Inc., Carrollton, GA

2009 – Present

##### Vice President, IT, 2016 – Present

In November 2016, Ben Johnson was promoted to Vice President of IT. In this position, he continues to provide oversight and technical direction for each operation's system and hardware environments. Among Ben's strengths is his keen ability to stay on top of emerging technology. Because of this, he is responsible for the research and testing of new products and technology to help SMI continue delivering leading-edge solutions.

Ben provides technical direction and project management to implement all necessary IT to support new and enhanced services during transitions, re-implementations, and upgrades.

##### Director, Information Technology, 2014 – 2016

Ben provided oversight and technical direction of each operation's system and hardware environments. During transitions, Ben provided technical direction and project management to implement all necessary IT to support new and enhanced services. During 2014, Ben provided IT oversight for our SDU implementation in Maryland; during 2015, he served as the Technical Manager for the SDU implementation in Texas; and during 2016, he served as the Systems IT Manager for the SDU implementation in Florida.

##### IT Project Manager, 2009 – 2014

Ben was responsible for supervision of LAN administration in 10 of SMI's remote offices. He was instrumental in documenting procedures for our remote offices and identifying and correcting any gaps in current processes. As part of this effort, he completed routine IT task procedures documentation and Visio diagramming of networking equipment for each office, posting this within an MS SharePoint intranet site. He served as the implementation specialist on any new office expansions, managing and coordinating staff in office network infrastructure upgrades, and conducting research and development projects. Ben also



## Ben Johnson – Vice President, IT

assisted in disaster recovery planning and implementation of our primary disaster recovery site in North Carolina.

During his tenure in this position, Ben oversaw the network implementation of our West Virginia and Oklahoma SDUs and re-implementations in Georgia and Missouri. In this role, Ben coordinated activities with the Project Manager, IT and IS Managers, Corporate Network Administrator(s) or other pertinent parties as related to LAN stability. He managed the maintenance and monitoring of the LANs and ensured connectivity to the wide area networks (WANs).

### First Georgia Banking Company, Carrollton, GA

2007 – 2009

#### Systems Administrator

As System Administrator, Ben supported two data centers and 11 bank locations of First Georgia Bank, with a 200-user base. Ben's responsibilities included all aspects of software, hardware, and networking management in a Windows Server 2003 AD/Win 2000/Win XP environment; managing all data backup and tape media; and maintaining and organizing the Active Directory. Additionally, he provided support for the high-speed document imaging system and the remote access using Citrix Applications and virtual private network (VPN). He maintained all users and mailboxes in Microsoft Exchange and provided intermediate support for telecommunications. He performed office-wide software and hardware rollouts; developed and maintained a technology business recovery plan detailed to have computer, network, and telephone services back up and running for users in a variety of emergency scenarios; managed security systems; developed budgets; completed strategic planning for technology replacement, including purchasing and asset management; managed Vendor contracts; trained users; documented procedures; and planned and implemented quality improvement measures.

### Coca-Cola Enterprises, Atlanta, GA

2007

#### Internal IT Auditor

Ben played a major role in testing IT controls across multiple platforms and database environments. He documented all findings and reported to key executives and the Audit Committee. The reporting included recommended changes in processes. He collaborated with IT staff globally and provided information on control implementations. Additionally, he had the critical role of performing exit interviews and preparing findings and recommending strategies for improvements.

## Education and Credentials

### Education

Auburn University, Auburn, AL, BSBA with specialization in Information Systems Management  
University of West Georgia, Carrollton, GA, MBA

### Certifications

CompTIA Network+ Certified Professional  
CompTIA Security+ Certified Professional  
Certified File Transfer Professional  
CompTIA Project+ Certified Professional  
Cnet Certified Data Center Management Professional (CDCMP)  
Carroll County Chamber of Commerce Leadership Academy

### Training

Annual federal tax information training





#### **Ben Johnson – Vice President, IT**

Annual supervisory and management training  
Recurring SDU operational training  
Annual Security and confidentiality training



### 3.1.3.1.1.4 Ricky Quinn, Project Management Professional (PMP), IT Project Manager and Network Administrator

Ricky Quinn is an IT professional with 10 years of IT experience supporting SDU operations and expert knowledge of Windows and Linux client and server operating systems. Ricky manages IT transitions and re-implementations for SDU operations. In 2014, Ricky served as the IT Project Manager for SDU and Customer Service Center transitions in Maryland. In 2015, he served as the IT Project Manager for the SDU transition in Texas. In 2016, he served as the IT Project Manager for the SDU transition in Florida.

Ricky will manage the IT transition in West Virginia coordinating activities with the Transition Manager, Vice President of IT, IS Director, Corporate Network Administrators, or other pertinent parties as related to LAN stability. He will manage the maintenance and monitoring of the LAN and ensure connectivity to the WAN during transition and ongoing operations.

#### Ricky Quinn, PMP – IT Project Manager and Network Administrator

**Systems & Methods, Inc., Carrollton, GA**

**2009 – Present**

##### **IT Project Manager, 2013 – Present**

Ricky Quinn is responsible for coordinating and leading corporate, remote, and implementation projects from initiation to completion. This includes managing the necessary people, projects, processes, and technology to support existing operations and to deliver new operational functionality. As the IT Project Manager, Ricky has general knowledge over a wide array of technologies, including networking, voice systems, telecommunications, servers, desktops, and peripherals.

He documents procedures for remote offices and identifies and corrects any gaps in current processes. As part of this effort, Ricky completes routine IT task procedures documentation and Visio diagramming of networking equipment for each office, posting this within an MS SharePoint intranet site. He is the implementation specialist on new office expansions, manages and coordinates staff in office network infrastructure upgrades, and conducts research and development projects.

Ricky assisted with the network implementations for our 2011 West Virginia SDU implementation and our 2012 Oklahoma SDU implementation. He also assisted with the 2012 Colorado Family Support Registry relocation to a new facility.

In 2014, Ricky served as the IT Project Manager for SDU and Customer Service Center implementations in Maryland. In 2015, he served as the IT Project Manager for the SDU implementation in Texas. In 2016, he served as the IT Project Manager for the SDU implementation in Florida. Ricky also assisted with the most recent re-implementations in Colorado, the District of Columbia, Massachusetts, Missouri, North Carolina, and Tennessee.

In this role, Ricky coordinates activities with the Project Manager, IT Director, Development Manager, Corporate Network Administrator(s) or other pertinent parties as related to LAN stability. He manages the maintenance and monitoring of the LANs and ensures connectivity to the WANs.

##### **Network Administrator, Tennessee SDU, 2009 – 2012**

Ricky supported the Tennessee SDU as a Network Administrator. His responsibilities included: supporting a Windows Server 2003/2010 and Windows Vista/7 environment; managing all data backups; maintaining and organizing Active Directory and SMI's **SMART** application; performing office-wide software and hardware rollouts; and developing and maintaining a technology business recovery plan detailed to have



## Ricky Quinn, PMP – IT Project Manager and Network Administrator

computer, network, and telephone services back up and running for users in a variety of emergency scenarios.

**Informatix, Inc., Nashville, TN**

**2008 – 2009**

### **LAN Administrator, Tennessee SDU**

Ricky administered network workstations and servers and evaluated and/or recommended purchases of computers, network hardware, peripheral equipment, and software. He investigated user problems, identifying their source, determining possible solutions, testing and implementing solutions. He also planned and implemented network security.

## **Education and Credentials**

### **Education**

ITT Technical Institute, Nashville, TN, BAS in Data Communication Systems Technology

ITT Technical Institute, Nashville, TN, AAS in Information Technology-Computer Network Systems

### **Certifications**

PMP

Microsoft Certified Professional

CompTIA A+ Certified Professional

CompTIA Project+ Certified Professional

Certified File Transfer Professional

### **Professional Affiliations**

Project Management Institute (PMI)

PMI Atlanta Chapter

Toastmasters International – PMI Atlanta Toastmasters/Secretary

### **Training**

Annual federal tax information training

Annual supervisory and management training

Recurring SDU operational training

Annual security and confidentiality training



### 3.1.3.1.1.5 Edie Mobley, VP Operational Services and Operations Transition Manager

Edie Mobley is SMI's Vice President of Operational Services. She brings invaluable experience and child support payment system knowledge. Edie has been instrumental to SMI in sustaining a state-of-the-art payment processing system. As a nationally recognized expert on child support and SDU systems, with over 30 years of experience, Edie's broad experience includes customer support, case management, and training employees in child support payment system policies and procedures in extremely technical operations.

During transition, Edie will manage the operations implementation for the SDU. She has managed the operations implementations for 10 SDUs, including Georgia, District of Columbia, Colorado, Massachusetts, Rhode Island, West Virginia, Oklahoma, Maryland, Texas, and Florida. The combination of her extensive child support knowledge and her experience in project management and implementations enables SMI to offer the most efficient delivery of services to West Virginia.

#### Edie Mobley – VP, Operational Services and Operations Transition Manager

**Systems & Methods, Inc., Carrollton, GA**

**March 2001 – Present**

##### **Vice President, Operational Services, 2007 – Present**

For new and existing SDUs, Edie Mobley has oversight responsibilities that include documenting business requirements, as well as creating, executing, and implementing test plans. Edie is available throughout ongoing operations and coordinates the operations implementation of any new SDUs as well as the operations re-implementation of SDUs under new contract awards.

To ensure that business requirements are defined, documented, and implemented, she works closely with the State client and application developers. Edie delivers hard-skill training to non-technical users and performs troubleshooting procedures and monitors production to isolate application problems. She also assists in writing and maintaining user documentation, training materials, and system documentation. During her tenure in this position, Edie managed the operations implementations for 10 SDUs, including Colorado, the District of Columbia, Florida, Georgia, Maryland, Massachusetts, Oklahoma, Rhode Island, West Virginia, and Texas. She has also served in this role for re-implementations in Colorado, the District of Columbia, Georgia, Massachusetts, Missouri, and North Carolina.

##### **Senior Application Analyst, 2001 – 2007**

Edie was responsible for documenting business requirements for new and existing SDU applications, as well as creating and executing system test plans. She assisted with writing and maintaining user documentation, training materials, and system documentation. Edie frequently delivered hard-skill training to non-technical users and performed standard troubleshooting procedures to isolate application problems. During her tenure in this position, Edie was instrumental in transitioning SDU operations within 90 days for the:

District of Columbia Child Support Clearinghouse, September 2004 – December 2004, SDU transitioned from the District's court-based system. Edie also provided guidance on the project during the first year, overseeing the operation production of receipt and payment processing, disbursement processing, and printing.

**Corrvantis, Raleigh, NC**

**1999 – 2001**

##### **Project Manager/Trainer**



## Edie Mobley – VP, Operational Services and Operations Transition Manager

Edie developed and managed conversion records for the North Carolina statewide conversion of child support cases. Her responsibilities included training and supervising staff assigned to the project, resolving customer service issues, and preparing and maintaining reports.

### Service Design Associates, Raleigh, NC

1997 – 1999

#### Trainer

Edie prepared and presented local user training material to provide instruction for the Automated Collection and Tracking System (ACTS) system. She offered instruction in initial classroom and computer-based training material. She also conducted refresher and ongoing training for local users. Her thorough knowledge of the program allowed her to answer questions and provide detailed explanations of the program's functionality.

### Duplin County Social Services, Kenansville, NC

1993 – 1997

#### Child Support Agent II – Lead Agent

Edie assisted in the establishment and enforcement of child support orders. She trained new employees on the aspects of child support case work and assisted agents in completing duties to ensure compliance with county, federal, and State guidelines. Edie conducted personal interviews with custodial and non-custodial parents and provided court testimony during hearings to establish and/or enforce child support orders.

### ACTS Project for the State of North Carolina, Raleigh, NC

1993

#### ACTS Core Group Member

### Duplin County Social Services, Kenansville, NC

1982 – 1993

#### Child Support Agent II, 1986 – 1993

#### Child Support Agent I, 1985 – 1986

#### Clerk, 1982 – 1984

## Education and Credentials

### Education

James Sprunt Community College, Kenansville, NC, Registered Nursing Program

### Training

Annual federal tax information

Annual supervisory and management

Recurring SDU operational

Annual security and confidentiality



### 3.1.3.1.1.6 Jerre Taylor, Director, Training and Documentation and Training and Documentation Manager

Jerre Taylor is a professional with 30 years' experience in the development and delivery of training and documentation with 16 years focused on SDU operations. Her unique experiences in banking, education, and human services make her a valuable resource in the development of both user documentation, training materials, and written deliverables for SDU operations. Her skills in technical documentation and training also make her an important part of our team. Jerre's wealth of expertise in performance management systems made her an integral part in the development, implementation, and oversight of SMI's Employee Performance Management Program.

During transition, Jerre will serve as the Training and Documentation Manager. She has been instrumental in the development of training and documentation for all our SDU and Customer Service Center operations and serves as the Training and Documentation Manager for each of our SDU transitions.

#### **Jerre Taylor – Director, Training and Documentation and Training and Documentation Manager**

**Systems & Methods, Inc., Carrollton, GA**

**August 2001 – Present**

##### **Director, Training and Documentation, January 2014 – Present**

In this position, Jerre Taylor provides oversight for all aspects of SMI's policy, training, and documentation needs. In 2014, Jerre successfully managed the training and documentation for our SDU implementation in Maryland. In 2015, she served in this role for the Texas SDU implementation, and in 2016, she served in this role for the Florida SDU implementation.

##### **Director, Policy and Training, April 2006 – January 2014**

Jerre's responsibilities in this position included defining, creating, and implementing a learning strategy to support the company's strategic business objectives and meet the tactical training needs that are common across projects and support groups. She was responsible for designing a system and curriculum to drive the development and attainment of the organization's core competencies in all its employees. She drew from a wide array of organizational development methods, tools, and resources to design, develop, deliver, and evaluate the effectiveness of programs. She was also responsible for content integrity and release control of the company's user and technical documentation, as well as establishing standards for quality and control. During her tenure in this position, Jerre successfully managed the training and documentation during implementations of our North Carolina, Georgia, District of Columbia, Colorado, Tennessee, West Virginia, and Oklahoma SDUs.

##### **Training & Documentation Manager, November 2001 – April 2006**

Jerre oversaw the implementation of a customized training strategy to ensure that quality training and on-site support were provided to SDUs. She also supervised the design, development, implementation, documentation, and delivery of a specialized operations curriculum. Jerre managed a team of training professionals, requiring her to coordinate training schedules, curriculum, and materials. During her tenure in this position, Jerre successfully managed the training and documentation during implementations of both our Georgia and District of Columbia SDUs.

##### **Technical Writer, August 2001 – November 2001**



## **Jerre Taylor – Director, Training and Documentation and Training and Documentation Manager**

Jerre designed, outlined, wrote, and edited all standard operating procedures and trainer/student guides for SDUs. She researched technical information and worked with developers to obtain information and resolve questions. Jerre also tested documentation and made appropriate changes.

### **Corrvantis, Inc. (formerly Service Design Associates), Raleigh, NC**

**1996 – 2000**

#### **Contractor**

Jerre developed an extensive package of privatization resources that included: a privatization guide with checklists and detailed instructions for the Corrvantis privatization team, an operations handbook for child support employees, job descriptions for each position in a privatized child support agency, new employee packet, business writing guide, and performance management handbook.

She created a comprehensive training program that covered: IV-D policy, ACTS training (mainframe application), courtroom protocol, customer service, technology overview (personal computers, local area networks, email), personal assessment, leadership, time management, and train the trainer. She also authored or acquired training materials for the curriculum and conducted the train-the-trainer courses for the Corrvantis training team.

Jerre worked exclusively with the Director of Child Support Programs to develop a proprietary business model that innovated and streamlined the child support enforcement process. This was a two-year project that entailed extensive interviewing of child support employees, data collection, needs analysis, reengineering of daily tasks, creation of three centralized units, and refinement of procedures in the local child support agencies. Her responsibilities also included documenting a business model in a 900-page workflow document.

### **IBM, North Carolina**

**1993 – 1996**

#### **Contractor**

Jerre developed and maintained the project Work Plan for the North Carolina ACTS project using Microsoft Project to monitor and analyze over 2,000 project tasks.

She established a help desk to support ACTS that included the following tasks: evaluating and selecting help desk software and a telephone system, designing and writing training materials and telephone scripts, and training and supervising staff. Jerre was a member of the installation team, which was responsible for overseeing the installation of 100 file servers, 1,300 workstations, and 225 printers throughout the State of North Carolina.

She wrote and distributed two implementation manuals that were critical to the success of the installation process. Jerre also assisted in the preparation of deliverables to the State of North Carolina.

## **Education and Credentials**

### **Education**

Rock Valley College, Rockford, IL, Business Management Instructor, 1986 – 1987

University of Wisconsin, Madison, WI, The School for Bank Administration, Certification, 1986

University of Oklahoma, Norman, OK, National Installment Lending School, Certification, 1981

### **Training**

Annual federal tax information training

Annual supervisory and management training

Recurring SDU operational training



**Jerre Taylor – Director, Training and Documentation and Training and Documentation Manager**

Annual security and confidentiality training





### 3.1.3.1.1.7 Jason Brown, Director, Customer Service and Customer Service Transition Manager

Jason Brown is SMI's Director of Customer Service. He is a dynamic manager with more than 17 years of leadership experience. He is a strong team player with a positive attitude and the ability to interact and build strong relationships within all levels of an organization. He is a Call Center Industry Advisory Council (CIAC) trained call center professional and a Six Sigma Greenbelt.

Jason works with our SDU and smiONE managers to ensure that their customer service operations are operating efficiently and meeting SMI and contractual standards. Since joining the SMI team in 2012, Jason has managed:

- The successful transition of our smiONE Customer Service Centers in Missouri and Texas
- The expansion of our smiONE Customer Service Centers in Georgia and Texas as we transitioned programs from subcontractors or other Vendors to the smiONE Card in, Connecticut, the District of Columbia, and Florida
- The transitions and implementations of the Texas and Florida SDU Customer Service Centers

Jason oversees the transitions and re-implementations of our SDU and smiONE Customer Service Center operations.

#### Jason Brown, Six Sigma – Director, Customer Service and Customer Service Transition Manager

**Systems & Methods, Inc., Carrollton, GA**

**2012 – Present**

##### **Director, Customer Service, 2015 – Present**

For transitions, Jason works with the Transition Manager to coordinate and manage all transition activities for IVR and Customer Service Center operations. In 2014 and 2015, Jason managed the re-implementations for the Customer Service Centers and IVRs in Tennessee and Colorado, the transition of the Customer Service Center and IVR services in Maryland, and the transition of the smiONE and SDU Customer Service Centers in Texas. During 2016, Jason managed the transition of the SDU Customer Service Center in Florida and the expansion of the smiONE customer center operations in Georgia and Texas as we transitioned Florida's debit card to the smiONE Card from another Vendor.

Jason serves as a customer service specialist, Customer Relationship Management (CRM) system expert, and business liaison with IT and our external Vendors. He provides guidance to the smiONE Director of Customer Service and all SDU Project Managers regarding proper customer service staffing, scheduling, and reporting. He provides guidance in defining reporting parameters and provides reporting insight and analysis. Jason collects and analyzes data to determine efficiencies, inefficiencies, and methods to improve all customer service operations. He continuously assesses the needs of SMI's partners and recommends and implements changes to better meet those needs.

##### **Vice President, Card Services, 2013 – 2015**

Jason provided leadership and direction to ensure success in each of our debit card programs. He actively monitored the daily operations and ensured proper program functionality. He oversaw the company's fraud fighting efforts, aiding in the company's success in keeping the fraud impact well below industry standard levels, and served as liaison between SMI and our debit card Vendors. During debit card program transitions and implementations, he assisted the Director of Card Services in coordinating all transition and



## Jason Brown, Six Sigma – Director, Customer Service and Customer Service Transition Manager

implementation activities. Following implementation, he continued to provide corporate oversight and was actively involved in managing the ongoing operations of SMI's debit card programs.

### Director, Contact Center Operations, 2013

In his role as the Director of Contact Center Operations, Jason was responsible for contact center reporting, maximizing operational efficiencies across offices nationwide, and staffing determinations for contact center operations. Jason served as a customer service specialist, CRM system expert, and business liaison with IT and external Vendors. He defined the requirements for SMI's **SMART** Contact rewrite and led the testing and implementation activities. Jason provided guidance to all SDU Project Directors regarding proper contact center staffing, scheduling, and reporting. He provided guidance in defining reporting parameters and provided reporting insight and analysis. He collected and analyzed data to determine efficiencies, inefficiencies, and methods to improve all contact center operations. He provided invaluable insight for proper contact center staffing. He continuously assessed the needs of SMI's partners and recommended and implemented changes to **SMART** Contact to better meet those needs.

Jason provided oversight of the smiONE Customer Service Center in Georgia, which handled 6.9 million IVR calls and over 200,000 CSR calls annually. In 2013, Jason managed the expansion of this 24/7 Customer Service Center operation to support the expansion of the smiONE Card program to Missouri, Connecticut, and the District of Columbia. He also managed the re-implementation for the Missouri Customer Service Center in 2013, bringing our most recent technology to support our Missouri SDU contact center operations.

### Call Center Operations Manager, 2012 – 2013

As the Call Center Operations Manager, Jason was responsible for call center reporting, maximizing operational efficiencies across offices nationwide, and staffing determinations for call center operations. Jason served as a customer service specialist, CRM system expert, and business liaison with IT and external Vendors. Jason made numerous contributions to SMI's Customer Service Center Operations including establishing centralized and automated reporting for the various Customer Service Centers, resulting in increased Supervisor productivity and enhanced performance management opportunities; guiding CRM software improvements to decrease CSR call handle times and ease Supervisor workload; developing a staffing calculator; and implementing tracking of call arrival patterns to gather historical data and improve staffing and scheduling decisions.

### One Call Medical, Inc.

2009 – 2012

#### Director, Western Service Operations

As Director for this 100-seat customer service contact center, Jason was responsible for all operations, including budget management, service level and abandonment rates, quality assurance, performance improvement, and staff motivation.

Jason's accomplishments in this position included: improving operational efficiencies through automation and workload balancing between contact centers; guiding the office to 15 percent growth within two years, improving performance year over year; increasing staff morale and productivity by implementing and enforcing a performance management program and establishing a culture of respect and employee recognition; and developing a strong leadership team through active coaching and leading by example.

### 21st Century Insurance (Formerly AIGDIRECT.COM)

1993 – 2009

#### Manager, Homeowners Operations, 2008 – 2009

In this position, Jason provided management of the inbound call center focused on retention of auto customers through product bundling for the third largest direct auto insurance writer in the U.S. His responsibilities included budgets, staffing, sales production, quality performance, and service levels.



## **Jason Brown, Six Sigma – Director, Customer Service and Customer Service Transition Manager**

During his tenure in this position, Jason: provided strong, positive leadership during ongoing mergers and acquisitions, and successfully integrated two separate agencies into one cohesive whole; guided the sales team to \$700k in monthly new written premiums; managed the team to a 22 percent increase in individual agent production year over year; improved performance and quality metrics in all categories quarter over quarter in 2009; and coordinated with the workforce management team to restructure call center hours and agent schedules to maximize efficiencies and better meet customer needs.

### **Sales Manager/Product Manager, 2007 – 2008**

As the Sales/Product Manager, Jason managed an inbound call center with annual new written premiums of more than \$10 million. He researched and established business relationships with potential cross-sell partners, and quickly built strong relationships within the new, merged entity. He coordinated with multiple organizations and departments to facilitate the launch of multiple product offerings within short timeframes.

In this position, Jason was instrumental in driving a \$4 million (60 percent) increase in total annual new premiums year over year through development of a focused transfer program, educating representatives in multiple locations and departments and increasing staff to handle record call volume. He negotiated new contracts, directed the re-launch of an existing seven-year transfer relationship, and surpassed the entire previous sales total within four months. He achieved over a 200 percent increase in production over the original program within seven months. He expanded another existing cross-sell relationship from two States to seven within a six-month time frame, including renegotiating the contract and coordinating the cross-training of over 130 sales agents in three locations. Production immediately ballooned by over 500 percent. He also coordinated with telecom to improve call routing based upon call center staffing and developed reporting to track transfer calls from individual representatives. He directed the development of specialized transfer queues for various products and a virtual queue across multiple locations.

As the New Business Sales Manager, Jason was responsible for up to 100 agents, supervisors, and support staff in a high volume, diverse, 24/7, inbound call center. He managed sales production and quality performance, including customer satisfaction scores and administering all levels of discipline as necessary. He recruited and hired candidates for both rapid expansion and backfilling.

Achievements in this position included helping guide the sales department through three years of annual growth, including the call center's first 1,000 sales day, by consistently maintaining conversion rates greater than 35 percent; launching and managing the company's first internal agency to sell additional products to existing and new customer bases in order to improve retention, including directing implementation of new products and services (the agency team produced over \$6 million premiums in its first full year); working in conjunction with co-leadership to improve call center performance and drive representative behavior through redesign of the compensation plan, continually updating quality monitoring guidelines and regularly evaluating discipline procedures; cooperating with Product Management, offering feedback and analysis to improve the design of State-specific offerings; and facilitating and presenting in meetings for as many as 200 employees across multiple departments.

### **New Business Sales Supervisor, 2001 – 2004**

In this position, Jason managed a top-producing sales team, providing motivation, leadership and coaching as needed for each individual agent; administered discipline per performance, quality and call-handling standards; and prepared and administered performance appraisals.

Accomplishments in this position included overseeing the development and management of the company's first Live Chat team for online sales support and working closely with IT to aid in development of call center agent access to assist customers with online quotes.

### **Claims Supervisor, 2001 – 2001**



## Jason Brown, Six Sigma – Director, Customer Service and Customer Service Transition Manager

As a Claims Supervisor, Jason managed a team of six adjusters, reviewing files and assessing liability decisions to ensure proper decision-making and timely resolution of claims. He assigned new claims daily per agent ability and workload. He also coached employees to maximize their performance, and prepared and administered appraisals.

### Claims Trainer, 1998 – 2001

As a Claims Trainer, Jason trained new hires to adjust auto accident claims in one of the most respected training departments in the auto insurance industry. He taught classes in multiple locations, working independently or in two-person teams without direct supervision. He created or revised training modules as new techniques or technology were implemented to maintain the department's high standards.

### Claims Examiner, 1995 – 1998

In this position, Jason investigated suspected fraudulent claims, directing independent investigators and defense attorneys in case handling. He hired reconstruction experts and medical specialists to evaluate damage and injury claims. He reviewed and evaluated files in multiple locations to identify possible fraud. He also negotiated injury claim settlements with plaintiff attorneys.

### Claims Adjuster, 1993 – 1995

As a claims adjuster, Jason investigated auto accident claims, took statements, made liability decisions, arranged for vehicle repairs, and negotiated settlements.

## Education and Credentials

### Education

University of California at Santa Barbara, BA Communications

### Certifications

Six Sigma Greenbelt

### Training

CIAC Call Center Manager Trained

Annual federal tax information training

Annual supervisory and management training

Recurring SDU operational training

Annual security and confidentiality training



### 3.1.3.1.1.8 Charles Hollingsworth, PMP, Director, Card Services and Debit Card Transition Manager

Providing leadership and management for the debit card transition will be Charles Hollingsworth, Director of Card Services. Charles Hollingsworth is a project management professional with 23 years' experience working directly with State agencies. Since assuming his Card Services role in 2006, Charles has led the successful implementation for the first Missouri child support debit card, implementation of the smiONE Card Customer Service Center in Georgia, transition for the Georgia Division of Family and Children Services and payroll debit cards to the smiONE Card, implementation of the smiONE Card for the Delaware, Eastern Band of Cherokee, Lac Courte Oreilles, Modoc, Muscogee Creek Nation, Ponca, and Winnebago Tribes, transition of existing subcontractor child support debit cards to the smiONE Card in Connecticut, the District of Columbia, Missouri, and North Carolina, and transitions to the smiONE Card in Florida and Texas.

Charles most recently managed the upgrade to the Platinum smiONE Card in Texas. This upgrade, which involved the issuance of more than 600,000 EMV cards, started in October 2017 and was completed in February 2018.

#### Charles Hollingsworth, PMP – Director, Card Services and Debit Card Transition Manager

**Systems & Methods, Inc., Carrollton, GA**

**2001 – Present**

##### **Director, Card Services, 2006 – Present**

In his role as Director of Card Services, Charles Hollingsworth coordinates the implementation of new debit card programs, re-implementations for existing programs, and enhancements, upgrades, and expansions for existing programs. Charles serves as a liaison to States during meetings and detail design sessions. He works closely with business and application analysts to ensure that business requirements are defined, documented, tested, and implemented. Charles is responsible for ensuring that new debit card programs are implemented on time and meet or exceed the State's requirements. Charles has excellent planning, coordinating, and project management skills. He has extensive expertise in debit card implementations, operations, and customer service.

Since assuming his Card Services role in 2006, Charles has led the successful implementation for the first Missouri child support debit card, implementation of the smiONE Card Customer Service Center in Georgia, transition for the Georgia Division of Family and Children Services and payroll debit cards to the smiONE Card, implementation of the smiONE Card for the Delaware, Eastern Band of Cherokee, Lac Courte Oreilles, Modoc, Muscogee Creek Nation, Ponca, and Winnebago Tribes, transition of existing subcontractor child support debit cards to the smiONE Card in Connecticut, the District of Columbia, Missouri, and North Carolina, and transitions to the smiONE Card in Florida and Texas.

##### **Project Director, MO Family Support Payment Center (FSPC), 2001 – 2011**

Charles managed the Missouri FSPC and the yearly processing of over \$700 million of support payments. As Project Director, he was responsible for the supervision of the daily reconciliation of three receipt accounts and three disbursement accounts. He monitored FSPC activities to ensure compliance with State, federal, and contractual requirements. He oversaw the implementation of new processes and programs to improve service and productivity. Additionally, he prepared and presented written and oral reports to management and the State to detail project successes and issues.

**State of Missouri, Division of Child Support Enforcement (DCSE), Jefferson City, MO 1994 – 2001**



## Charles Hollingsworth, PMP – Director, Card Services and Debit Card Transition Manager

### Child Support Enforcement (CSE) Administrator, 2000 – 2001

Charles supervised (monitored for compliance) the \$7 million contract with a private Vendor for centralized child support collections. He assisted in policy development for the FSPC and in the implementation of EFT/EDI for child support payments. Charles worked with Missouri circuit clerks, DCSE field offices and prosecuting attorney offices to identify problems and solutions concerning the implementation of the FSPC. He identified problems and solutions for payment distribution within the Missouri Automated Child Support System (MACSS). Charles also set goals and workflow priorities for DCSE's Financial Resolutions Section.

### CSE Supervisor I, 1999 – 2000

Charles assisted in policy development for the newly created Financial Resolutions Section. He developed and implemented the work plan for the Financial Resolutions Section and was responsible for supervising the work of eight technicians.

### Case Analyst, 1997 – 1999

Charles performed State and federal compliance audits of DCSE district offices and prosecuting attorney offices. He presented audit findings through exit interviews and departmental reports. Charles provided on-site training and technical support to circuit clerks during implementation of MACSS.

### Technician, 1994 – 1997

Charles enforced judicial and administrative orders. He provided technical assistance to businesses, out-of-State agencies, circuit clerks and custodial and non-custodial parents. He also implemented department, State and federal policies and laws as they related to child support. He successfully maintained a caseload of 800 cases.

## Education and Credentials

### Education

Central Missouri State University, Warrensburg, MO, BSBA Finance

Villanova University:

Master Certificate in Applied Project Management

Certificate in Mastering Project Management

Certificate in Essentials of Project Management

### Certifications

PMP

### Training

Annual anti-money laundering training

Semi-annual fraud training

Semi-annual dispute training

Annual supervisory and management training

Annual security and confidentiality training

Prepaid debit card compliance training



### 3.1.3.1.1.9 J.P.Morgan

Part of J.P.Morgan's commitment to the West Virginia SDU is having the appropriate individuals assigned and providing outstanding client service. J.P.Morgan recognizes the importance of providing premier client service, and they are committed to delivering a quality of service that not only meets West Virginia SDU's expectations, but also exceeds industry standards. J.P.Morgan takes a consultative and team approach to building relationships with their clients.

During transition and ongoing operations, the West Virginia SDU will continue to be supported by a highly skilled and qualified team at J.P.Morgan led by Executive Director George Sesock, Senior Treasury Management Officer Karl Lamar, and Treasury Services Sales Associate Lina Schmidt. Senior Client Service Professional Lesley Long will continue to serve as the point of contact for all the Agency's day to day service needs. Lesley will work with appropriate operational colleagues to make sure the Agency's research items and any new services request are handled in a timely and accurate manner.

J.P.Morgan's team is already knowledgeable about the West Virginia SDU accounts and operations and will not have the learning curve required for a new banking service provider. Since the current SDU bank accounts are owned by the State, SMI will be able to achieve a banking transition simply by working with J.P.Morgan, the Agency, and the current prime Vendor to transfer necessary management responsibilities for the current accounts to SMI. J.P.Morgan, as our continued banking partner, will be a tremendous asset in ensuring a seamless transition for banking services.

To follow, we provide biographical sketches for members of the J.P.Morgan team who will continue to support the West Virginia SDU banking operations.

#### George Sesock, Executive Director

George Sesock will lead J.P.Morgan's banking team with a focus on quality in the delivery of banking services. George will:

- Serve as the primary point of contact for the bank's full capabilities
- Recommend products and services that meet the Agency's needs and goals, including financing solutions, treasury management, and other banking services
- Oversee delivery of products and services including financing, treasury services, and other financial services
- Address overall satisfaction with J.P.Morgan's banking services delivery

George has 29 years of banking experience. For a majority of that time, he has served the needs of government, not-for-profit, healthcare, and higher education clients. George graduated from the University of Akron with a bachelor's degree in Business Administration. He is a member of the Government Finance Officers Association and the Ohio Association of School Business Officials.





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## **Karl Lamar, Senior Treasury Management Officer**

Karl Lamar will manage banking and efficiency challenges by providing information and offering ideas from the J.P.Morgan Treasury Services team.

He will:

- Recommend cash flow optimization strategies, including ways to streamline financial processes
- Assist in realizing day-to-day operational efficiencies in alignment with the Agency's treasury service goals
- Provide targeted information about new products, market developments, and industry trends
- Monitor the re-implementation for successful service delivery of banking services

Karl has more than 25 years of banking experience. For a majority of that time, he has worked serving the needs of government, not-for-profit, healthcare, higher education, and large corporate clients. He has worked in product management, project management, operations, technology, and sales focusing on receivables and payables in treasury services. Karl graduated from Bowling Green State University with a Bachelor of Science in Business Administration with a major in Management Information Systems and is a veteran of the U.S. Army.

## **Lina Schmidt, Treasury Services Sales Associate**

Lina Schmidt will work with Karl Lamar to identify and understand the Agency's cash management objectives and to formulate recommendations and solutions.

She will:

- Initiate and monitor the re-implementation of all contracted services for the Agency
- Review the first set of analysis statements for accurate billing
- Analyze the existing account structure to uncover cost savings opportunities and potential product enhancements
- Support the successful client relationship, including conducting annual client reviews

Lina started at J.P.Morgan as an intern in the Multinational Corporate group, working with U.S.-based subsidiaries of multinational companies. She joined the bank full time as an analyst in the Middle Market, structuring debt and offering credit products to Michigan-based businesses. In addition to her experience in commercial lending, Lina spent time in sell-side mergers and acquisitions as an analyst with Quarton International, a boutique investment bank based in Birmingham, Michigan. Lina holds a Bachelor of Arts in Finance from Michigan State University and was a member of the Honors College.





## Lesley Long, Senior Client Service Professional

Lesley Long will serve as the primary point of contact and as a proactive resource for the Agency's banking service needs. With her understanding of all aspects of J.P.Morgan's Treasury Services' product functionality and technology, Lesley will facilitate the timely resolution of all service issues.

For day-to-day matters, she will:

- Resolve the Agency's inquiries including credit/debit confirmations, cancellations of payments, amendments of payment instructions, funds transfer inquiries and other treasury service matters
- Identify and resolve operational issues in a timely manner
- Share her specialized knowledge of fraud prevention tools and provide advice on asset and data protection strategies
- Facilitate the opening of additional accounts, if needed

Lesley works with a team of client service professionals who will provide consistent, reliable, and timely service support. A J.P.Morgan veteran since 1991, Lesley has held positions in multiple departments. She is a results-oriented professional with a successful track record in customer service and relationship management with strong problem-solving and analysis skills. Lesley will strive to deliver prompt and thorough responses to the Agency's banking needs. Lesley holds a finance degree in Business Administration from the University of Toledo and has earned her Certified Treasury Professional designation.

### 3.1.3.1.1.10 The Bancorp Bank

The Bancorp Bank team supporting SMI has over 100 years of combined prepaid debit card experience and is a leader in the prepaid card industry. The combined experience of their team has contributed to the success of many Fortune 500 companies and has assisted them in developing many cutting-edge prepaid card programs that drive the industry. This experience also increases our ability to be innovative and flexible.

To follow, we provide biographical sketches for members of The Bancorp Bank team that will support the West Virginia smiONE Card transition and ongoing operations.

### Ryan Harris, Bancorp Account Executive

Ryan Harris, the Managing Director of Business Development, is the SMI Account Executive within The Bancorp Bank. As the Account Executive, Ryan ensures all necessary Bank support is provided for the smiONE transition and ongoing operations.

Ryan has worked in Bancorp's prepaid debit card division since 2003 and carries nearly two decades of card-related industry experience. He began his career with The Bancorp Bank within the Credit Card Operations division in early 1999 and moved to the Payment Solutions Group in March 2003. Prior to joining The Bancorp Bank, Ryan worked for Citibank in their credit card division.



Ryan has provided oversight for the successful implementations and ongoing operations for the smiONE Card programs in Connecticut, the District of Columbia, Florida, Georgia, Missouri, North Carolina, Texas, and for the seven smiONE Tribal Card programs. Ryan has delivered the necessary oversight for the issuance of more than 1.85 million smiONE Cards since 2011.

### **Kelli Jamison, Bancorp Account Manager**

Kelli Jamison is the SMI Account Manager within The Bancorp Bank. As the Account Manager, Kelli is directly involved in coordinating and managing all daily banking functions for SMI and managing all new product implementation efforts for smiONE Card programs.

Kelli has worked in the prepaid debit card division at Bancorp since 2011, and in the prepaid industry since 2008. She began her career with The Bancorp Bank as an Implementation Manager in 2011 and moved into the Account Manager role in 2014. Prior to joining Bancorp, Kelli worked for MetaBank in their Vendor Management division.

Kelli guided Bancorp's efforts for the successful smiONE Card program implementations in Texas and Florida and is responsible for Bancorp's role in managing daily ongoing operations for the smiONE Card programs in Connecticut, the District of Columbia, Florida, Georgia, Missouri, North Carolina, Texas, and for the seven smiONE Tribal Card programs. Kelli has delivered the necessary day-to-day support for the smiONE Cards since 2014.

### **3.1.3.1.1.11 Arroweye Solutions, Inc.**

Arroweye will provide card fulfillment services for West Virginia's smiONE Card. They currently provide card fulfillment services for our Florida and Texas debit card programs. They assisted us in delivering successful transitions in Florida and Texas, issuing 175,000 cards in Florida and 630,000 cards in Texas.

### **Betty Mitchell, Portfolio Manager**

Arroweye's Portfolio Manager, Betty Mitchell, will serve as Arroweye's point of contact for transition and day-to-day operations. She ensures Arroweye's development aligns with client needs and demands, documenting all requirements. Betty will oversee product performance, contractual requirements, and service levels.

Betty has been with Arroweye since 2015. She served as the Portfolio Manager overseeing card fulfillment during our Texas and Florida smiONE Card transitions. She also oversaw card fulfillment activities during our upgrade to the Platinum smiONE Card in Texas, which involved the issuance of more than 600,000 EMV cards. During her tenure with Arroweye, she has also served gift card, prepaid and corporate incentive leaders such as American Express, U.S. Bank, Dunkin' Donuts, HP, and Swift Prepaid.

### **3.1.3.1.1.12 Galileo Processing, Inc.**

Galileo's committed and consistent management team is experienced with significant payments and financial processing knowledge, and collectively, with all their associates, become an extension of



the smiONE Team. Galileo has provided payment processing services for the smiONE Visa Prepaid Card since 2012. Galileo currently provides payment processing services for all our debit card programs.

### **Eric Strahm – Galileo Vice President, Customer Experience Services**

Eric Strahm leads Galileo's customer experience teams including account management, client support, and call center services. In his role, Eric will provide oversight for the West Virginia smiONE Card ensuring all program needs are met.

Prior to joining Galileo, Eric spent 23 years in the Financial Services and Payments industry in a variety of leadership roles working for Deluxe Corporation, John H. Harland, and Corporate Express. During his tenure with Galileo, he has built and led sales, account management, and operations teams designed to support company growth initiatives.

Since 2012, Eric has provided leadership for the successful transitions and ongoing operations for the smiONE Card programs in Connecticut, the District of Columbia, Florida, Georgia, Missouri, North Carolina, and for the seven smiONE Tribal Card programs. Eric also provided leadership for the upgrade to the Platinum smiONE Card in Texas.

### **Shawn Dean, Senior Account Manager**

Shawn Dean is Galileo's Senior Account Manager for the smiONE Card programs. As the Senior Account Manager, Shawn serves as the central point of contact with Charles Hollingsworth and Bo Stone for all operational questions and requests to Galileo. His responsibilities include leading, developing, and executing the needs for the smiONE Card programs during all phases. He develops detailed project plans for card program enhancements, develops and maintains detailed scorecards/metrics, develops and presents quarterly business reviews and annual forecasts, and defines strategies for developing and managing new product features with the smiONE management team.

Shawn has six plus years' experience managing high-volume clients such as the smiONE Card. Shawn works closely with his clients on strategic projects and has overseen multiple new feature implementations. During the past four years, Shawn managed the Account Management group and a strategic client base at Galileo. He works closely with all cross functional teams at Galileo to ensure processes are being followed and Galileo is meeting deadlines for all clients.

#### **3.1.3.1.1.13 Coleman & Associates, LLC**

Coleman & Associates is our partner for the production and mailing of the monthly debit card statements. SMI has worked with Ron Coleman since 1999 and with Coleman & Associates since 2003. Coleman & Associates brings 15 years' experience supporting the printing and mailing operations for Missouri's SDU known as FSPC.

Coleman & Associates adds tremendous value to the SMI team through the background and experience of its Vice President, Ron Coleman, who worked two years as SMI's on-site Project



Director and two years as manager of the Customer Service Center for the Missouri FSPC. Coleman & Associates has been a trusted partner in ensuring the accurate and timely delivery of Missouri's SDU documents since 2003 when SMI first contracted with Coleman & Associates to operate the check and billing statement/coupon disbursement components of the SDU. In 2006, when the SDU implemented debit card disbursements, Coleman & Associates added the monthly mailing of debit card statements to their duties to support SDU operations.

In 2016, Missouri Office of Equal Opportunity awarded Coleman & Associates the "Minority Business Enterprise of the Year Award" in recognition of their outstanding customer service to Missouri State agencies. We are confident in their abilities to provide this same level of service for West Virginia cardholders.

### **Ron Coleman, Vice President**

Ron Coleman has been directly involved in the delivery of SDU services since 1999. From 1999 to 2000, he served as the Customer Service Manager for the Missouri SDU. He later served as the Missouri SDU Project Manager from 2000 to 2001. In 2003, Ron became a partner overseeing the check and Billing Statement/Coupon disbursement components of the Missouri SDU operations. In 2006, when the Missouri FSPC implemented debit card disbursements, Coleman & Associates added the monthly mailing of debit card statements to their duties to support operations. During the contract re-implementation in 2013, Coleman & Associates transitioned the declining check disbursement responsibilities to our Missouri banking partner and assumed the additional responsibility for printing SDU documents in addition to distributing the documents. Ron will provide oversight for the printing and mailing of West Virginia smiONE Card statements.

During 2017, Coleman & Associates successfully printed and mailed more than 700,000 debit card statements and more than one million billing statements for the Missouri SDU.

As demonstrated in the above resumes and biographical sketches, SMI's proposed leadership for the West Virginia Transition Team has the experience and qualifications necessary to deliver a smooth transition with no disruption to services.

#### **3.1.3.1.2 SDU Ongoing Operations Team**

The State of West Virginia deserves nothing less than the best possible staff. SMI is known industry-wide for its staff of seasoned child support professionals. The same team that currently manages the daily operations of the West Virginia SDU will be responsible for managing operations under the next contract award. SMI proposes an ongoing operations team that is fully staffed and trained. Our staff are committed to the success of the West Virginia SDU as is demonstrated by their average time of service of nine years.

Angela Burgess, with 12 years' West Virginia SDU experience, will continue to lead the Ongoing Operations Team during the next contract term. Angela will ensure the continuity of current services during transition and ongoing operations.



The West Virginia SDU will continue to be supported by a highly skilled and qualified team at J.P.Morgan led by Executive Director George Sesock, Senior Treasury Management Officer Karl Lamar, and Treasury Services Sales Associate Lina Schmidt. Senior Client Service Professional Lesley Long will continue to serve as the point of contact for all the Agency's day-to-day service needs. Lesley will work with appropriate operational colleagues to make sure the Agency's research items and any new services requests are handled in a timely and accurate manner.

The following organizational chart illustrates our proposed structure for the continued ongoing operations of the West Virginia SDU.

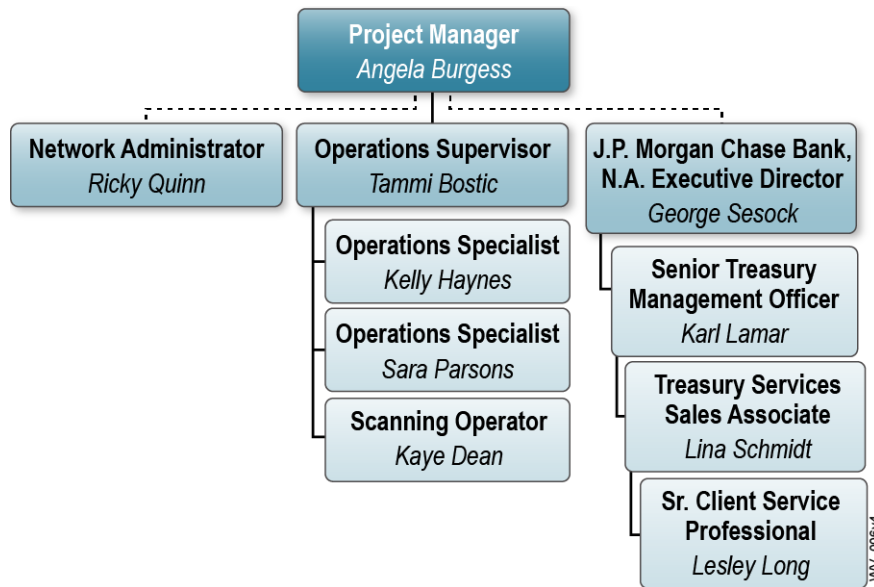


Figure 3-7: SDU Ongoing Operations Team. SMI's proposed staff bring years of exemplary West Virginia SDU experience.

To follow we provide resumes for our Ongoing Operations Team. A resume for Ricky Quinn is provided in Section 3.1.3.1.1.4 and biographical sketches for J.P.Morgan personnel are provided in Section 3.1.3.1.1.9 of our proposal.



### 3.1.3.1.2.1 Angela Burgess, Project Manager

Angela Burgess has 12 years' experience with the West Virginia SDU all of which has been serving in a supervisory or management capacity. Angela served as the Operations Supervisor from 2006 to 2011 and assumed responsibilities as the Project Manager in 2011. Angela possesses a thorough knowledge of all aspects of the SDU operation. She is a capable and hands-on manager with the proven ability to oversee the day-to-day operations of the West Virginia SDU.

#### Angela Burgess– Project Manager

##### **Systems & Methods, Inc., Charleston, West Virginia**

**2011–Present**

##### **Project Manager, West Virginia SDU**

As Project Manager, Angela Burgess oversees the daily operations of the West Virginia SDU and the annual processing of over \$188 million of support payments. As Project Manager, she is responsible for overseeing the daily processing of collections, research and resolution of unidentified payments, the balancing and deposit of collections, the transmission of the Receipt Files, issuance of disbursement checks, and reconciliation of bank accounts.

Angela monitors SDU activities to ensure compliance with State, federal, and contractual requirements. She oversees the implementation of new processes and programs to improve service and productivity. Additionally, she prepares and presents written and oral reports to management and State partners to detail project progress, successes, and issues.

##### **J.P.Morgan Chase, Charleston, West Virginia**

**2006–2011**

##### **Operations Supervisor, West Virginia SDU**

As the Operations Supervisor, Angela oversaw daily production operations including mail pick up, data entry, balancing, deposits, and invoicing. In this role, Angela supervised eight employees and ensured that all production requirements were met on time each day in accordance with performance standards set forth by company policy and contractual obligations.

##### **St. Francis Hospital, Charleston, West Virginia**

**2003–2006**

##### **Patient Access Department, Scheduling**

While working in the Patient Access Department, Angela delivered direct customer service. She assisted patients by answering telephone calls and scheduling appointments. She also verified insurance and data entered new patient information into the computer system.

##### **Bank One Corporation, Charleston, West Virginia**

**1988–2003**

##### **Data Entry Operator, 1988–1992 and 1994–2003**

As a Data Entry Operator, Angela entered and maintained all customer accounts for 26 branches. She handled all monthly accounting for business customers processing an average of 80 accounts daily with 98 percent accuracy. She also performed new account set ups, data entry, maintenance, rate code changes, adding new services to the system and spreadsheet analysis; balanced end of day totals of bank deposits; processed invoice customer statements; and performed back up for money data entry staff.

##### **Customer Service Switchboard Operator, 1992–1994**

Providing direct customer service in this position, Ms. Burgess answered over 150 calls daily by assisting customers with banking inquiries including checking, loans and credit ratings; greeted potential customers by providing a positive and personalized image for the organization; and resolved customer inquiries with a consistent focus on prompt and courteous service.



## Angela Burgess– Project Manager

### Education and Credentials

#### Education

Herbert Hoover High School, Clendenin, West Virginia

#### Training

Annual federal tax information training

Annual supervisory and management training

Recurring SDU operational training

Annual security and confidentiality training



### 3.1.3.1.2.2 Tammi Bostic, Operations Supervisor

Tammi Bostic brings 12 years of West Virginia SDU experience. From 2006 to 2011, she served as an Operations Specialist. Since 2011, Tammi has served as the SDU's Operations Supervisor. Tammi has a strong work ethic that is emulated by her staff. She continuously seeks innovative approaches to improving the SDU's operations and is a tremendous asset to the West Virginia SDU.

#### Tammi Bostic– Operations Supervisor

**Systems & Methods, Inc., Charleston, West Virginia**

**2011–Present**

##### **Operations Supervisor, West Virginia SDU**

As Operations Manager, Tammi Bostic oversees daily production operations including mail pick up, scanning, data entry, credit entry, debit entry, balancing, deposits, and file transmissions. In this role, Tammi supervises three employees and ensures that all production requirements are met on time each day in accordance with performance standards set forth by company policy and contractual obligations.

**J.P.Morgan Chase, Charleston, West Virginia**

**2006–2011**

##### **Operations Specialist, West Virginia SDU**

As an Operations Specialist, Ms. Bostic was responsible for opening mail, processing payments, and assisting the Operations Supervisor with all aspects of the payment processing operations.

#### Education and Credentials

##### **Education**

Dupont High School

Garnet Career Center, General Studies and Medical Coding and Insurance

##### **Training**

Annual federal tax information training

Annual supervisory and management training

Recurring SDU operational training

Annual security and confidentiality training





### 3.1.3.1.2.3 Kelly Haynes, Operations Specialist

Kelly Haynes brings 12 years of West Virginia SDU experience. She has been an Operations Specialist since 2011. From 2006 to 2011, Kelly served the SDU as a Data Entry Operator.

#### Kelly Haynes – Operations Specialist

##### **Systems & Methods, Inc., Charleston, West Virginia**

**2011–Present**

##### **Operations Specialist, West Virginia SDU**

As an Operations Specialist, Kelly Haynes is responsible for processing payments and for assisting the Operations Supervisor and Project Manager with all aspects of the payment processing and check disbursement operations.

##### **J.P.Morgan Chase, Charleston, West Virginia**

**2006–2011**

##### **Data Entry Operator, West Virginia SDU**

As a Data Entry Operator, Kelly was responsible for mail opening and data entry duties necessary for processing payments.

#### Education and Credentials

##### **Education**

General Equivalency Diploma

Garnet Career College, Accounting Masters Certificate

##### **Training**

Annual federal tax information training

Recurring SDU operational training

Annual security and confidentiality training



### 3.1.3.1.2.4 Sara Parsons, Operations Specialist

Sara Parsons brings 10 years of West Virginia SDU experience. She has been an Operations Specialist with SMI since 2011. Sara also served the SDU as a Data Entry Operator from 2003 to 2007.

#### Sara Parsons – Operations Specialist

**Systems & Methods, Inc., Charleston, West Virginia**

**2011–Present**

##### Operations Specialist, West Virginia SDU

As an Operations Specialist, Sara Parsons is responsible for processing payments and for assisting the Operations Supervisor and Project Manager with all aspects of the payment processing and check disbursement operations.

**J.P.Morgan Chase, Charleston, West Virginia**

**2006–2007**

##### Data Entry Operator, West Virginia SDU

As a Data Entry Operator, Sara was responsible for opening mail, processing payment, and processing disbursement checks.

**BB&T, Charleston, West Virginia**

**2003-2006**

##### Data Entry Operator, West Virginia SDU

As a Data Entry Operator, Sara was responsible for opening mail and processing payments.

#### Education and Credentials

##### Education

South Charleston High, Charleston, WV

Ben Franklin Career & Technical Center, Data and Word Processing Certificate

##### Training

Annual federal tax information training

Recurring SDU operational training

Annual security and confidentiality training



### 3.1.3.1.2.5 Kaye Dean, Scanning Operator

Kaye Dean is the newest member of the SDU West Virginia team with three years' experience.

#### Kaye Dean – Scanning Operator

**Systems & Methods, Inc., Charleston, West Virginia**

**2015 – Present**

#### Scanning/Data Entry Operator, West Virginia SDU

As a Scanning Operator, Kaye Dean is responsible for mail opening, extraction, and imaging. Once her scanning duties are complete for the day, she regularly assists with payment processing duties.

#### Education and Credentials

##### Education

Charleston High School, Charleston, WV

##### Training

Annual federal tax information training

Recurring SDU operational training

Annual security and confidentiality training

There will be absolutely no learning curve for our on-site professionals. Our West Virginia SDU Team will be staffed with the same helpful experts who currently work each day with the State agency to achieve common goals for West Virginia's families. They will continue to provide the professional, courteous, and knowledgeable service SMI is known for in West Virginia and the 14 other States where we operate SDUs.

### 3.1.3.1.3 smiONE Ongoing Operations Team

Angela will work closely with Bo Stone, our Vice President of Card Services to ensure the delivery of outstanding debit card services. SMI proposes an ongoing debit card operations team that is staffed, trained, and ready to deliver outstanding service to West Virginia's cardholders.

Following is the proposed organizational chart for our smiONE Ongoing Operations Team. SMI's proposed staffing will ensure the debit card operations provide outstanding service delivery for West Virginia cardholders.

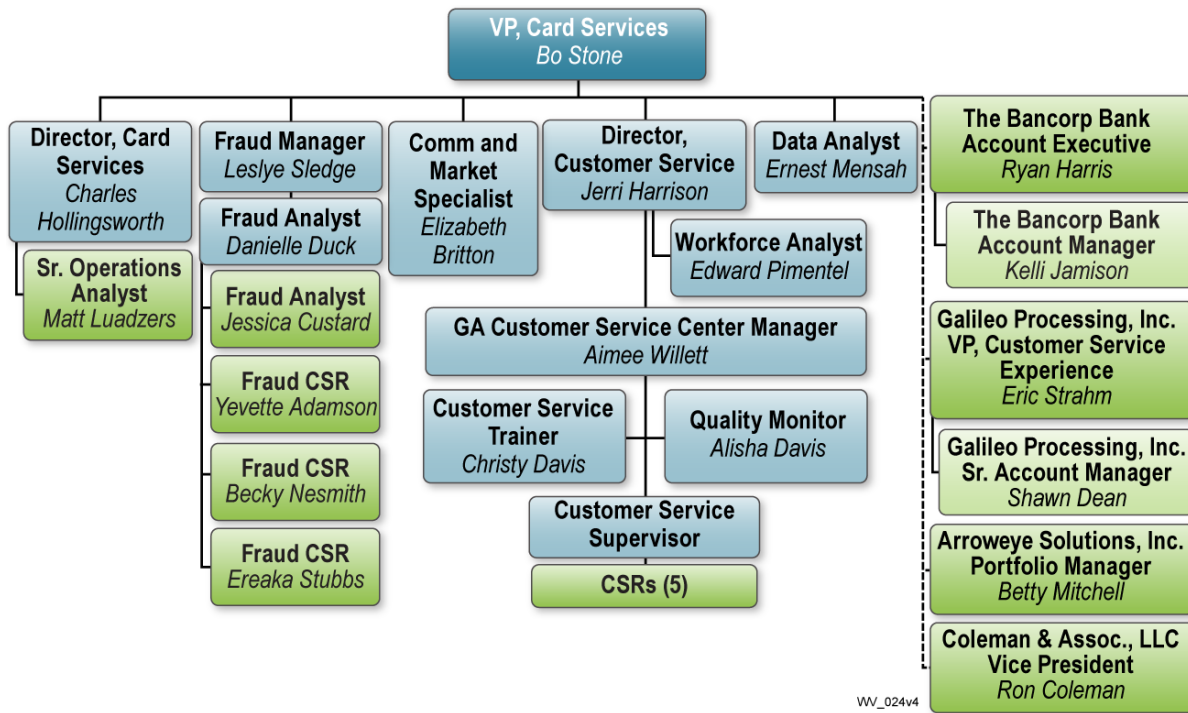


Figure 3-8: Experienced smiONE Ongoing Operations Team. SMI's proposed staffing will ensure the debit card operations provide outstanding service delivery for West Virginia's cardholders.

To ensure adequate customer service levels, one supervisor and five CSRs will be added to our current smiONE Customer Service Center operations upon contract award. In addition to our corporate staff assigned to manage daily debit card operations, SMI will have a total of 135 CSRs and 15 Supervisors in our Georgia and Texas Customer Service Centers trained and ready to assist West Virginia smiONE cardholders 24/7/365. This virtual call center approach to smiONE customer service ensures ample resources trained and available to assist West Virginia cardholders at any time. Our smiONE Customer Service Centers are staffed with SMI employees. By handling this critical aspect of customer service, we can ensure timely and accurate responses to customer contacts.

To follow we provide additional resumes for critical members of our smiONE Ongoing Operations Team. Resumes for Charles Hollingsworth, our Debit Card Transition Manager and Director of Card Services and Jason Brown, our Customer Service Transition Manager are provided in Section 3.1.3.1.1 of our proposal. Biographical sketches for our debit card partner's leadership personnel are also provided in Sections 3.1.3.1.1.10-13 of our proposal.



### 3.1.3.1.3.1 Bo Stone, Vice President, Card Services

SMI's Vice President of Card Services, Bo Stone, will provides overall leadership for the smiONE Team during operations. In his tenure with SMI, Bo has led Card Services innovations such as enhanced security measures, cards with EMV chip, a stellar team dedicated to fraud reduction, an improved cardholder website and mobile app, and a staff member dedicated to customer care advocacy. He brings a unique and valuable educational and legal background including a JD, MBA, and BA in communications. Bo is licensed to practice law in both Alabama and Georgia. Prior to joining the SMI team, Bo served as Assistant Counsel within the Alabama Department of Revenue. In this position, he developed a beneficial understanding of the statutory and regulatory framework in which State agencies and governmental programs must operate. He provides a strong balance for the smiONE program with a constant eye on compliance, innovation, and effective communications.

#### Bo Stone, JD – Vice President, Card Services

**Systems & Methods, Inc., Carrollton, GA**

**January 2016 – Present**

##### Vice President, Card Services

Bo Stone provides leadership and direction to ensure success in each of our debit card programs. He actively monitors the daily operations and ensures proper program functionality. He oversees the company's fraud fighting efforts, aiding in the company's success in keeping the fraud impact well below industry standard levels. Bo works closely with each of our debit card partners ensuring compliance with regulations and our contractual requirements. During debit card program upgrades, transitions, and implementations, he assists the debit card Implementation Manager in coordinating all activities. During 2016, Bo provided oversight for and assisted with the debit card implementations for Florida and the Lac Courte Oreilles Tribe. During 2017, Bo provided oversight for the implementation for the Delaware Tribe and the upgrade to the Platinum smiONE Card in Texas. This Texas upgrade, which involved the issuance of more than 600,000 EMV cards, started in October 2017 and was completed in February 2018. Following implementations, Bo provides corporate oversight and is actively involved in managing the ongoing operations of SMI's debit card programs.

The smiONE Card currently has 1.85 million cards in service. In the last year, we processed 24.2 million debit card loads totaling more than \$3.9 billion and processed 118 million debit card transactions totaling \$3.6 billion.

**Alabama Department of Revenue, Montgomery, AL**

**July 2014 – January 2016**

##### Assistant Counsel

In this position, Bo represented the Alabama Department of Revenue in the litigation of Alabama tax laws in federal and State courts. He researched and prepared legal memoranda in the interpretation of case law and statutes to guide the policy and decision-making process for various divisions of the Alabama Department of Revenue. He conducted public hearings concerning administrative rules to comply with the Administrative Procedure Act. He attended and participated as a liaison of the Alabama Department of Revenue at various conferences and continuing legal education events to remain current on the latest cases and information related to State taxation.

#### Education and Credentials

##### Education

Cumberland School of Law, Samford University, Birmingham, AL, Juris Doctor

Brock School of Business, Samford University, Birmingham, AL, Masters in Business Administration



### Bo Stone, JD – Vice President, Card Services

Auburn University, Auburn, AL Bachelor of Arts in Communications, Minor in Business

#### **Training**

Annual anti-money laundering training

Semi-annual fraud training

Semi-annual dispute training

Annual supervisory and management training

Annual security and confidentiality training

Prepaid Debit Card Compliance Training



### 3.1.3.1.3.2 Jerri Harrison, CIAC, Director, smiONE Customer Service

Jerri Harrison has earned the International Customer Management CIAC Call Center Professional certification and holds a vast amount of customer service and personnel management knowledge and experience. She brings 16 years' experience in handling and managing customer contacts for governmental programs. Jerri has been a loyal and invaluable employee of SMI since 2004. In January 2017 Jerri assumed the leadership role for our smiONE Customer Service Centers, in Georgia and Texas, which currently handle 52.96 million IVR calls and 1.47 million CSR calls annually.

Jerri is well qualified and was instrumental in the successful implementation of the smiONE 24/7/365 Customer Service Center in 2011 and with our expansion in 2013 as we prepared to transition programs from subcontractors to the smiONE Card in Missouri, Connecticut, and the District of Columbia. During 2015 and 2016, Jerri was an invaluable resource in assisting with the smiONE Customer Service Center transition for the Texas and Florida debit cards. Her hands-on customer service experience has prepared her to direct the fast-paced environment of the smiONE Customer Service Centers.

#### Jerri Harrison, CIAC – Director, smiONE Customer Service

##### Systems & Methods, Inc., Carrollton, GA

2004 – Present

##### Director, Customer Service, 2017 – Present

Jerri Harrison provides leadership for our smiONE Customer Service Centers, which currently handle 52.96 million IVR calls and 1.47 million CSR calls annually. Jerri is responsible for customer service reporting, maximizing operational efficiencies across offices nationwide, and staffing determinations for smiONE customer service operations.

##### Customer Service Manager, 2011 – 2017

Jerri assisted with implementation activities for new debit card programs and was responsible for managing the day-to-day operations of the smiONE Customer Service Center in Georgia. She provided management for the handling of customer service contacts and provided direct supervision for assigned personnel, ensuring job functions were performed by employees in accordance with standard operating procedures, contractual obligations, corporate policies and procedures, and other codes and laws. She trained and evaluated the performance of assigned personnel; scheduled Customer Service Center employees to achieve maximum efficiency; monitored and provided disciplinary actions, as warranted; managed and effectively used corporate and project resources; managed Customer Service Center performance; prepared required reports; and reviewed any abusive and/or extraordinary calls. In addition, she coordinated and communicated the reporting and resolution of cardholder issues and served as liaison with State partners for customer service issues.

##### Customer Service Manager/Data Entry Supervisor, Georgia Family Support Registry, 2004 – 2011

Jerri's customer service duties included: helping case workers research the child support system to find payments; helping employers and non-custodial parents find missing payments; helping custodial parents find money that had been applied to their account; and using the State system to update non-custodial parents' and custodial parents' addresses, phone numbers, etc. She was responsible for supervising 11 employees and completing performance evaluations for each employee. Jerri met strict daily deadlines in a fast-paced environment; posted and processed child support payments; posted payments in the Georgia automated child support system and managed all refunds of monies misdirected to the Georgia SDU.

##### Douglas County Board of Commissioners (E 911) Douglasville, GA

2000 – 2004



## Jerri Harrison, CIAC – Director, smiONE Customer Service

### Supervisor/Communications Officer II

Jerri was responsible for helping callers during high stress emergencies from the beginning of the call, when the caller had no idea what to do, until the end of the call when emergency personnel arrived on the scene. In this position, Jerri dealt with very frustrated and highly emotional callers and was experienced and effective in calming them until help arrived. She answered multiple phone lines while entering data for dispatching emergency fire and police personnel. In addition, Jerri was responsible for training new employees in the Cisco Agent Desktop (CAD) system. She taught employees to effectively control upset callers and, while on the call, use the software to update the system so responding personnel knew what was going on en route to the emergency. Jerri's responsibilities also included filling out daily observation reports on new employees and rating the employee on a pass/fail basis.

### Education and Credentials

#### Education

Bremen High School

#### Certifications

CIAC Call Center Professional

Certified Training Officer, Communications Officer, Emergency Medical Dispatcher

Microsoft Office Suite and Windows XP

CAD

#### Training

Annual anti-money laundering training

Semi-annual fraud training

Semi-annual dispute training

Annual supervisory and management training

Annual security and confidentiality training





### 3.1.3.1.3.3 Leslye Sledge, CFE, Fraud Manager

Leslye Sledge is a Certified Fraud Examiner (CFE). CFE certification is awarded by the Association of Certified Fraud Examiners (ACFE). The ACFE is a provider of anti-fraud training and education. As the Fraud Manager, Leslye oversees policies, programs, and other efforts designed to prevent, detect, identify, and resolve fraudulent activity. Specifically, she works to implement strategies to prevent fraudulent debit card activity and directs and supervises the work of the team's Fraud CSRs.

Leslye brings more than six years' experience in detailed financial analysis, fraud analysis and prevention, and dispute resolution. She knows the debit card industry and has a thorough knowledge of debit card chargebacks and disputes. Her knowledge and experience of issues is broad, related to common web/e-commerce exploits, debit card fraud, and identity theft.

#### Leslye Sledge, CFE – Fraud Manager

##### Systems & Methods, Inc., Carrollton, GA

July 2014 – Present

##### Fraud Manager

Leslye Sledge is a CFE who develops specific strategies to counteract fraudulent activity, and she manages the activities of the operational fraud prevention/detection process. She monitors accounts for suspicious activity and patterns using data, reports, and in-house tools and investigates instances of possible fraud. She directs and supervises the work of the team's Fraud CSRs.

Leslye analyzes the latest fraud trends, and she develops recommendations to protect customers and partners from fraudulent attacks. Leslye is known as a forward-thinking expert in fraud prevention and detection. She provides leadership with guidance to ensure debit card loss is limited.

Leslye understands and communicates card fraud trends and associated risk. She understands regulations, laws, and guidelines with regards to Payment Card Industry Data Security Standard regulations and best practices. Leslye stays on the forefront of new technology and how it is used to fraudulently access debit card accounts or personal protected information.

Leslye designs and prepares fraud reports and conveys the status on fraud activity. She keeps detailed reports of fraud activity. She responds to ad hoc requests for data and works with Customer Service to analyze and resolve security-related issues such as account access, customer fraud claims, and chargebacks.

Leslye also monitors the work of the Dispute Resolution Team, ensuring timely and accurate resolution of cardholder disputes.

##### Small Town Bank

December 2009 – June 2014

##### EFT Dispute Manager/Compliance Assistant/IT Administrative Assistant

Leslye handled all debit card disputes and chargebacks for all branch locations of Small Town Bank. She was responsible for detecting and preventing fraudulent debit card activity. She implemented measures to prevent fraudulent activity by analyzing current fraud trends. Leslye handled chargeback processes and documentation relevant to fraudulent debit card activity.

Leslye ensured State and federal compliance in debit card dispute handling, and she ensured all personnel were trained per State and federal banking compliance regulations. Leslye assisted with annual audits in the areas of EFT dispute, bank compliance and information technology. Leslye worked with IT to resolve all IT issues as they occurred, controlling all aspects of the internet Banking system and Bill Pay system.

Leslye's other duties for Small Town Bank included:



#### Leslye Sledge, CFE – Fraud Manager

- Vendor management in accordance with State and federal guidelines
- Preparation of loan application review reports for board approval
- Maintaining ATM settlement statements for all ATM locations
- Balancing ATM settlement accounts
- Customer service

#### Education and Credentials

##### Education

Auburn University at Montgomery, Alabama, BS Finance and Business Administration

##### Certifications

CFE

##### Training

Annual anti-money laundering training

Semi-annual fraud training

Semi-annual dispute training

Annual security and confidentiality training

As demonstrated in the above resumes, SMI's proposed leadership for the West Virginia debit card program has the experience and qualifications to ensure outstanding debit card services for West Virginia cardholders.

#### 3.1.3.1.3 Bonding

Each SMI employee and each subcontracted employee will be bonded for a minimum of \$100,000.00 for the services that are to be performed under the contract. SMI provides bonding for all employees in accordance with State contractual requirements and industry standards. We will provide all necessary bonding documentation for the next contract upon contract award.



## Section 4. Mandatory Requirements

For over 46 years, SMI has delivered data processing and technology services to the public sector with a focus on providing best-in-class services while meeting and exceeding customer requirements. We are committed to each of our State partners including West Virginia. Our commitment to West Virginia is to continue “going the extra mile” to provide the very best services and complete satisfaction in the operation of the West Virginia SDU.

At SMI, our greatest strength lies in our people, and we have consistently provided excellent resources to the West Virginia SDU. With our committed staff and proven technology, SMI will continue to provide child support collecting, tracking, and disbursement services for the West Virginia Department of Health and Human Resources, BCSE.

**4.I Mandatory Contract Services Requirements and Deliverables:** Contract Services must meet or exceed the mandatory requirements listed below.

### 4.1 Mandatory Contract Services Requirements and Deliverables

SMI will meet or exceed the mandatory requirements of the RFQ.

#### 4.1.1 The Vendor:

##### 4.1.1 The Vendor

SMI, as the Vendor, understands and accepts responsibility for each of the mandatory requirements and deliverables of the RFQ.

**4.1.1.1 Shall assume full and complete responsibility for the cost of all activities and duties required by this RFQ.**

##### 4.1.1.1 Responsibility for Cost of All Activities and Duties

SMI assumes full and complete responsibility for the cost of all activities and duties required by this RFQ.

**4.1.1.2 Shall notify the Agency in writing within 48 hours of any personnel changes in the Vendor's management hierarchy that would be related to the operation of the contract resulting from this RFQ.**

##### 4.1.1.2 Notice of Personnel Changes

SMI will provide written notice to the Agency within 48 hours of any personnel changes in our management hierarchy that are related to the operation of the contract. When possible, our normal business practice is to provide advanced written notice of personnel changes that affect the West Virginia SDU operations.



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4.1.1.3 Shall agree that no aspect of its performance under the contract will be contingent upon the Agency's personnel or the availability of the Agency's resources, except for access to the OSCAR system and the training required to perform the contract.

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#### **4.1.1.3 Agency Personnel and Resources**

SMI understands and agrees that no aspect of our performance under the contract resulting from this RFQ will be contingent upon the Agency's personnel, or the availability of the Agency's resources, other than access to the OSCAR system and the training required to perform the contract.

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4.1.1.4 Shall submit in writing to the Agency immediately upon learning of any situation which could reasonably be expected to adversely affect the collection and distribution process (the inability to process and distribute collections in two (2) business days as required by law) a detailed account of the situation, including a recommendation for resolution which BCSE shall approve whenever possible.

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#### **4.1.1.4 Situations that Could Adversely Affect Operations**

Immediately upon learning of any situation that could be expected to adversely affect the collection or distribution of support payments, Angela Burgess, SMI's Project Manager, will notify the Agency in writing providing a detailed account of the situation. A recommendation for resolution will also be provided for BCSE approval whenever possible.

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4.1.1.5 Shall be responsible for and have full knowledge of current and detailed Federal and West Virginia laws, regulations, and guidelines promulgated thereunder which are pertinent to the child support collection and distribution process (Code of Federal Regulations, Chapter 45; WV Code, Title 48; Social Security Act 42 U.S.C., Chapter 7), as well as to the tasks and responsibilities outlined within this RFQ.

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#### **4.1.1.5 Responsibility and Knowledge of Laws, Regulations, and Guidelines**

SMI understands and agrees that we are responsible for having full knowledge of current and detailed Federal and West Virginia laws, regulations, and guidelines promulgated thereunder that are pertinent to the IV-D collection and distribution process, as well as to the tasks and responsibilities included within the RFQ.

As child support professionals with extensive SDU expertise, our staff are knowledgeable of federal SDU collection and distribution requirements. We understand that the federal laws, regulations, and numerous policy documents issued by the federal Office of Child Support Enforcement (OCSE) establish a framework for payment processing and distribution. Individual State laws, regulations, and guidelines then establish the rules for fine tuning our processing and distribution to accommodate the needs unique to each State. We have worked successfully with 15 states during the last 18 years in ensuring both federal and State compliance with all applicable federal and State laws, regulations, and guidelines. We will continue to monitor West Virginia State laws, regulations, and guidelines.



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4.1.1.6 Shall cooperate fully with any other Vendor/contractors that may be engaged by the Agency to work on the activities related to the collection and distribution process.

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#### **4.1.1.6 Cooperation with Other Vendors/Contractors**

As West Virginia's partner in the delivery of SDU services, SMI agrees to fully cooperate with any other Vendors and Contractors that the Agency may engage to work on activities related to the collection and distribution process.

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4.1.1.7 Shall recognize and agree that all work performed outside the scope of this RFQ/Contract or without approved change orders and/or approved delivery orders shall be at no cost to the agency.

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#### **4.1.1.7 Work Performed Outside Scope of RFQ/Contract**

SMI understands and agrees that any work performed outside the scope of the RFQ and contract without approved change orders and/or approved delivery orders, will be at no cost to the Agency.

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4.1.1.8 Shall be liable for any improperly disbursed support payments when such improper payments occur as the result of normal day to day processing errors made by the Vendor or are otherwise attributable to the negligent or willful failure of the Vendor to adhere to the collection, this RFQ/Contract, or State and Federal laws and regulations. The Vendor shall reimburse the Agency for any funds distributed to a wrong party and for any other costs incurred by the Agency from personal injuries and/or litigation arising from such wrongful distribution. Said funds will be immediately reimbursed upon presentation of documentation verifying the error, even if the Vendor has been unsuccessful with attempts to recover said funds.

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#### **4.1.1.8 Liability for Improperly Disbursed Payments**

SMI understands we are liable for any improperly disbursed support payments when such improper payments occur as the result of normal day-to-day processing errors made by SMI or are otherwise attributable to the negligent or willful failure of SMI to adhere to the collection, this RFQ/Contract, or State and Federal laws and regulations.

Immediately upon presentation of documentation verifying SMI improperly disbursed a support payment, SMI will reimburse the Agency for any funds distributed to the wrong party and for any other costs incurred by the Agency from personal injuries and/or litigation arising from such wrongful distribution. Our reimbursement to the Agency will occur even if we have been unsuccessful in recovering the improperly disbursed funds.



4.1.1.9 Shall manage the debit card program for the disbursement of child support to obligees or child support refunds to obligors. Vendor shall maintain Web-based and telephonic payment options which must be user friendly and accessible by custodial parents, noncustodial parents, employers, etc. with credit card, debit card and ACH initiated payment options available. The Agency shall send the Vendor a daily Web-based pre-registration file. The Vendor shall send the Agency the following daily files: Web-based payment responses, Electronic Funds Transfer (EFT) outgoing returns, and Web-based ACH and credit card payments and receipts/returns.

#### **4.1.1.9 Manage Debit Card Program and Maintain Web-Based and Telephonic Payment Options**

We propose the Platinum smiONE Visa Debit Card, known as the smiONE Card, to meet and exceed the State's debit card needs, providing debit card services for the disbursement of child support to obligees or child support refunds to obligors. The smiONE platform, including the management and corporate oversight, is the same platform that successfully provides debit card services to child support and other programs for seven States and seven tribes. In calendar year 2017, our smiONE Cards received 24.2 million deposits valued at \$3.9 billion and managed 118.2 million transactions totaling \$3.6 billion.

SMI has partnered with Visa to provide our innovative debit card solution to West Virginia BCSE. The Visa-branded smiONE Card is accepted anywhere Visa is accepted. Visa is the world's largest retail payment network with 141 billion payments transacted per year valued at over \$6.3 trillion. With the Visa brand, cardholders have convenient access to their funds whenever and wherever they may be. Visa is the world's most recognized global financial services brand. Visa has more branded cards in circulation, more transactions, and a greater total volume than any other network.

The smiONE Visa-branded debit card allows cardholders to make ATM, personal identification number (PIN) point of sale (POS), and signature POS transactions via the Visa network. ATM and signature POS are allowed on the Visa Plus network. The smiONE Visa Card for the State will have two unaffiliated PIN debit networks, Visa Interlink and MasterCard's Maestro Network, offering cardholders the ability to make purchases wherever Visa and MasterCard PIN debit POS transactions are offered. Additionally, ATM transactions are accepted on the smiONE in-network Allpoint ATM network. By allowing transactions on the Visa-sponsored networks as well as other networks, the smiONE Card gives cardholders unlimited access to obtain cash and to make purchases.

The smiONE Card platform includes our card partners:

- The Bancorp Bank, for card-issuing and depository banking
- Galileo Processing, Inc., for setting up accounts and processing all card transactions, including loads and expenditure settlement
- Arroweye Solutions, Inc., for card and collateral production and mailing
- Coleman & Associates, for monthly statement production and mailing

Our smiONE Card team members are ready to put their experience to work to provide a superior debit card program for West Virginia's child support payees.

Our proposal to continue providing the State's current web-based and telephonic payment options is included in Section 4.1.1.14. As required in the RFQ, we will receive files from the Agency and generate and send files to the Agency as necessary to continue providing the web-based and telephonic services.

4.1.1.10 The Vendor shall allow for a minimum of four (4) Automated Teller Machine (ATM) withdrawals per month per customer from the financial institution's ATM network at no cost to the debit card holder.

#### 4.1.1.10 ATM Withdrawals

West Virginia cardholders will continue to have access to more than 260 surcharge-free Allpoint ATM locations throughout the State. At these locations, cardholders will have four withdrawals per month at no cost to the cardholder.

The Allpoint network is available 24/7/365 in many locations in and around the State, as shown in the following figure.

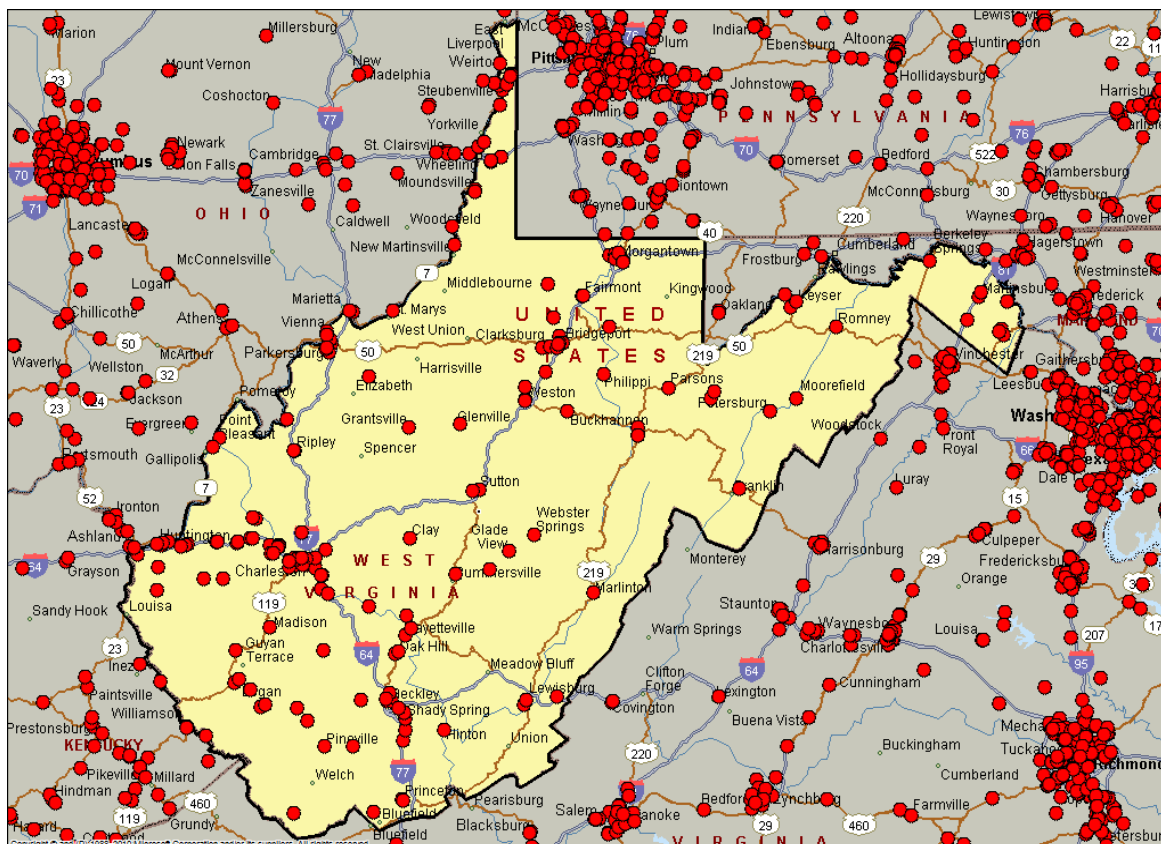


Figure 4-1: Allpoint Surcharge-Free ATM Network. Allpoint offers more than 260 ATMs for surcharge-free access in West Virginia.





Allpoint is the smiONE Card in-network ATM network providing surcharge-free ATM access throughout West Virginia. ATM locations are searchable online via the smiONE website and mobile app.

4.1.1.11 The Vendor shall maintain a 24/7 toll-free debit card customer service line and internet site with no cost to the customers for the purposes of:

#### 4.1.1.11 Debit Card Customer Service Line and Internet Site

SMI has been in the business of delivering customer service for government agencies for more than 18 years and debit card customer service specifically for more than 11 years. smiONE Card customer service includes a comprehensive IVR, CSRs available 24/7/365, a website with exceptional functionality, a mobile app for our cardholders on the go, and helpful email and text message alerts to help cardholders manage their accounts, all at no cost to the cardholder or the State of West Virginia. Our smiONE customer service delivery for calendar year 2017 included 1,469,606 CSR calls answered and 52.9 million IVR unit calls handled demonstrating SMI's capacity to manage the large and variable call volumes expected in the delivery of debit card customer service.

SMI manages smiONE Card customer service with a focus on ease of accessibility and quality. Our Customer Service Center management team has in-depth knowledge of smiONE Card operations, and our CSRs are well-trained to handle caller inquiries. Through a combination of state-of-the-art Customer Service Center technology, an interactive website, and hands-on State government experience, SMI's customer service will exceed the expectations of the State and its customers.

smiONE cardholders enjoy multiple options for accessing customer service to obtain or manage their account information. Our customer service options, offered at no cost to customers, include a 24/7 toll-free customer service line and internet site for the following purposes:

- Choosing or changing a PIN
- Reporting lost or stolen cards
- Requesting replacement cards
- Checking remaining account balances
- Locating the nearest network ATM
- Resolving questions or issues regarding the use of the card

The options, designed to fit any lifestyle, are all cost-free and accessible 24/7/365. The following table outlines customer service options available to smiONE cardholders.





Table 4-I: Customer Service Options. West Virginia smiONE cardholders will enjoy many convenient, no-cost options for accessing customer service.

Customer Service Option	Description
IVR	Cardholders may call the toll-free number to access our IVR where they can activate their card, choose and change their PIN, access account balances and transaction information, report their card as lost or stolen, or request to speak to a CSR.
Customer Service Center	Our IVR menu makes it easy for callers to speak with a CSR any time of the day or night. We do not hide this option or make it a convoluted process. We train our CSRs to be responsive to any inquiry from a cardholder, including but not limited to providing assistance with card replacements, withdrawals, account balances, disputed transactions, fraudulent use of a card, and a lost or stolen card. The Customer Service Center CSRs will be available 24/7/365.
Website	Cardholders may access their account via the internet by logging onto the smiONE website where they can obtain detailed information for every transaction, view current and previous balances, update their profile, report a lost or stolen card, set up alerts, locate a surcharge free ATM, and activate and PIN the card.
Mobile App	Cardholders may access their account via the smiONE Mobile App, which provides information and functions like those on the smiONE website, including customer service contact information.
Alerts	A cardholder may set up alerts to be received by email or text message. Alerts can be set for daily, weekly, or after each transaction/deposit. Every alert provides the balance. Cardholders can also text into their account to receive their balance.

Customer service is our first priority. We provide multiple options for cardholders to obtain their account balance, including calls to the IVR, receiving/sending text messages, and accessing the website or mobile app. Our goal is to provide an experience that promotes cardholder confidence and trust in the smiONE Card program.

SMI's program includes advanced means of assisting cardholders in a professional and experienced manner. Our superior customer service is what sets the smiONE Card program apart from other debit card programs. While other Vendors institute measures to limit transfers to the Customer Service Center, SMI makes it easy for cardholders to speak with a CSR in English or Spanish or using an interpreting service for other languages. Our superior Customer Service Center will be available at no cost to customers 24 hours a day, seven days a week, throughout the year. Our cardholder internet site and mobile app are also convenient, no-cost options available 24/7/365.



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#### 4.1.1.1.1 Choosing or changing a Personal Identification Number (PIN);

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##### 4.1.1.11.1 Choosing or Changing a PIN

West Virginia cardholders will have options for choosing or changing their card's PIN. They can call our IVR or use the website or mobile app for this purpose. If the cardholder needs assistance with choosing or changing a PIN, they can opt to speak to a CSR to help them with the process.

Upon receipt of the smiONE Card, West Virginia cardholders will be required to call a toll-free telephone number or log on to <http://www.smionecard.com> to activate their cards. An activation sticker will be affixed to the face of the card explaining how to activate the card by calling the toll-free number or by accessing the smiONE website. SMI allows cardholders to activate their card and select a PIN on our secure smiONE website or mobile app. Cardholders must register on the site prior to activation and then go to the activation and PIN selection screen to complete the process.

Activating the smiONE Card is like activating any new credit or debit card. The activation process is clearly described to the cardholder through the program materials that are included with each card, including the Card Carrier and Cardholder Agreement. Customers will call the toll-free phone number provided on the activation sticker affixed to the card or log on to the website and are instructed to positively identify themselves through security information associated with their enrollment record. Cardholders enter their 16-digit card number, the security code from the back of the card, and the last four digits of their Social Security Number (SSN) to activate the card. To complete the activation, they are prompted to select a PIN. They enter the selected PIN twice to verify that they entered the intended digits. Once a PIN is selected, the card is activated and available for immediate use. Cardholders can use any of the customer service processes to change the PIN at any time.

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#### 4.1.1.1.2 Reporting lost or stolen cards;

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##### 4.1.1.11.2 Reporting Lost or Stolen Cards

SMI understands cardholders need to have access to customer service related to their card account during both traditional and non-traditional business hours. Cardholders will be able to report lost, stolen, or damaged cards 24/7/365 by calling the toll-free IVR and selecting the option to report a lost/stolen card or request a replacement card. Cardholders can also report lost or stolen cards through the smiONE cardholder website or mobile app. Once reported through the IVR, website, or mobile app, the card status will be deactivated so that the card cannot be used, and Galileo's system will generate a new card number and associate it with the same account. Since the account remains the same, the funds do not have to be transferred, and cardholders continue to have access to the transaction history. The new card number is submitted on the next business day's card fulfillment file and sent to the card fulfillment center for card and collateral production.



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#### 4.1.1.1.3 Requesting replacement cards;

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##### 4.1.1.11.3 Requesting Replacement Cards

Whether an smiONE Card is lost or stolen or otherwise needs to be replaced, cardholders can request replacement cards through the IVR, a CSR, the website, or the mobile app.

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#### 4.1.1.1.4 Checking remaining account balances;

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##### 4.1.1.11.4 Checking Remaining Account Balances

The smiONE Card has multiple customer service options for cardholders to check their account balances. These include:

- IVR
- CSR
- Website
- Mobile App
- Text Message Alerts
- Email Alerts

Cardholders can text to get the balance, or they can sign up for alerts that provide them with notice any time the card is used. Each alert includes the remaining account balance.

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#### 4.1.1.1.5 Locating the nearest network ATM; and

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##### 4.1.1.11.5 Locating the Nearest Network ATM

Our smiONE website and mobile app have a convenient ATM locator included. Cardholders can also call toll-free to speak to a CSR trained and ready to provide ATM location information.

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#### 4.1.1.1.6 Resolving any other question/issues regarding use of the card.

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##### 4.1.1.11.6 Resolving Other Questions/Issues Regarding Use of the Card

Our cardholder website and mobile app provide information on frequently asked questions to help cardholders with any issues they may have with the use of the card. Cardholders with other questions or who simply prefer to speak to a CSR may do so 24 hours a day at no cost to the customer.

Further details on our toll-free customer service line and internet site are included in the Sections that follow.



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#### 4.1.1.11.7 Customer Service Center and IVR

SMI has extensive experience in implementing and operating IVRs and Customer Service Centers to deliver debit card customer service. Following successful implementation planning and testing, SMI will use our proven methods of monitoring and maintaining a superior level of customer service for West Virginia's cardholders.

Using our in-depth experience providing customer service to over 1.85 million cardholders, SMI is focused on providing quality customer service. SMI's approach to smiONE Card customer service differentiates our debit card program from all others. Not only do we offer access options for every lifestyle and make it easy for cardholders to reach the Customer Service Center, we are directly responsible and accountable for customer service delivery. We do not subcontract these critical services.

##### 4.1.1.11.7.1 IVR and Customer Service Technology

The level of our cardholder support sets SMI apart from other Vendors. Our priority is providing superior customer service to the cardholder. We offer 24/7/365 customer service access to smiONE Card account information via a toll-free number located within the United States. We will establish a toll-free number specifically for West Virginia cardholders. The IVR will provide information in both English and Spanish.

The IVR requires cardholder authentication by entering the card number and the last four digits of the cardholder's SSN. Once connected to the smiONE IVR, a caller may elect to be connected to a live CSR.

Callers who do not have a card number or are unable to enter a card number successfully are automatically transferred to the Customer Service Center and a CSR.

The IVR is the customized interactive link for up-to-date information about cardholder accounts. Our IVR provides information directly from the smiONE platform. The IVR scripts are configured to improve the cardholder experience by providing easy to use prompts and information in an understandable format. The IVR will allow cardholders to take the following actions:

- Activate the card
- Obtain the account balance
- Obtain recent and detailed transaction history (including new deposits and itemized deposit amounts)
- Create or change a PIN
- Pay a bill
- Review a bill payment
- Report a lost or stolen card

- Dispute a transaction by transfer to a CSR
- Sign up for alerts by transfer to a CSR

As an example, the figure below illustrates the smiONE IVR flow and functions—excluding card activation, for which we have a separate toll-free number—for some other States' smiONE Card programs. We will customize West Virginia's IVR as needed for BCSE's program.

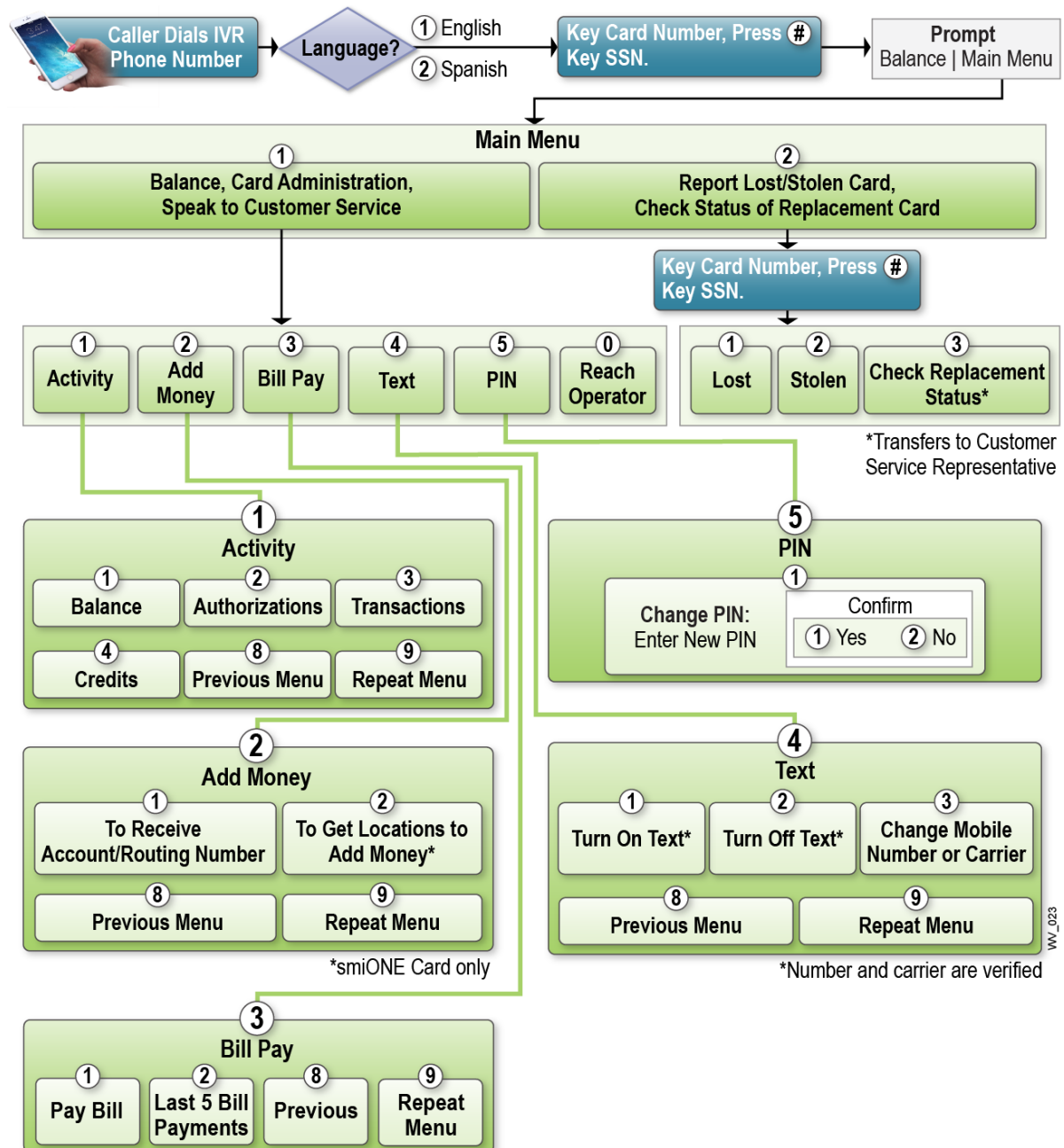


Figure 4-2: Typical smiONE IVR. This graphic depicts the flow and functions of the smiONE IVR for some other States' programs.



A separate dedicated toll-free number will be available to activate new and replacement cards. Having a dedicated number for activations allows cardholders to more quickly activate their cards.

### **Automatic Call Distribution (ACD) Function**

The ACD is a collection of geographically dispersed high-availability systems, networks, and applications. This group of systems is referred to as the Customer Interaction Center (CIC) voice platform.

The CIC voice platform is monitored 24/7/365, both locally by SMI and by Genesys. SMI uses Interaction Center Business Manager (ICBM) to monitor all aspects of the PureConnect voice platform. Network Operations is responsible for the day-to-day monitoring of the PureConnect voice platform by using both real-time monitoring capabilities as well as the automated alarm and notification services. ICBM and the SolarWinds monitoring platform are used in combination to provide a wide range of monitoring capabilities that cover system availability, networking, hardware, and ACD applications.

Network monitoring ensures that critical network outage events are detected promptly and that SMI is notified when such events occur. Incident resolution begins immediately upon notification. Our notification escalation procedures ensure that appropriate staff, up to and including the SMI Chief Information Officer, have been made aware of critical issues. By providing a solution with robust reporting and monitoring tools, we can ensure that the ACD is available and that enough CSRs are dedicated to answering calls.



License	Allowed	Available	In use	Available in percent	Used in percent
🔊 ACD Media 1	0	0	0	0.00	0.00
🔊 ACD Media 3	0	0	0	0.00	0.00
🔊 Client Access	0	0	0	0.00	0.00
🔊 Interaction Supervisor Plug-In: I	0	0	0	0.00	0.00
🔊 Interaction Supervisor Plug-In: F	0	0	0	0.00	0.00
🔊 Interaction Client Operator Add	0	0	0	0.00	0.00
🔊 Interaction Supervisor iPad Editi	0	0	0	0.00	0.00
🔊 Interaction Optimizer Client Acc	0	0	0	0.00	0.00
🔊 Interaction Optimizer Access Re	0	0	0	0.00	0.00
🔊 Interaction Recorder Access	0	0	0	0.00	0.00
🔊 Interaction Recorder Client Accr	0	0	0	0.00	0.00
🔊 Interaction Recorder Extreme Qt	0	0	0	0.00	0.00
🔊 Interaction Quality Manager	0	0	0	0.00	0.00
🔊 Interaction Supervisor Plug-In: F	0	0	0	0.00	0.00
🔊 Interaction Supervisor Plug-In: S	0	0	0	0.00	0.00
🔊 Interaction Tracker Access	0	0	0	0.00	0.00
🔊 Interaction Supervisor Plug-In: V	0	0	0	0.00	0.00
🔊 I3_LICENSE_ADVANCED_SESSION	0	0	0	0.00	0.00
🔊 I3_LICENSE_AWL_INTERACTION	0	0	0	0.00	0.00
🔊 Basic Station	0	0	0	0.00	0.00
🔊 External Call Ports	10000	9960	40	99.60	0.40
🔊 Fax Session	250	250	0	100.00	0.00
🔊 I3_LICENSE_MEDIA_SERVER_G.7.	0	0	0	0.00	0.00
🔊 Salesforce Standard User	0	0	0	0.00	0.00
🔊 Salesforce Business User	0	0	0	0.00	0.00
🔊 Interaction Recorder Screen Rec	250	224	26	89.60	10.40
🔊 Interaction Optimizer Scheduling	0	0	0	0.00	0.00
🔊 Interaction Optimizer Real-time	0	0	0	0.00	0.00

Figure 4-3: Interaction Center Business Manager. The ICBM application provides our Network Operations team with a dashboard view of the CIC voice platform that includes the ACD functionality.

Various historical data are also utilized. For example, a standard report from the ICBM application, titled Percent All Busy by Hour, is periodically reviewed to ensure that line capacity issues have not and will not be encountered.

Our customer service Quality Control program and tools are designed to help us monitor and measure customer service performance to continually offer outstanding service.

## Customer Service Phone System

A unique combination of advanced telephony technology, Computer Telephony Integration (CTI), and the application of process-specific procedures builds our solution for service delivery. We use the Interactive Session Initiation Protocol (SIP) Soft Phone, a Windows PC-based softphone application that allows calls via a personal computer. With a USB headset connected, the personal computer becomes the telephone and allows for optimal CTI with other software.

The Interactive SIP Soft Phone is embedded within the Interaction Desktop client. The application sits in the system task tray and is transparent to the CSR.

CIC is a robust CTI solution for an IP-based Customer Service Center that is easy to deploy, configure, and manage. CIC is an adjunct to the soft phone on our computers and enables our



CSRs to customize functionality to meet individual customer needs. It provides CSRs and Supervisors with intuitive tools to increase productivity and improve customer satisfaction. Interaction Desktop's seamless integration to the CIC platform enables SMI to easily deploy CTI functionality. Key features and benefits of the CIC Interaction Desktop include:

- Soft phone capable of transferring calls seamlessly between the Customer Service Center and State agencies and CSR/Supervisor coaching capabilities—improves CSR productivity
- Ease of deployment—installs faster and easier than other CTI technologies
- Graphical user interface (GUI)-based management for ease of customization, maintenance, and change management—decreases IT dependency
- Supervisory features allow viewing of real-time statistics, monitoring and coaching CSRs—enables effective management of CSR resources

CIC provides call control capabilities such as call answer, hold, conference, transfer, and ACD state control (ready/not ready and wrap-up).

## CIC Software

The smiONE Customer Service Center is supported by software provided by Genesys. The software, called PureConnect, powered by CIC, provides an Interaction Desktop for CSRs that gives them full control of call handling capabilities and caller queue information to ensure that they start each call with knowledge of the caller's program and can resolve each call quickly and efficiently. CIC provides different components, based on the user's administrator-defined role, that allow for direct customer support, supervision and oversight of a customer support team, quality management for a broader group, and overall Customer Service Center administration and management. The following table shows the common components used by SMI and the corresponding functionality.

Table 4-2: CIC Components and Functionality. CIC provides functionality based on user role for the overall operations and management of smiONE Card Customer Service centers.

CIC SOFTWARE	
Component	Functionality
Interaction Desktop	<p>Provides tools for CSRs to handle customer calls, including space for wrap-up codes</p> <p>Provides ability to message a Supervisor or other staff</p> <p>Assigns every call an Interaction ID for tracking purposes</p>
Interaction Supervisor	<p>Provides ability to monitor all staff in workgroup and control status</p> <p>Allows a Supervisor to provide coaching without the customer hearing, or join a call to assist the CSR</p> <p>Provides the ability to set alerts for certain user-defined thresholds, such as when a CSR's call is</p>





CIC SOFTWARE	
	<p>longer than a set parameter, indicating the possible need for help</p> <p>Provides profile information about certain events, such as abandoned calls, to help Supervisors take real-time steps to reduce the incidence</p> <p>Displays skillsets of CSRs for easy reference, including languages spoken or subject matter expertise</p> <p>Provides Supervisors with the ability to update CSR Workgroups to quickly add staff in instances of call spikes</p>
Interaction Quality Management	<p>Allows Quality Manager access to all recorded calls from which to select for sampling</p> <p>Provides customized review form to ensure all staff are measured using the same criteria</p>
Interaction Optimizer	<p>Provides a forecasting tool to determine staffing needs</p> <p>Schedules staff based on expected call volume, including for higher demand periods</p> <p>Allows Supervisors or Manager to track adherence and conformance to schedules</p>
Interaction Recorder	<p>Records all calls for quality management, including voice and concurrent screen capture</p>
Interaction Reporter	<p>Allows user to generate pre-defined reports</p> <p>Allows customization of standard reports</p> <p>Provides current Customer Service Center performance reports, including average speed to answer, average talk time, percentage of calls abandoned</p> <p>Permits easy navigation, generation, and viewing of reports</p> <p>Includes analyzer, tracking, line and queue, and wrap-up code reports, among others</p>

CIC is a powerful set of tools and an integral component of SMI's success in smiONE Customer Service Center operations.

## Supervisors Supported with Technology

Supervisors are responsible for ensuring the smiONE CSRs are following the Standard Operating Procedures outlined in the CSR Guide and the contract, along with applicable laws and regulations. In addition to monitoring the behavior, attendance, and performance of CSRs, Customer Service Supervisors are tasked with some roles of a sensitive nature that are not allowed for all staff. CSRs refer calls to their Supervisor when customers:



- Request help changing their PIN
- Ask for a fee reversal not within the CSR's authority to grant
- Want a hold on their funds released above a CSR's authority

Supervisors use the Interaction Supervisor component for support in all areas of supervision, including call recording, schedule adherence and conformance, monitoring and coaching during individual calls, and monitoring performance and call activity for the entire group.

## Quality Management Technology

Quality Control for customer service is critical to the success of smiONE Card operations. More than any other function, providing accurate, courteous, and effective customer service will build a positive public perception of the Agency and the debit card program. We have built a Quality Control program for customer service that can quickly identify issues for rapid and effective resolution. Integral components of a Customer Service Center include knowledgeable staff to handle customer inquiries, management personnel to supervise and monitor staff and data, and the technology to maintain a fast-paced customer service center environment. It is important that customer calls be answered quickly, for customers to be provided accurate information, and for management to be provided the tools they need to ensure the delivery of superior service. Through recorded call reviews and live monitoring, we measure the quality within our smiONE Card Customer Service Centers.

Using the Interaction Quality Management component of CIC, quality management staff can randomly select recorded calls for review. The number of calls reviewed depends on the relative experience of CSR staff, with more calls reviewed for newer staff and less for seasoned staff.

Each call reviewed is rated on pre-defined criteria. The report below shows an example of Quality Scoring Details of a call reviewed for an individual CSR.

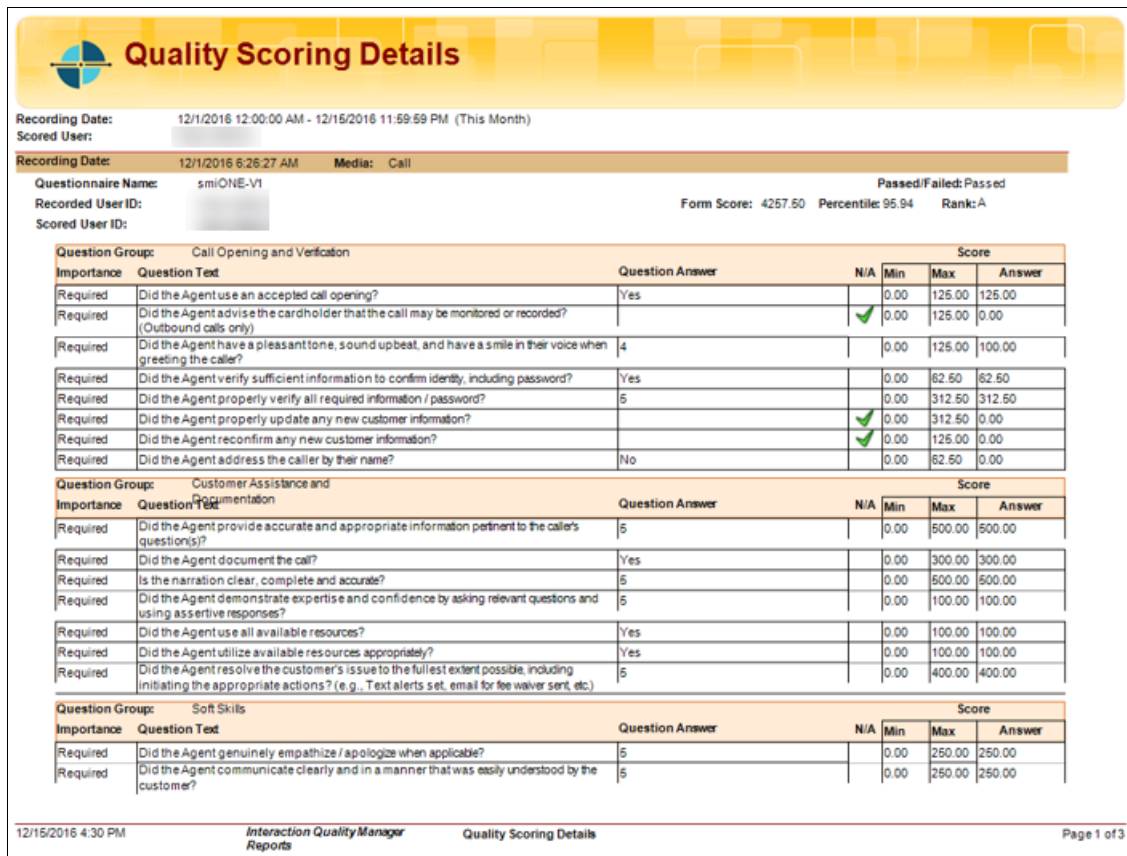


Figure 4-4: Quality Scoring Details Report. The results of a quality management review for a recorded call are stored in this report.

In addition to individual quality reports, quality management staff also can compare scores within a group or the entire Customer Service Center. This helps identify promising practices or problem areas, allowing Supervisors and Managers the data needed to standardize practice or implement corrective action.

## Automated Notifications

CIC not only tracks Customer Service Center performance, it provides user-defined alerts to events or situations that may require Supervisor or Manager intervention. The CIC gives Managers color-coded indicators for the status of a given performance metric as shown in the figure that follows.

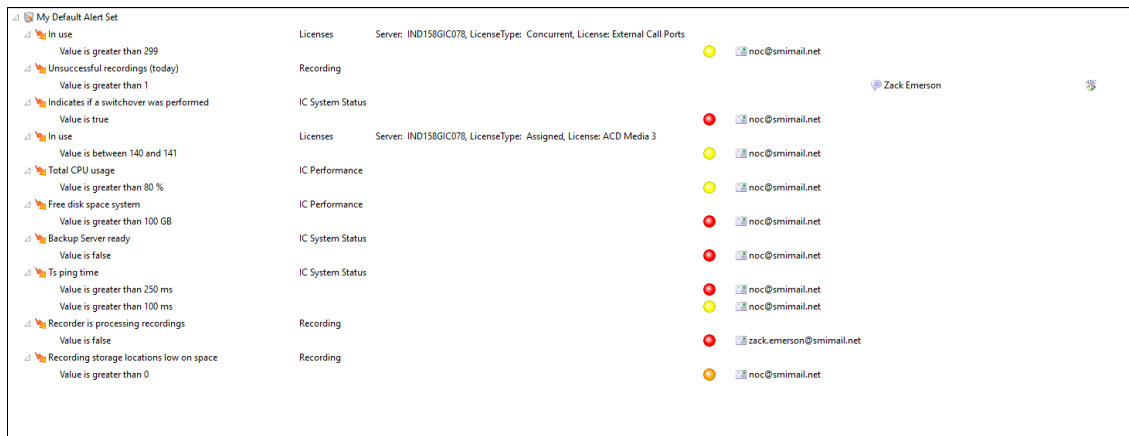


Figure 4-5: CIC Parameter Alert System. The CIC provides color-coded status of certain metrics, allowing management staff to act long before a minor problem becomes a warning.

CIC color-coded indicators are just one more way the software supports Managers in a fast-paced Customer Service Center environment.

#### 4.1.1.11.7.2 Customer Service Center Operations

SMI will provide CSRs specifically trained to answer and act upon the more detailed and technical debit card questions that cannot be answered by the IVR. Our smiONE Customer Service Center staff will be available 24/7/365 to respond to calls transferred from West Virginia's smiONE IVR.

We make staffing decisions for the Customer Service Center using a variety of factors, including:

- Historical call volume
- State performance standards
- Call arrival patterns and average handle times from our existing smiONE Card programs
- Potential concurrent call volumes during crisis situations

We run these data through Interaction Optimizer, a workforce management tool that includes an Erlang-C staffing calculator. Interaction Optimizer helps our workforce management staff adjust for possible spikes in call volume related to program or other changes and determine the schedules necessary to ensure proper coverage throughout each day of the week. When necessary, staffing decisions can even be broken down to five-minute intervals.

To ensure adequate customer service levels, one Supervisor and five CSRs will be added to our current smiONE Customer Service Center operations upon contract award. In addition to our corporate staff assigned to manage daily debit card operations, SMI will have a total of 135 CSRs and 15 Supervisors in our Georgia and Texas Customer Service Centers trained and ready to assist West Virginia smiONE cardholders 24/7/365.

SMI follows a very thorough process as part of a comprehensive Human Resources recruitment and hiring philosophy. All Human Resources professionals and management personnel will adhere



to corporate guidelines for recruitment and selection to ensure only the most qualified, dedicated, and knowledgeable professionals are hired to support the West Virginia smiONE Card program.

To provide equal employment and advancement opportunities to all individuals, employment decisions are based on merit, qualifications, and abilities. SMI does not discriminate in employment opportunities or practices based on race, color, religion, sex (including pregnancy and gender identity), sexual orientation, national origin, age, disability, family medical history, genetic information, or any other characteristic protected by federal or State laws.

Our Human Resources professionals possess a wealth of experience in recruitment and selection for our operations. They recruit through nationally recognized avenues and work with local resources specific to the geographic area of the SMI operation.

SMI will strive to hire the most qualified and knowledgeable candidates available. Part of the hiring practice will be to verify previous employment references, as well as conduct a thorough background screening on each potential employee.

Once hired, smiONE Card customer service employees go through comprehensive classroom training supported by side-by-side observation and “nesting” for on-the-job training in a safe, supportive environment. New CSRs are closely monitored by Supervisors and Quality Management staff to coach, correct and redirect, or join in calls, if necessary.

While we have performed an initial review of the expected capacity demands that will be placed on the IVR and telephone system for the West Virginia smiONE Card program, SMI will continually reevaluate throughout implementation and during the life of the contract. SMI will maintain adequate staffing levels to include the flexibility to accommodate changes to the average volume of calls to meet or exceed the State’s expectations.

Additional call capacity is easily added using CIC. There are two main components of the SMI voice platform that impact call capacity: the CIC voice platform and the telecom trunks. The CIC voice platform is easily scalable and will support additional CSRs by simply adding agent licenses. Agent licenses also increase the number of voice ports available to the CIC voice platform, ensuring there are adequate “ports” within the voice platform so that calls can be answered by CSRs. The telecom trunks determine how many total “phone lines” are available to deliver calls to the CIC voice platform. The capacity of the trunks is easily increased by placing an order with the carrier to add additional capacity. SMI will include preparations for adding additional agent licenses and trunk capacity as needed in its plans for the telephone system.

An important component of CIC is the ability to provide our Network Operations staff the ability to monitor the available capacity of the ACD and telephone system using the relevant modules of the ICBM application.

SMI staff, onsite at both the Georgia and Texas Customer Service Centers, will carefully monitor the activity and use of CIC. By providing a solution with robust reporting and monitoring tools, we



can ensure that sufficient CSRs are dedicated to answering calls at all times, regardless of anticipated or unforeseen fluctuations in call volume.

## Customer Service Center Staff Education

SMI understands that training and managing customer service staff is a critical ingredient for the overall success of West Virginia smiONE Card operations. We are committed to providing our staff with the latest and best technology, as well as the job skills necessary to be successful in their work. That commitment translates into a Customer Service Center staff education program that:

- Begins at initial employment
- Includes refresher training as needed
- Provides information and skills development as operations are enhanced
- Includes training on new technology
- Includes cross-training so the employee will have a deeper understanding of the overall operation
- Provides developmental training so the employee can grow with SMI and the smiONE Card operation

Training is not just a function performed when staff are initially hired but is an integral component of the ongoing operations and a part of staff development offered to our employees. SMI will implement a training program with curriculum specific to the State's smiONE Card program.

We understand the importance of ensuring a technologically sound customer service solution that guarantees prompt and reliable service while also providing enough well-trained CSRs to deliver courteous, accurate, and timely responses to customer inquiries. Our CSRs are fully trained using our customer service guiding principles outlined in the following table.

Table 4-3: SMI's Customer Service Guiding Principles. SMI trains all CSRs on customer service fundamentals, including these customer service guiding principles.

Value	SMI's Customer Service Guiding Principles
Courtesy	Customers will be greeted enthusiastically and made to feel important when requesting and receiving help.
Prompt Attention	Customers will know that their time is respected. We understand no one likes to be placed on hold, made to wait, or feel they are being ignored.
Reliability	Customers will learn if we make a promise, we keep it. If we are unable to provide the information a customer seeks, we will obtain the information and contact the customer or refer them to the appropriate resource.
Personal Attention	Customers will realize we strive to provide personalized service to ensure no one feels like a number. With today's technology, this is a problem on which we focus. No one wants to feel that their case is just one among thousands.
Knowledge	Customers expect employees to be knowledgeable. Our staff will be highly trained. We will use our knowledge to help the customer.

Value	SMI's Customer Service Guiding Principles
Empathy	Customers want to be understood. We seek to show the customers that we are listening and want to provide the assistance they require.

Our state-of-the-art telecommunications solution provides the foundation for receiving and appropriately directing and resolving customer inquiries quickly and efficiently. SMI understands the importance of having fully documented procedures to guide the work within smiONE Card programs. We have developed operational manuals for our other programs encompassing detailed procedures for every aspect of the operation. Each function and task performed by the customer service staff is thoroughly documented in our user manuals. West Virginia-specific information will be included in the operational manuals. The following figure reflects the cover and various pages from our smiONE Customer Service Representative Guide.

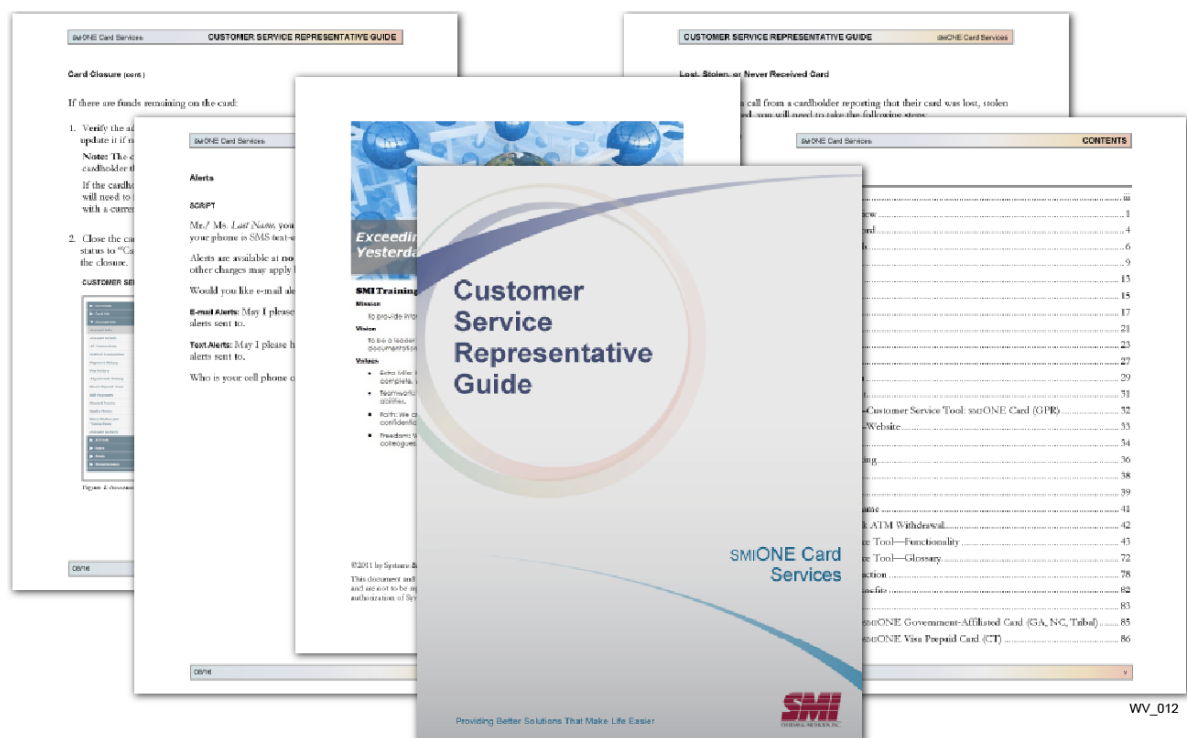


Figure 4-6: smiONE Customer Service Representative Guide. Our smiONE Card CSRs have access to an easy-to-use, frequently updated CSR Guide. The guide is available on their desktop for quick access.

The smiONE Customer Service Representative Guide contains State-by-State fee schedules for State programs. It is easily available for CSR reference when customers have fee questions. CSRs are trained to handle fee inquiries along with most requests for fee reversals without needing to transfer those calls to their Supervisor. SMI empowers CSRs to handle most issues that arise instead of requiring escalation to other staff, resulting in increased caller satisfaction. The Guide includes information on other issues that must be escalated to the Supervisor due to separation of duties or security, including PIN change assistance.





The technical training program is designed and delivered by individuals who possess real-world experience in all areas of smiONE Card operations and customer service. The program is comprised of the following components:

- Curriculum
- Training materials
- Training simulations
- Training team
- Training evaluation

Courses and modules completed by each employee will be added to their personnel file. In addition, a training matrix is maintained that identifies the courses and modules that each employee has taken.

During and after the initial training period, staff has access to a library of user manuals, flow diagrams, and continued on-site support. The manuals include both policy and system procedures. Structured refresher training is utilized for any staff that fails to meet our strict quality assurance standards.

### Other Language Needs of Callers

SMI will provide interpreting services for callers (incoming and outgoing) who do not speak or understand English or Spanish. With the diversity of West Virginia's population, we will need to accommodate many languages for calls to the smiONE Customer Service Center. To offer the widest range of languages, we use Fluent Language Solutions, a LanguageLine Solutions Company. Fluent interpreters join in a three-way call with the CSR and the caller to provide highly skilled interpretation services.

Founded in 1989 by two nationally recognized and certified interpreters, Fluent Language Solutions, Inc. is one of the largest full-service language services providers in the country. Headquartered in Charlotte, North Carolina, Fluent offers services to all 50 States and Canada. Currently, Fluent has 1,700 clients in the healthcare, government services, legal, educational, and corporate communities. Services include:

- Telephone Interpreting in more than 200 languages
- Nationwide 24/7/365 days per year availability
- On demand service with no appointment or scheduling required
- Average connect time to interpreter of less than 30 seconds

Fluent provides only the most skilled interpreters, translators, and instructors. By selecting this service for the smiONE Customer Service Center, we can accommodate virtually every language need in the State. There is no cost to the caller or BCSE for interpreting services.





SMI uses the services of Fluent in our other SDU and smiONE Customer Service Centers. We are familiar with conducting three-way calls and are confident in our ability to provide superior customer service to all the State's customers, including those whose primary language is not English or Spanish.

## Customer Service Inquiries

SMI develops detailed scripts based on the requirements of each contract that includes debit card services. The smiONE Card Customer Service Center uses the CST to assist our CSRs in responding to callers. The CST provides detailed information about the cardholder, every transaction, deposits, calls to the IVR, and calls to the Customer Service Center. Our CSRs are trained to first verify the caller's identity and then provide accurate responses to the inquiry. The CSRs must also thoroughly document the response provided to the caller. The following Settled Transaction screen from the smiONE CST illustrates just some of the information available to CSRs during calls.



West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001



## GALILEO PROCESSING | CUSTOMER SERVICE TOOL

CURRENTLY LOGGED IN: JANEL LUCK CHANGE PASSWORD LOGOUT

**Account** System Administration Load Locations Customer Messages (0) Agent Recordings

Card Program SMI North Carolina (SMI)

Balance ID  Search

Name	XXXX-XXXX-XXXX	Card Number	XXXX-XXXX-XXXX
Card Description	SMI NC Primary (5020)	Card Status / Account Status	Active / Active
Card Type	Personalized Visa	Passed Total ID / Override Ind	N/A / N/A
Client ID / XID / Account ID		Account Balance / Net Chargeoff	\$212.83 / \$0.00
User Defined Fields		Payment Reference Number	
Other Accounts	No Other Accts.	Related Accounts	No Related Accts.

[View Load Addresses](#)

[Enter Notes: \(0/500 chars.\)](#) Slicky Note: No slicky note found for this customer. Watch Flag: Normal

No Cat 1 forms found.

☐ Add To Related Accounts ☐ Perm. Hold Enter

**Settled Transactions**

Beginning Jun 17 2018 Ending Jul 17 2018 Submit

Trans Date	Settle Date	Description Auth ID - ARN	Authed Amount	Settled Amount
07/09/2018	07/09/2018	NC SALISBURY 3410 S MAIN ST USCardtronics CCSP	\$20.00	\$20.00
06/29/2018	06/30/2018	CHINA/GROVE STREET CHINA GROVE NCUS	\$23.00	\$23.00
06/27/2018	06/28/2018	FOOD LION #0701 TROUTMAN NCUS	\$16.99	\$16.99
06/27/2018	06/28/2018	1935 JAKE ALEXANDER BLVVSALISBURY NCUS	\$160.00	\$160.00
06/21/2018	06/23/2018	DOLLAR GE 11801 STATES CLEVELAND NC	\$17.44	\$17.44
06/21/2018	06/21/2018	NC SALISBURY 3410 S MAIN ST USCardtronics CCSP	\$41.50	\$40.00
06/18/2018	06/20/2018	DOLLAR GE 11801 STATES CLEVELAND NC	\$52.46	\$52.46
06/19/2018	06/20/2018	THE LANDMARK SALISBURY NCUS	\$11.49	\$11.49
06/19/2018	06/20/2018	928 N. SALISBURY AVE GRANITE QUARRNCUS	\$41.50	\$40.00

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Page execution time: 10.066s  
18.06.26 5-b138415

Figure 4-7: smiONE CST. The CST allows our CSRs to provide fast and accurate information to cardholders. The CST tracks every transaction and action taken on an account.



The CST enables our CSRs to quickly provide current information when responding to customer inquiries, and to thoroughly document the details of those inquiries for historical and audit purposes.

In the following sections, we provide our approach to customer service issues we routinely encounter in our other debit card programs.

## Types of Inquiries Anticipated

Based on over 11 years' experience in providing debit card customer service, we anticipate cardholders for any card program having certain general questions. Therefore, the smiONE CST provides detailed information to allow CSRs to assist customers with a wide variety of issues. In the table below, we describe our response to several types of common inquiries. Prior to providing any information, the CSR verifies the identity of the caller.

Table 4-4: Cardholder Inquiry Response Table. Appropriate actions are listed for common cardholder inquiries.

Cardholder Inquiry	Action Taken
Delayed Cards and Disbursements	<p>The CSR reviews the cardholder account on the CST and reviews the card issuance activities, including the date of enrollment, date the card was mailed, and the mailing address. If the mailing address is accurate, the CSR provides information on when the card was mailed. If the card was mailed 10 or more days ago, the CSR suggests that the card number be deactivated and a new card be issued. The CSR informs the cardholder that the deactivated card is not valid if received. If the cardholder has a new address, the CSR updates the cardholder's address, deactivates the old card number, and requests that a new card be mailed.</p> <p>The CSR reviews the CST to determine if a disbursement has been received. If all disbursements have been loaded onto the cards, the caller is provided with the information. If payment loads have not yet processed for the day, the CSR lets the cardholder know that accounts have not yet had money loaded and provides the estimated time funds will be available, if known.</p>
Cancellation and Reissuance of Lost, Stolen, or Damaged Cards	<p>The CSR accesses the CST to deactivate the card number and enters a request for reissuance of a lost, stolen, or damaged card. The CSR informs the cardholder that the actions have been taken, and the request for the new card will be sent on the next business day. The CSR documents in the CST why the card is being deactivated.</p>
Referral to Appropriate State Telephone Number for Non-Debit Card Issues	<p>When a caller seeks information that is not related to the card, such as a child support case inquiry, the CSR provides the appropriate State-approved support telephone number to the caller. If the caller is a</p>



Cardholder Inquiry	Action Taken
	cardholder, the call information is documented in the CST.
How to Use the Card	The CSRs are trained to educate cardholders during calls. Although CSRs are unable to change a PIN, they provide the cardholder with step-by-step instructions on selecting and changing a PIN or transfer the caller to the Supervisor to change the PIN. CSRs look up the nearest in-network ATM locations based on the cardholder's ZIP code.
Change of Address	The CSR updates the cardholder's address in the CST.
Fee Dispute	<p>The CSR reviews the Fee Schedule and Cardholder Agreement information with the cardholder and informs the cardholder of all the website and card packet locations where fee types and amounts are documented.</p> <p>When a cardholder requests a fee waiver, there are several fees that CSRs are empowered to reverse. If the fees being challenged can be waived by the CSR, and the same fees have not been previously waived for the cardholder, the CSR can reverse the fees. If the CSR does not have authority to waive the fees, the CSR informs the cardholder that it will take three to five days to review the request. The Customer Service Supervisor reviews the reason for the fee waiver request. If the fee will be waived, the Supervisor updates the CST to reverse the fee and documents the reason for the reversal. If the fee waiver request is declined, the Supervisor records the reason for the decline in the CST, so CSRs have that information for subsequent contacts with the cardholder.</p>
Foreign Transaction Fee	The CSR informs the cardholder that for purchases made in a currency other than U.S. Dollars, the card issuer (Visa) may assess a conversion fee that is a percentage of the transaction amount. (This information is also provided to cardholders in the Cardholder Agreement.)
Unreleased Funds Due to Pre-Authorization Amount	<p>The CSR informs the cardholder that some types of merchants, such as hotels, car rental companies, restaurants, and gas stations, send a pre-authorization for more than the amount of the transaction to compensate for any charges added after the transaction has been made, and the approximate number of days when the applicable type of transaction pre-authorization will typically release automatically.</p> <p>A Customer Service Supervisor may release a pending pre-authorization under \$100 if the CSR obtains and documents necessary information from the merchant. The Supervisor may release a pending pre-authorization for \$100 or more if the CSR obtains</p>



Cardholder Inquiry	Action Taken
	and documents the merchant's written permission and other necessary information.
Velocity Limit	The CSR informs the caller of the applicable withdrawal and usage (velocity) limits and where to find velocity limit information on the smiONE website and in documents enclosed with the card packet. The CSR also explains that velocity limits exist to protect against fraud, and the cardholder has access to card funds via over-the-counter Visa bank member withdrawals when larger amounts of cash are needed.
Transaction Dispute	<p>If the disputed transaction has not settled, the CSR tells the cardholder to call back after the transaction has settled, as errors are sometimes caught by the merchant and never settle. If the disputed transaction has settled, the CSR:</p> <ul style="list-style-type: none"><li>▪ Collects detailed information about the dispute and enters the information in the CST for the Dispute Team to investigate</li><li>▪ Informs the cardholder that for them to potentially qualify for provisional credit, they should submit a dispute letter via mail or fax to the Dispute department within the next 10 business days</li><li>▪ Provides the Dispute department's mailing address and fax number to the cardholder, as well as information the dispute letter should include</li><li>▪ Informs the cardholder they will be notified by mail or phone regarding the status of their dispute</li><li>▪ Enters a note in the CST to document the cardholder's call and dispute reason</li></ul> <p>The investigation and all timeframes associated with the dispute resolution process begin upon verbal notification of the dispute from the cardholder.</p>
Cardholder Locked out of smiONE Website	When a cardholder is automatically locked out of the smiONE website for 24 hours due to multiple login attempts with an incorrect user name or password, the CSR verifies the cardholder's identity and then resets the cardholder's failed login count and unlocks the account in the CST. If the cardholder forgot their password, the CSR verifies the cardholder's identity and resets the password for the cardholder by clicking "Email New Password" in the appropriate section of the CST. That action generates an automated email with a temporary password (not accessible by the CSR) to the cardholder.

SMI will ensure that our CSRs are trained to conduct themselves professionally in any situation and respond to callers with appropriate and accurate information. We provide each of our CSRs with written procedures and suggested scripts for addressing issues. The preceding list of inquiries is not all-inclusive. We train our staff to be prompt and responsive when addressing any question, issue,



or complaint, and to thoroughly document the call and resolution for accountability and reporting. Every cardholder call received at the Customer Service Center, including a complaint call, will be documented in the CST.

## Calls Not Requiring CSR Assistance

Through our experience with customer service, we know that West Virginia's customers may have differing comfort levels with automation. Customers may elect to speak to a CSR when the information they need is available through the IVR or customer service website.

We train our CSRs to provide such information pleasantly to the caller. Only after meeting the customer's needs will the CSR advise the customer that this information is also available on the IVR, the website, or the mobile app, if they need the same type of information in the future.

In only one instance will customers be directed back to the IVR. CSRs are not allowed to change PINs for cardholders. The CSR will advise the cardholder that for security purposes, PIN changes must be done through the IVR or website. The CSR will explain which IVR option to pick and how to complete the change. Rather than telling the customer to hang up and call back, the CSR's telephone allows for easy transfer back to the IVR.

## Dispute Resolution and Timeframes

The smiONE Card is in full compliance with all aspects of Regulation E, which specifically addresses error resolution for prepaid debit cards.

If a cardholder suspects an error, has questions about a transaction, or wishes to dispute a transaction that has been posted to the card account, the cardholder will contact the Customer Service Center. If a transaction is in dispute and not resolved to the cardholder's satisfaction during the call, an investigation into the dispute will be initiated. Detailed information is collected and entered into the CST. The customer will be asked to submit detailed information about the dispute or complaint in writing within 10 business days to potentially qualify for provisional credit, as allowed by regulations and discussed in the Cardholder Agreement mailed with the card. The cardholder will be asked to provide the following information in the written complaint:

- Cardholder name, address, phone number, and email address if the cardholder uses email
- The payment reference number
- Why the cardholder believes there is an error
- Dollar amount of the suspected error
- Approximate date and time or timeframe when the suspected error took place

Once a verbal card transaction dispute is received, our Dispute Resolution Team begins to evaluate and investigate. After receiving the cardholder's written statement, provisional credits for Visa eligible transactions are deposited into the cardholder's account, as required by Regulation E. That provisional credit allows the cardholder to have access to the disputed funds during the time SMI is investigating.



While the dispute is open, cardholders continue to speak with CSRs in the Customer Service Center. The CSRs have access to the documentation entered in the CST by the Dispute Resolution Team and are available 24/7/365 to speak with cardholders.

SMI will provide the dispute results to the cardholder within three business days of completing the investigation. If the Dispute Resolution Team determines there was no error, they will send the cardholder a written explanation that includes the cardholder's right to request copies of documents used in the investigation.

Information for customers about the right to dispute errors and instructions for disputing a transaction are provided in the Cardholder Agreement and in the Frequently Asked Questions (FAQs) mailed with the card. This information is also provided on the smiONE website and mobile app.

Our approach to fraud losses and risk-related compliance focuses on limiting the exposure to cardholders and the issuing bank when fraudulent activity or disputes occur. Through this approach SMI rigorously complies with Regulation E requirements and timelines for dispute management in addition to Visa's protection policies.

SMI is responsible for the liabilities of fraud. We mitigate our liability through stringent and diligent fraud prevention and detection methods.

#### **4.1.1.11.8 smiONE Card Customer Service Internet Site**

Our smiONE Card provides cardholders with a secure website for accessing online statements and detailed information on their account. Cardholders will access their individual account information at <http://www.smionecard.com> for account management functions such as:

- Activate card
- Select and change PIN
- Obtain current balance
- Monitor card activity
- View transaction history
- Set smiONE balance alerts
- Set up text alerts
- Update demographic information
- Update security questions
- View FAQs
- View the Fee Schedule

Cardholders will have secure 24/7/365 access to their account via the internet by logging onto the smiONE Card website, where they can conveniently check their balance, view account activity





including detailed deposit information from the West Virginia program, receive their account statement, sign up for text and email alerts, and more.

#### 4.1.1.11.8.1 smiONE Internet Website

Through materials mailed with the card, West Virginia cardholders will be invited to set up an online account to securely access account information and management tools on the internet at <http://www.smionecard.com>. The website's homepage provides a drop-down list from which cardholders select the first four digits of their card number to activate their cards or access their accounts, as illustrated below.

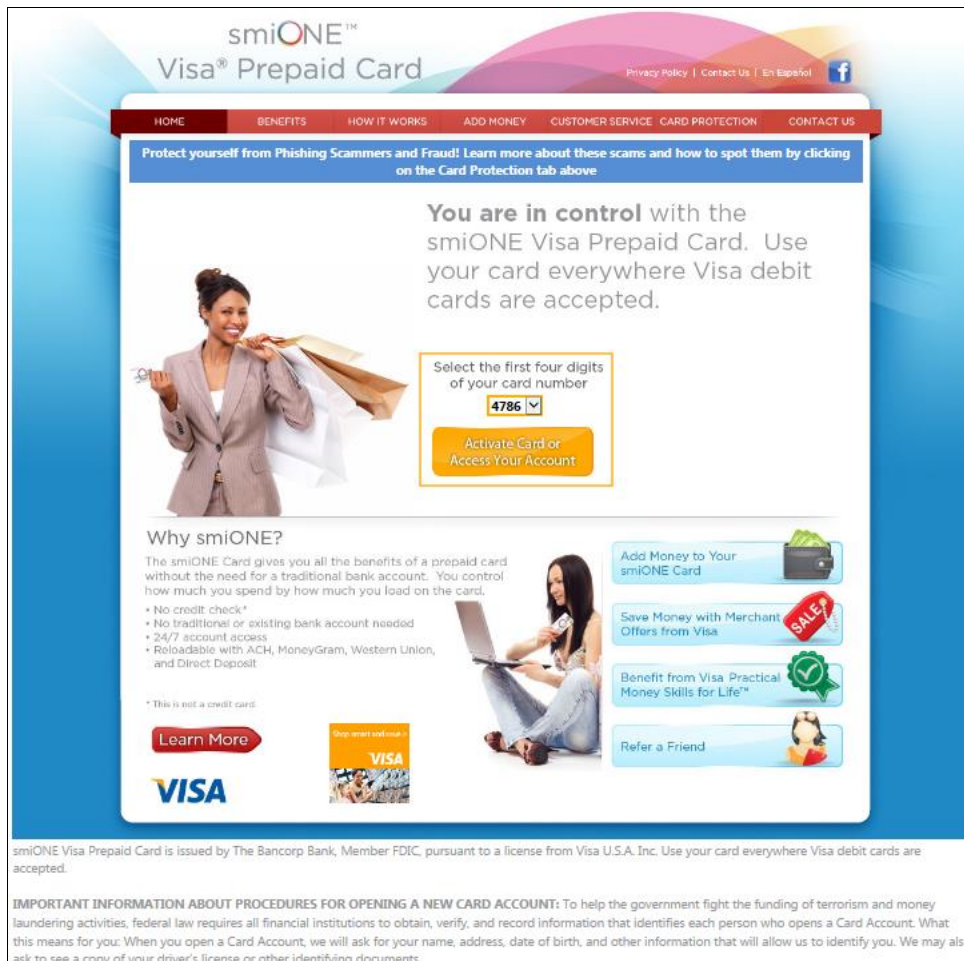


Figure 4-8: smiONE Website Homepage. The website homepage serves as an entry portal with general information for all smiONE cardholders. The cardholder's selection of the first four digits of their card number transfers them to the appropriate login page. Upon successful log in, cardholders are seamlessly routed to a site that is specific to their smiONE Card program.

Selection of the first four digits of their card number transfers cardholders to the appropriate login page. Upon successful log in, cardholders are seamlessly routed to the secure portal that is specific to their State's card program. That means the cardholder will see the Cardholder Agreement, Fee





Schedule, FAQs, and other information that applies only to the smiONE Card program for which they received a card.

New website users register on the New Registration page shown below.

**smiONE™**

**New Registration**

Username \*

Email ID \*

Mobile Number \*  
(xxx) xxx-xxxx

Mobile Carrier\*

Time Zone\*

Date Of Birth \*  
MM/dd/yyyy

Last 4 digits of SSN \*

Last 4 Digits of Your Card \*

Card Expiration Date (MMYY) \*

Password \*

Retype Password \*

Please choose a password that is between 8 and 20 characters in length. Password should contain at least 1 letter and 1 number. Your password should not be same as your username. Do NOT share your password with anyone.

Select Security Question 1

Answer \*

Select Security Question 2

Answer \*

SUBMIT CANCEL

The smiONE™ Visa® Prepaid Card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc.  
The Bancorp Bank; Member FDIC.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW CARD ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens a Card Account. What this means for you: When you open a Card Account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see a copy of your driver's license or other identifying documents.

Figure 4-9: Registration Page for New smiONE Cardholders. The smiONE Card website offers secure registration for online access to information and account management tools.



Registered cardholders securely login on the following page to obtain access to online customer support and their individual account information.

Figure 4-10: smiONE Website Login Page. After logging in using a unique user name and password, cardholders will have access to extensive web-based customer support that is easy to navigate and customized for individual smiONE Card programs.

Website registration and login are quick and easy, providing cardholders with immediate access to the extensive array of information and features described in the following sections.

## Dashboard

Upon a cardholder logging in, the website displays a dashboard landing page that summarizes the individual's card activity, displays recent complete and pending transactions, and provides messages for the cardholder under the Alerts heading. The My Cards segment of the screen, on the right, displays the primary and any secondary cards associated with the account and the current balance for each card.

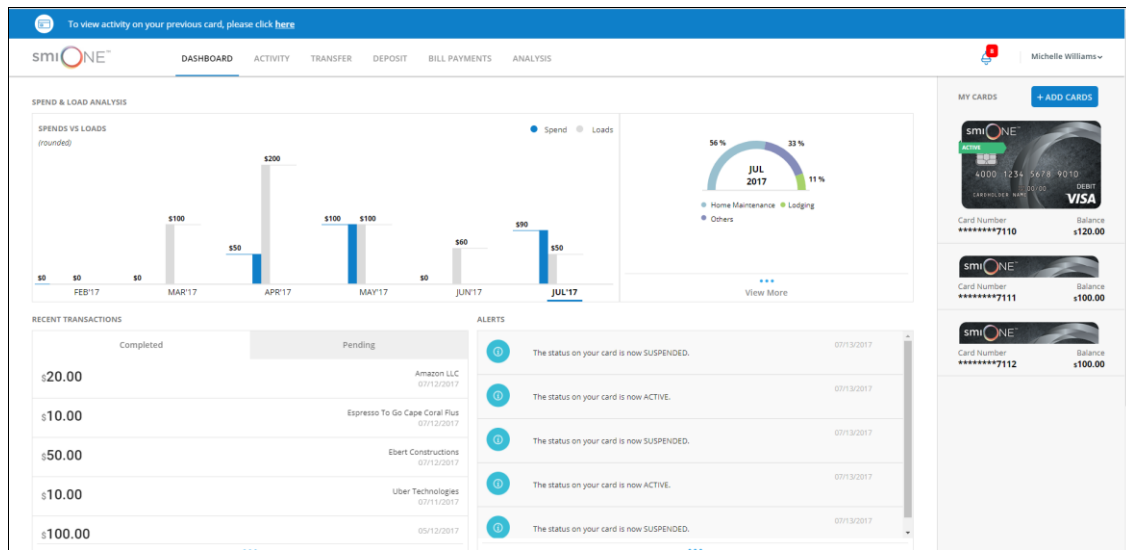


Figure 4-11: smiONE Website Dashboard View. The dashboard screen provides a snapshot of card status and activity. It also allows cardholders to select options for viewing or updating information.

From the dashboard users may navigate to other information and functions by clicking on “view” tabs located across the top of the page. All views include the My Cards segment, allowing the current card balance to be visible at a glance in every view.

## Activity

The website’s Activity view allows the cardholder to view, print, and download a transaction history for any date range selected within the prior 12 months. Transaction information displays for program deposits and any other BCSE-permitted deposits, PIN- and signature-based POS transactions, ATM withdrawals, fees, and refunds. The following figure illustrates the Activity view.

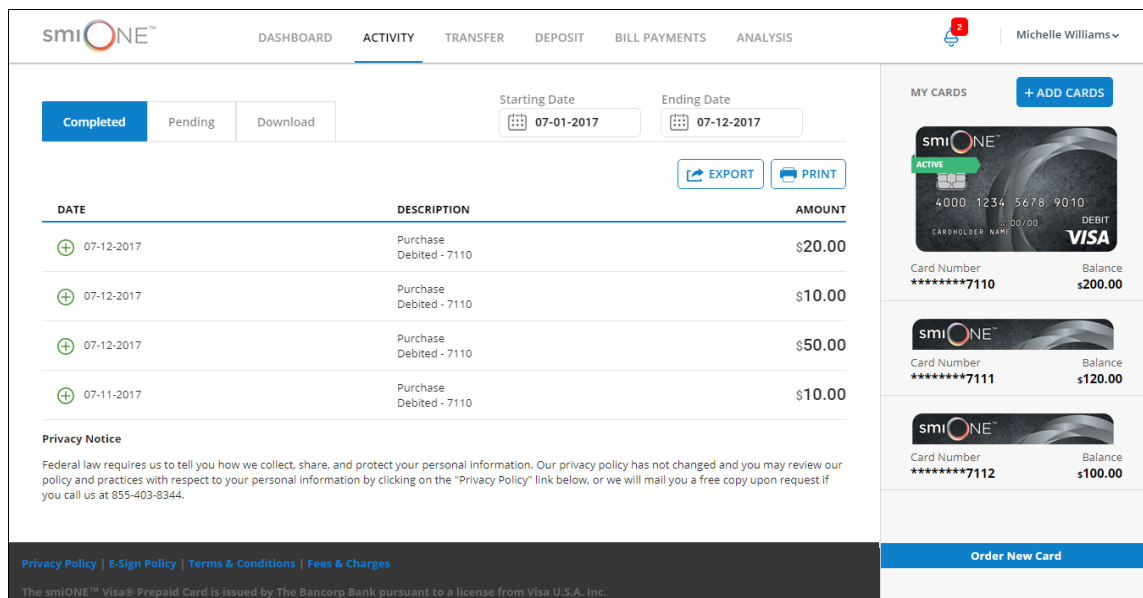


Figure 4-12: smiONE Website Activity View. This view shows all card activity for the date range selected.



In the Activity view, cardholders may click on a transaction to drill down and display additional details for that transaction, as shown below.

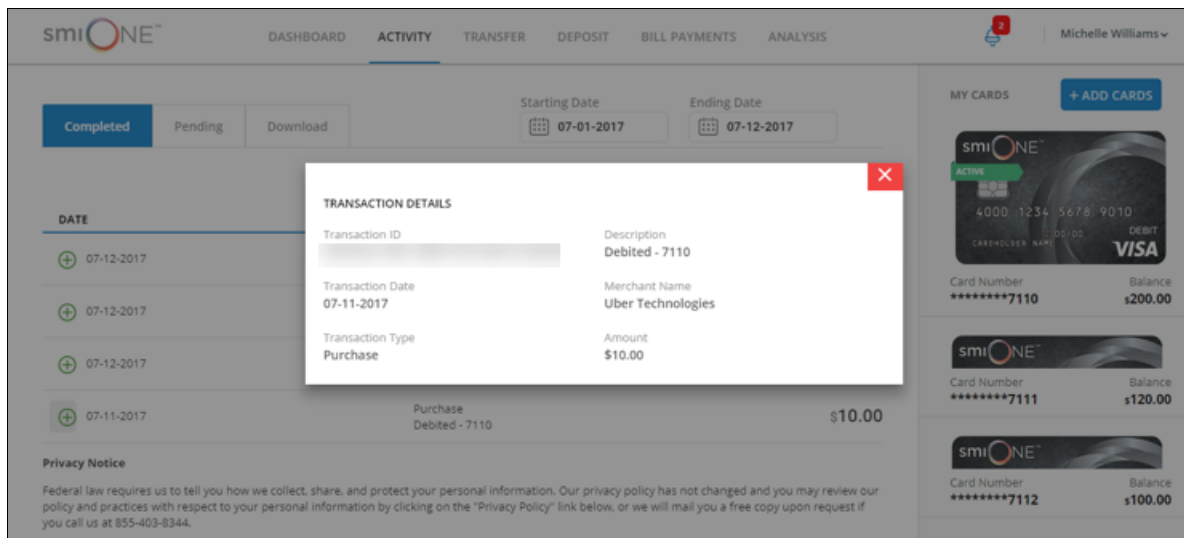


Figure 4-13: smiONE Transaction Details. Cardholders can securely manage their accounts and view their transactions anywhere the internet is available.

The Activity view serves as a current account statement for the cardholder, regardless of whether the cardholder receives a paper statement or opts for an electronic version. Cardholders can view all transactions for the selected date range, or filter to view completed versus pending transactions.

With activity displayed for the desired date range, the cardholder can click the Print button to print the selected transaction history in the following print-friendly format.



West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001



smiONE™

Name: GP TEST4  
Period: 11-01-2016 - 11-14-2016

Card Number: xxxxxxxxxxxx5684

Date	Description	Amount
11-12-2016	Purchase PINAR MARATHON ORLANDO FLUS 3-144875370	\$35.00(Dr)
11-11-2016	Purchase OTGO-PERSHING F ORLANDO FLUS 3-144778723	\$5.99(Dr)
11-11-2016	Fee 3-20388376	\$0.20(Dr)
11-10-2016	Purchase CHARLES EXPRESS M 813-764-0363 FLUS 3-144494762	\$13.70(Dr)
11-09-2016	Purchase Wal-Mart Super Center ORLANDO FL 3-20164598	\$36.19(Dr)
11-09-2016	Purchase LUCKY ME GOLDEN ROD CATANO PR 3-144403153	\$6.79(Dr)
11-09-2016	Purchase DUNKIN #354098 Q3ORLANDO FLUS 3-144394886	\$6.12(Dr)
11-09-2016	Load Funds 3-24581286	\$74.00(Cr)
11-07-2016	Purchase MCDONALDS F13689 ORLANDO FLUS 3-144051828	\$11.38(Dr)
11-07-2016	Purchase MCDONALDS F2972 ORLANDO FLUS 3-143983281	\$11.13(Dr)
11-07-2016	Purchase FAMILY DOLLAR # ORLANDO FL 3-20039740	\$17.04(Dr)
11-06-2016	Purchase CRICKET WIRELESS 855-246-2461 FLUS 3-143925823	\$48.00(Dr)
11-06-2016	Fee 3-20254845	\$1.75(Dr)
11-06-2016	Purchase WISH.COM, SAN FRANCISCO, CAUS 101-143872132	\$18.12(Dr)
11-06-2016	ATM Withdrawal 1020 HARDEN BLVD, LAKELAND, FLUS 101-143848870	\$142.99(Dr)
11-05-2016	Purchase Wal-Mart Super Center, LAKELAND, FL 101-19988826	\$164.91(Dr)
11-05-2016	Purchase WAL-MART Wal-Mart Sto, ORLANDO (SE), FL 101-19959391	\$60.90(Dr)
11-05-2016	Purchase MCDONALD'S F18451, ORLANDO, FLUS 101-143657923	\$7.94(Dr)
11-04-2016	Load Funds Direct Deposit, 101-24411823	\$41.65(Cr)
11-04-2016	Purchase WISH.COM, SAN FRANCISCO, CAUS 101-143466711	\$3.00(Dr)
11-04-2016	Purchase WISH.COM, SAN FRANCISCO, CAUS 101-143464850	\$20.35(Dr)
11-03-2016	Purchase CAPITAL ONE BNK DIVR, 854-6964437, VAUS 101-143389181	\$25.00(Dr)
11-03-2016	Purchase OTGO-PERSHING F ORI AMDO FLUS 3-143291149	\$48.00(Dr)

Figure 4-14: smiONE Activity Print Mode. The website's Print mode presents card activity in a print-friendly format for cardholders.

The Export button on the Activity view allows cardholders to download activity for the selected date range as a comma-separated value (CSV) file. CSV files can be easily imported into various money management tools such as Quicken. Additionally, the Statements tab in the Activity view presents statements, by month, which can be downloaded in PDF format. Following is an example of a Statement printed in PDF format.

Please direct inquiries to:  
smiONE Card Customer Service, PO Box 2490, Camellia, GA 30131  
Phone: 1-855-403-8484

#### TRANSACTION HISTORY

Name: Go Test4

Account Number: 163101

Address:

Card Number: XXXX-XXXX-XXXX-5684

6510 Millrock Drive Suite 300,  
Silver Spring MD 20910

Reporting Period: 10/01/2016 To 10/31/2016

Opening balance as on 10/01/2016 Closing balance as on 10/31/2016

\$58.00 \$0.00

Date	Reference No	Description	Debit	Credit	Currency
10/31/16	1428649221114	MCDONALD'S F19918 WINTER PARK FLUS 3-142864922	\$5.32		USD
10/31/16	1428507721114	WALGREENS #1131 WINTER PARK FLUS 3-142850772	\$15.48		USD
10/31/16	1428402811114	MCDONALD'S F20077 LAKELAND FLUS 3-142840281	\$6.48		USD
10/31/16	1428400281114	OLD TOWN GIFT STORE KISSIMMEE FLUS 3-142840024	\$10.69		USD
10/31/16	1428320511114	MCDONALD'S F20077 LAKELAND FLUS 3-142832051	\$12.14		USD
10/29/16	1428704991114	HUNGRY HOWIES PIZZ PLANT CITY FLUS 3-142870499	\$13.65		USD
10/29/16	1428159381114	SHELL Service Station LAKELAND FLUS 3-142815936	\$8.38		USD
10/28/16	241421481114	3-24142148		\$41.65	USD
10/27/16	1428386611114	Wal-Mart Super Center ORLANDO FL 3-19585866	\$8.02		USD
10/27/16	1428113111114	MCDONALD'S M2176 ORLANDO FLUS 3-142811313	\$11.27		USD
10/24/16	1428386611114	3-19590996		\$12.00	USD
10/24/16	1418133811114	RACETRAC#97 ORLANDO FLUS 3-141811861	\$8.78		USD
10/24/16	1418133811114	5495 S SEMINAR BLVD ORLANDO FLUS 3-141813318	\$60.00		USD
10/23/16	1418134111114	Wal-Mart Super Center LAKELAND FL 3-19418744	\$61.56		USD
10/23/16	1417246511114	MCDONALD'S F20077 LAKELAND FLUS 3-141724651	\$6.40		USD
10/23/16	1417246511114	MCDONALD'S F20077 LAKELAND FLUS 3-141724651	\$5.76		USD
10/22/16	1418233581114	MCDONALD'S F20077 LAKELAND FLUS 3-141823354	\$14.87		USD
10/22/16	193734111114	FAMILY DOLLAR # LAKELAND FL 3-19373441	\$3.21		USD
10/22/16	1415620611114	TACO BELL 0000008955 ORLANDO FLUS 3-141562062	\$12.98		USD
10/21/16	1934169611114	7-Eleven ORLANDO FL 3-19342496	\$3.16		USD
10/21/16	239515511114	3-23951551		\$41.65	USD
10/21/16	1415501071114	Coca Cola ORLANDO FLUS 3-141350107	\$15.43		USD
10/20/16	1428386611114	WINN-DIXIE 7382 CURRY F ORLANDO FL 3-142838664	\$7.55		USD
10/20/16	1412739811114	DUNKIN #349390 Q35 ORLANDO FLUS 3-141273985	\$8.56		USD
10/20/16	1421839981114	DUNKIN #349390 Q35 ORLANDO FLUS 3-142183992	\$4.64		USD
10/19/16	1410089731114	HUNGRY HOWIES PIZZ PLANT CITY FLUS 3-141008973	\$13.70		USD
10/18/16	1410089731114	WEN SUPERMARKETS Sup ORLANDO FL 3-141008973	\$11.05		USD
10/18/16	1409515111114	MCDONALD'S M2083 ORLANDO FLUS 3-140951514	\$9.97		USD
10/18/16	2372938611114	3-23729386		\$41.65	USD

Figure 4-15: smiONE Website Card Statements. The website provides the ability to print a monthly statement to retain in paper format.



As required by Regulation E and the RFQ, SMI will also mail printed statements at no charge for cardholders who have not elected electronic statements.

## Transfer

The website's Transfer view allows cardholders to obtain secondary cards to be linked to their primary card, for family members or friends, and transfer funds from their primary card to secondary cards.

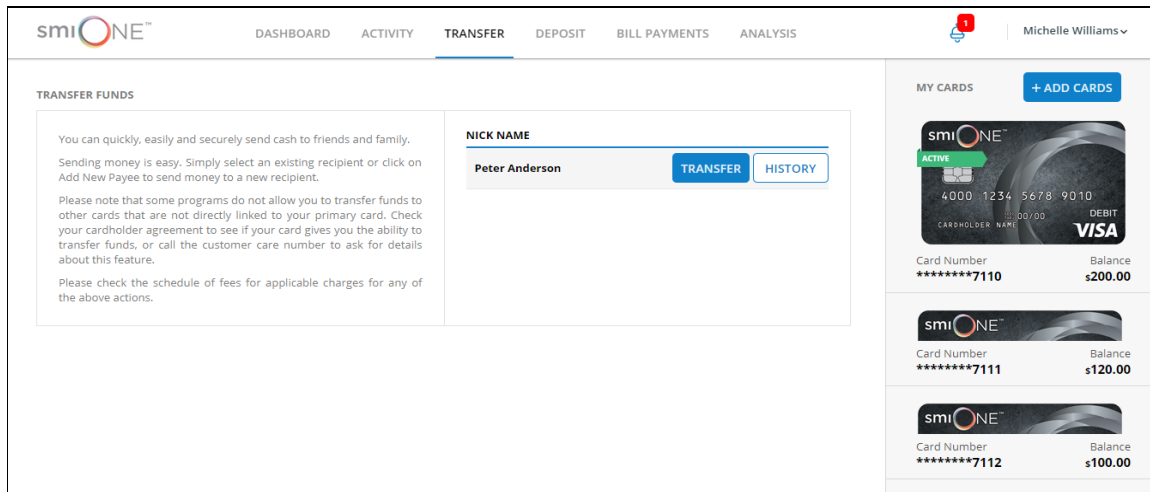


Figure 4-16: smiONE Website Transfer View. Through the website cardholders can order secondary cards for family members or friends and manage the secondary cards online.

The secondary card and transfer features allow card account funds to be shared with other individuals. Secondary cards are especially popular among cardholders with teenagers or children in college. Cardholders may add up to five additional cards to their account at no charge. The secondary cardholders cannot access information or funds on the primary cardholder's account. The primary cardholder controls the secondary cards and has online access to all secondary card activity details.

Any secondary cards linked to the primary card will display under the My Cards segment of any view screen, and primary cardholders can click on a secondary card to view and manage that card.

## Deposit – Provided Only if Approved by the State

The Deposit View gives cardholders the option of having personal funds other than program loads deposited to their smiONE Card, such as payroll and income tax refunds. To accomplish the direct deposit of "personal loads" to their smiONE Card account, cardholders complete and submit a direct deposit form that provides their card account information to their employer or other payor.



**Direct Deposit**

Get your paycheck automatically added to your prepaid card and save up to hundreds of dollars a year in check cashing or overdraft fees. If your employer or other check issuer offers Direct Deposit, sign up today to have all or part of your check directly added to your card.

**HOW TO DO IT?**

Print and complete the form. Give the completed and signed Direct Deposit Enrollment Form to your employer or benefits provider. They will submit the paperwork and the money will automatically be transferred to your card each pay period. It typically takes 1 or 2 pay cycles for the money to start loading on to your card.

Click on Download Direct Deposit Form. Print, complete and sign the form and give it your employer or benefits provider.

Name: Michelle Williams

Account Type: Checking

Bank Name: The Bancorp Bank

Routing: 031101169

Account: 7110011

Address: Attn: Deposit Operations, P.O. Box 15329, Wilmington, Delaware, United States, 19885.

[DOWNLOAD DIRECT DEPOSIT FORM](#)

**MY CARDS** [+ ADD CARDS](#)

Card Number	Balance
*****7110	\$200.00
*****7111	\$120.00
*****7112	\$100.00

[Order New Card](#)

[Privacy Policy](#) | [E-Sign Policy](#) | [Terms & Conditions](#) | [Fees & Charges](#)

The smiONE™ Visa® Prepaid Card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc.

Figure 4-17: smiONE Website Deposit View. Cardholders can set up the direct deposit of income other than program loads to their smiONE Card account to manage all their income through one account.

The personal deposit option provides a secure alternative for unbanked/underbanked cardholders to deposit all their income into one account. This feature allows cardholders to easily pay bills from one account and eliminates the costs and inconvenience of cashing checks and purchasing money orders.

The smiONE card has offered cardholders the ability to load personal funds for over six years, and there has been no negative impact to the agencies in those card programs. We will offer this option for West Virginia's cardholders only if approved by the State.

## Bill Payments

For most smiONE Card programs, at the State's preference, we offer an online bill payment function that allows cardholders to submit smiONE Card payments for their rent, utilities, and other bills. Cardholders can schedule one-time or recurring payments from the Bill Payments view on the smiONE website, as shown below.

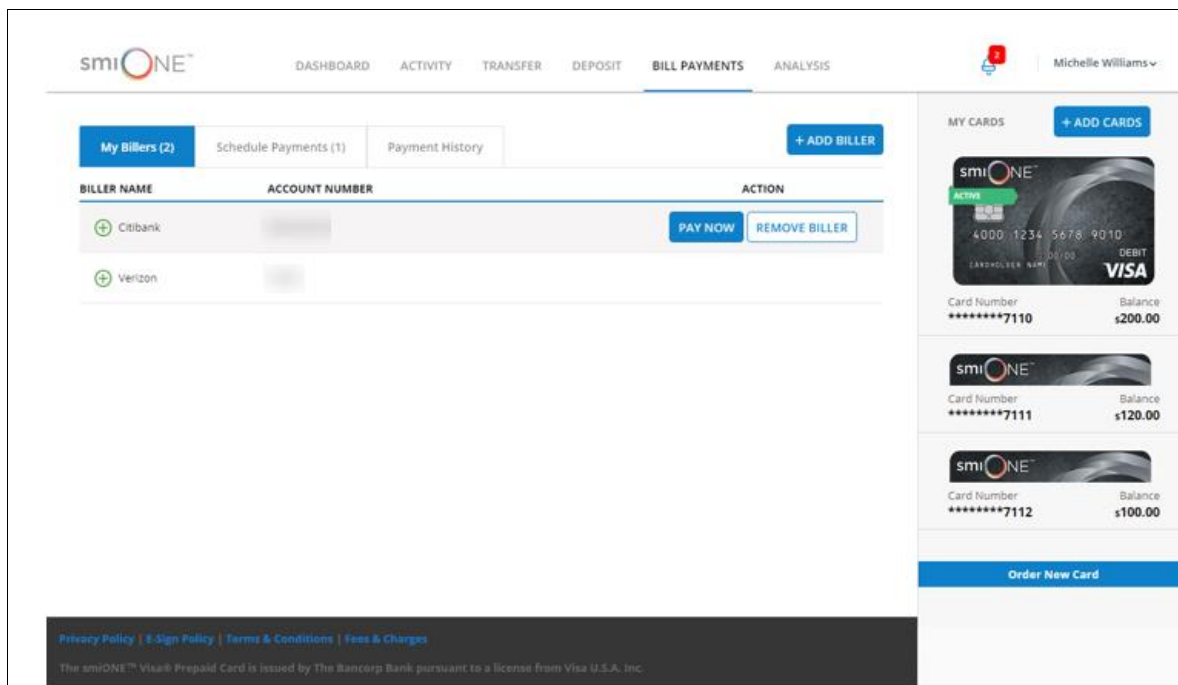


Figure 4-18: smiONE Website Bill Payments View. Cardholders can set up one-time and recurring payments on the smiONE website, providing a convenient and efficient method for paying bills.

At any time via the smiONE website, cardholders can review scheduled bill payments, as illustrated in the following example.

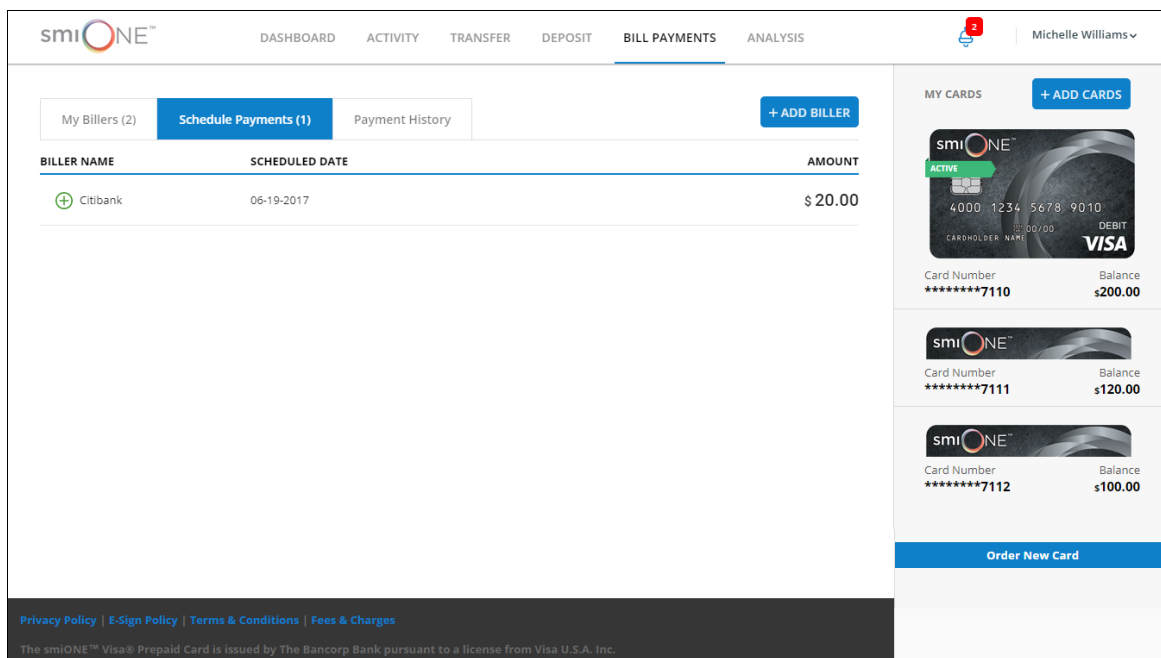


Figure 4-19: smiONE Website Scheduled Payment. Cardholders can view, edit, and cancel scheduled bill payments on the smiONE website.






The smiONE website also maintains an online history of bill payments, including the payment status, for the cardholder to reference or review, as needed.

Figure 4-20: smiONE Website Payment History. Cardholders have online access to their bill payment history.

As an added convenience, smiONE cardholders may choose to use Visa's online bill payment service. Visa has ACH arrangements with thousands of companies around the nation and offers all its cardholders their bill payment service. From a link within the smiONE website, cardholders can access the Visa Bill Pay website and make free online payments to participating companies. We will offer the Bill Pay feature to West Virginia's cardholders, at the option of the State.

## Settings

From any view on the smiONE website, cardholders can click the Settings icon  for additional information and functions available on the website. The drop-down Settings menu, shown below, gives cardholders 24/7/365 access to card usage and terms information and additional tools to manage their accounts.

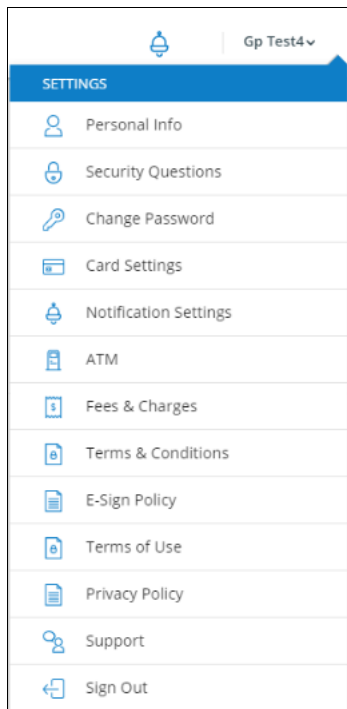


Figure 4-21: smiONE Website Settings Menu. Through the website's Settings menu, cardholders can access a variety of information and customer support.

Functions and information offered through the Settings menu are described in the sections that follow.

## Personal Info

Cardholders can view or edit their profile information at any time through the Personal Info setting shown below. An update entered on the website is immediately captured in the smiONE Card platform.

Figure 4-22: smiONE Website Personal Info Setting. Cardholders can ensure that smiONE always has their current contact information and preferred language for email and text messages.

Once profile information is entered, future email and text notifications will be sent in the preferred language to the email address and mobile phone number shown for the cardholder.

## Card Settings

Card Settings provide an online means for the cardholder to request a replacement card or report a lost or stolen card any time the need arises. Additionally, the “Suspend the Card” button under Card Settings allows the cardholder to immediately suspend card usage other than deposits in the event of a misplaced card or other concern such as suspected misuse or fraud. The cardholder can later resume card usage when the concern is resolved by turning off Suspend the Card.

Figure 4-23: smiONE Website Card Settings. Card Settings features on the website provide cardholders the ability to report a lost or stolen card, request a replacement card, and temporarily suspend card activity.



The suspend feature gives cardholders the control they need to immediately and temporarily protect their account funds until they find their card or have an opportunity to deal with their card issue. We know of no other government-issued debit card Vendor who provides this control and protection for its cardholders.

## Notification Settings

With the website's Notification Settings, cardholders can elect to receive card account notifications by email and/or text message. Notification options include daily and/or weekly balance notifications, and servicing notifications such as notice of a change made to their profile information (address, email, phone number, etc.) and immediate alerts concerning potential fraudulent activity on the account.

Cardholders can also receive notifications any time an account transaction occurs for purchases, ATM withdrawals, and deposits. These notifications assist the cardholders in managing their account, reducing incidents of fraud, and reducing the occurrence of declined transactions due to insufficient funds.

The smiONE website makes it easy for cardholders to personalize their notification settings by choosing the method(s), timing, and types of notifications they wish to receive, as shown in the following figure. The figure does not depict the full list of notification options, which displays if the cardholder scrolls down on the page.

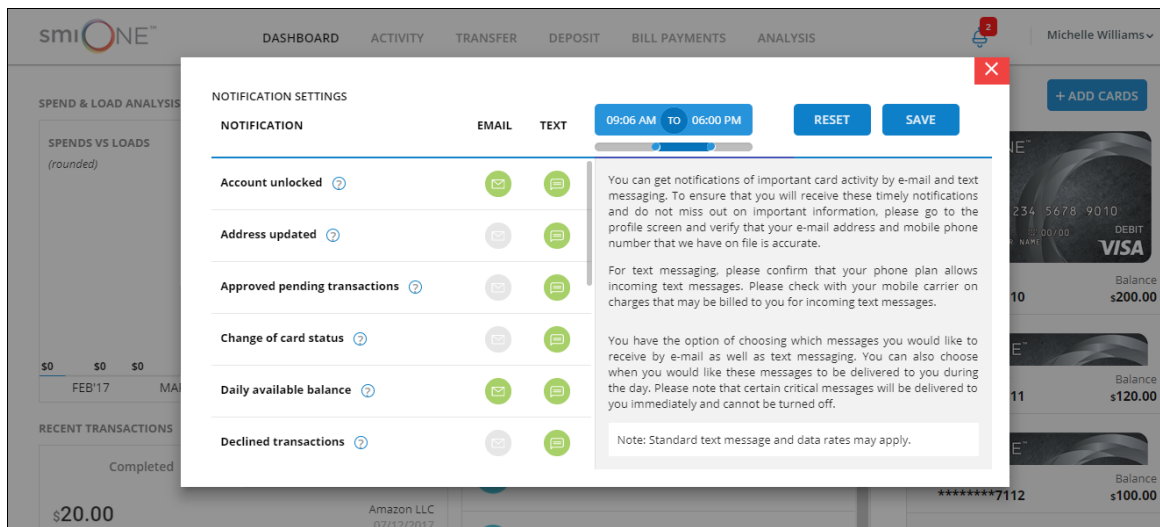


Figure 4-24: smiONE Website Notification Settings. Cardholders have the option to select email and/or text notifications to keep up with their payment loads, spending, and balance, and receive other alerts. This feature allows cardholders to manage their accounts and avoid embarrassment at checkout for declines due to insufficient funds.

The following smartphone snapshot provides examples of text message notifications issued to a cardholder by the smiONE Card platform.

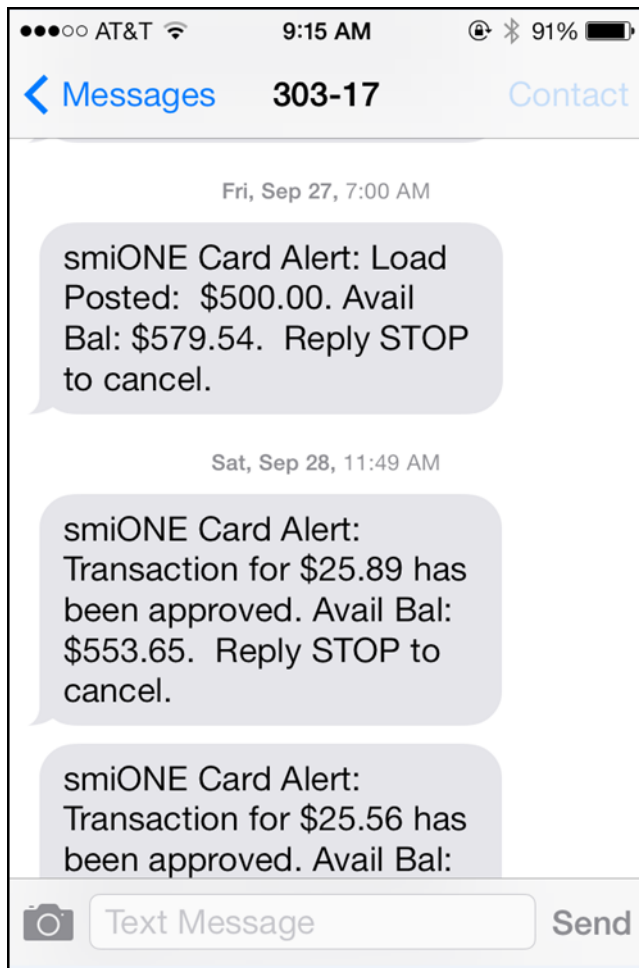


Figure 4-25: smiONE Text Notifications. Within seconds of a deposit, transaction, or change to their account, cardholders can receive a text message containing the activity or account details. Cardholders can also receive card balance alerts on their preferred schedule.

Text messaging is a favorite method for communicating in today's world, so smiONE Card text notifications are highly utilized and help cardholders manage their money. The cardholder's mobile phone carrier may charge the cardholder text messaging fees based on their mobile phone agreement.

## Analysis

Having 24/7/365 access to transaction details through the website's Activity view is imperative for cardholders, but they may also want a big-picture analysis of their spending. For cardholders who don't use money management software to track their financial transactions, the smiONE website's Analysis view offers an online tool that does spend and load analysis for them, presenting big-picture information in simple graphics and a table that cardholders can quickly and easily comprehend.



Figure 4-26: smiONE Website Analysis View. The analysis view provides helpful money management information to cardholders.

Cardholders can review their spend and load analysis across their top five spending categories by month, week, or day for the most recent months, weeks, and days. They can also compare spend and load patterns across the previous six months.

## ATM

The ATM website feature provides the locations of in-network ATMs that are convenient for the cardholder, as well as locations for Visa ATMs.

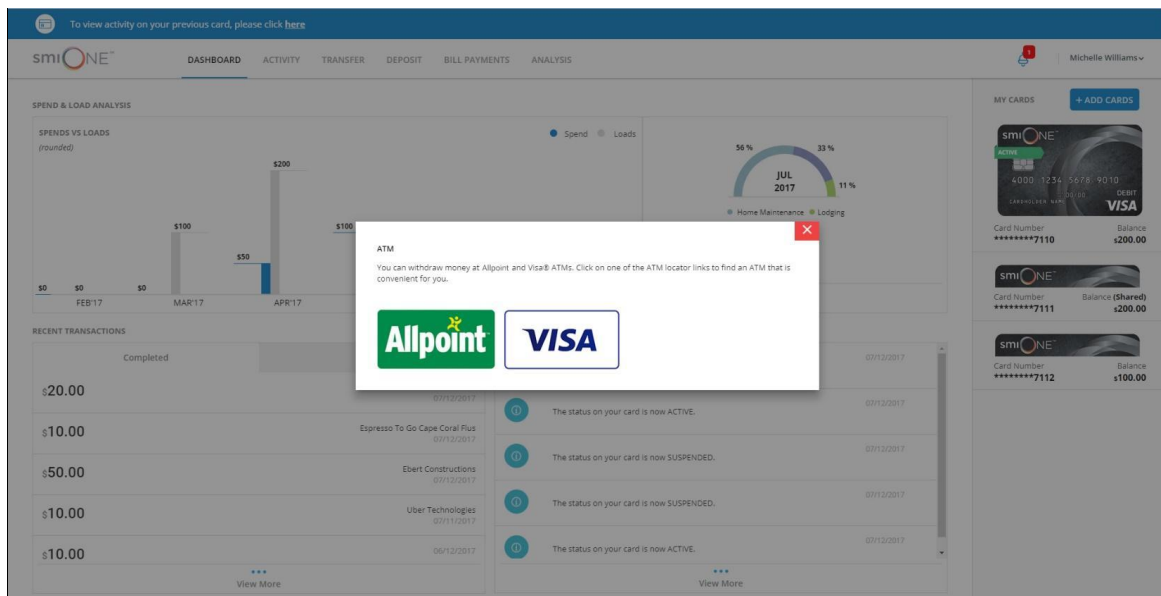


Figure 4-27: smiONE Website ATM Setting. SMI provides online access to ATM locations for the cardholder's convenience.



Through information available on the smiONE website, West Virginia cardholders will be able to access ATM location information, so they can obtain cash whenever it is needed, 24/7/365.

## Fees and Charges

From the Settings menu, cardholders will be able to view a list of all fees and charges applicable for the West Virginia smiONE Card program. The fees/charges are presented in a list format that is visually easy to reference, allowing cardholders to quickly review the information.

**FEES & CHARGES**

We are dedicated to making fees easy to understand so that you can decide if this card works for you.

You are responsible for keeping track of your Card Account available balance. Merchants generally will not be able to determine your available balance. It's important to know your available balance before making any transaction. Please note that you will not automatically receive paper statements.

<sup>1</sup> No-cost withdrawals do not accrue. Each unused no-cost withdrawal expires upon a subsequent direct deposit, and a new no-cost withdrawal is available.

<sup>2</sup> If you use an ATM not owned by us for any transaction, including a balance inquiry, you may be charged a fee by the ATM operator even if you do not complete a withdrawal. This ATM fee is a third party fee amount assessed by the individual ATM operator only and is not assessed by us. This ATM fee amount will be charged to your Card Account.

<sup>3</sup> Presto! Network ATMs are considered in-Network ATMs.

<sup>4</sup> Express delivery (Express mail fee) is an additional fee for requested expedited, 3-5 day delivery for a Card that is reissued or replaced for any reason. \$5.00 fee to replace Card still applies.

FEE TYPE	AMOUNT
Domestic POS Declined Fee	Per declined transaction
Domestic PIN Declined Fee	Per declined transaction
International POS Declined Fee	Per declined transaction
International PIN Declined Fee	Per declined transaction
ATM Domestic Fee <sup>2,3</sup>	One (1) no-cost ATM withdrawal per deposit <sup>1</sup> , then \$1.75 per transaction thereafter <sup>5</sup>
Domestic ATM Balance Inquiry Fee <sup>2</sup>	Per ATM Balance Inquiry
Domestic ATM Declined Fee <sup>2</sup>	Per declined transaction
International ATM Withdrawal Fee <sup>2</sup>	Per transaction
International ATM Balance Fee <sup>2</sup>	

Figure 4-28: smiONE Website Fees and Charges Setting. Cardholders will always have access to their program's Fee Schedule through the smiONE website's Fees and Charges setting.

The website's around-the-clock, online access to applicable fees and charges will provide West Virginia cardholders the ability to make informed decisions about how to use their card and avoid fees.

## Terms and Conditions

West Virginia cardholders will also be able to access the smiONE Card program's Cardholder Agreement online 24/7/365.





The screenshot shows the smiONE website interface. The top navigation bar includes links for DASHBOARD, ACTIVITY, TRANSFER, DEPOSIT, BILL PAYMENTS, and ANALYSIS. The user is logged in as Michelle Williams. The main content area is divided into two sections. The left section, titled 'CARDHOLDER AGREEMENT', contains the text of the agreement, including terms and conditions, and a section for opening a new card account. The right section, titled 'MY CARDS', displays a list of three cards with their respective card numbers and balances. The first card is an smiONE Visa Prepaid Card with a balance of \$200.00. The second card is an smiONE Visa Prepaid Card with a balance of \$120.00. The third card is an smiONE Visa Prepaid Card with a balance of \$100.00.

Card Number	Balance
*****7110	\$200.00
*****7111	\$120.00
*****7112	\$100.00

Figure 4-29: smiONE Website Terms and Conditions Setting. The smiONE Card program-specific Cardholder Agreement is available for cardholders to reference online, as needed.

We understand that not all cardholders keep the printed Cardholder Agreement mailed with their card. While they may not need to reference the Cardholder Agreement as often as they do the Fee Schedule or other information, we make sure that cardholders can access the agreement online whenever they do have a question about their card's terms and conditions.

## Support

Under the Support setting on the smiONE website, we provide several additional features to support cardholders. The sections that follow describe the web-based tools available through the Support setting.

## Feedback

Using the Feedback tab shown below, cardholders may access smiONE Customer Service online to ask questions, make requests, express concerns, or provide information.



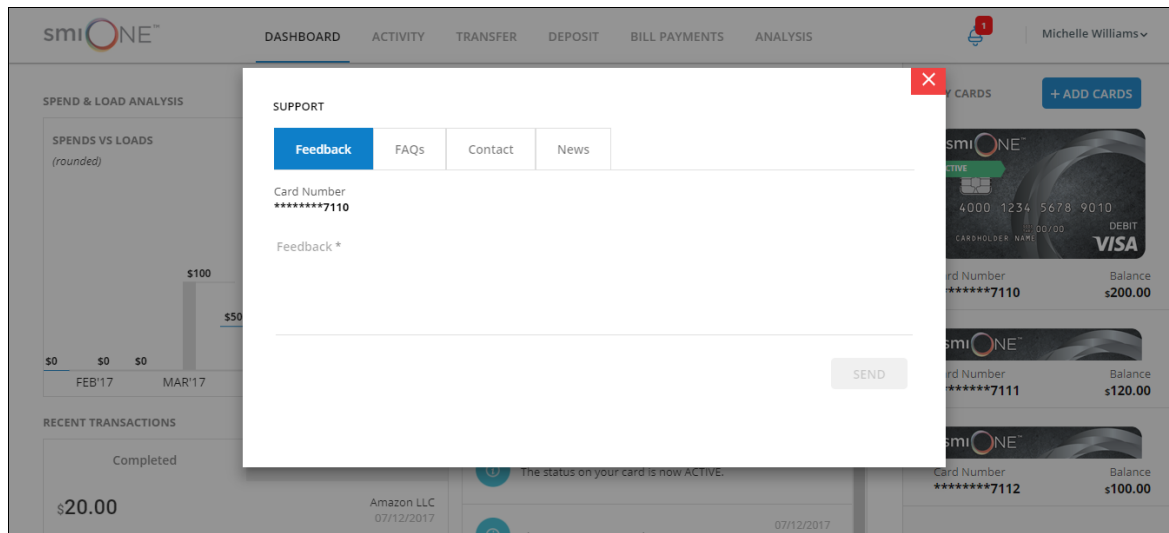


Figure 4-30: smiONE Website Support Setting–Feedback. Online access to customer service support is available through the Feedback Support setting.

Cardholders type their message in the space provided on the screen and click Send to immediately create a ticket that is automatically assigned to a CSR at the smiONE Customer Service Center. Cardholders receive the following acknowledgment message after submitting a ticket.



Figure 4-31: smiONE Website Support Setting–Feedback Submitted. Upon clicking Send under the Feedback setting, cardholders receive confirmation that a ticket was created.

All feedback submitted will be promptly reviewed, and if follow-up is required, referred to the appropriate level of personnel for action and/or a response.

## FAQs

Any FAQs designed for and approved by BCSE will be available online for cardholders under the FAQs tab. The following is an example of FAQs available on the smiONE website.

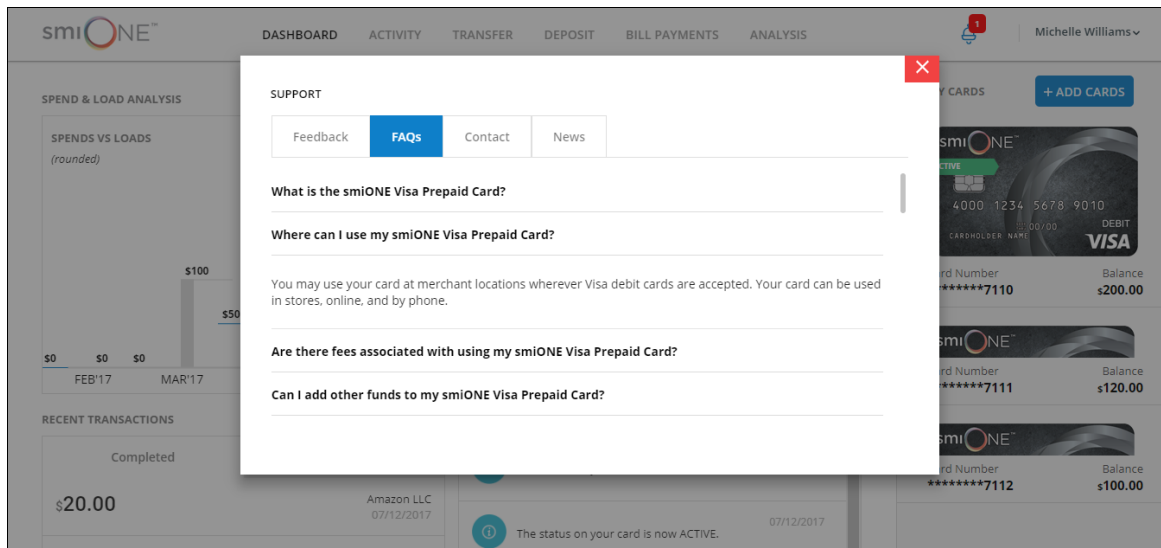


Figure 4-32: smiONE Website Support Setting–FAQs. Cardholders have 24/7/365 access to program-specific FAQs through the smiONE website.

FAQs are an effective format for responding to common cardholder questions while at the same time gaining efficiency by avoiding some calls to the Customer Service Center.

## Contact

West Virginia cardholders will have online access to customer service contact information 24/7/365. We provide multiple avenues for obtaining customer support through the Contact tab.

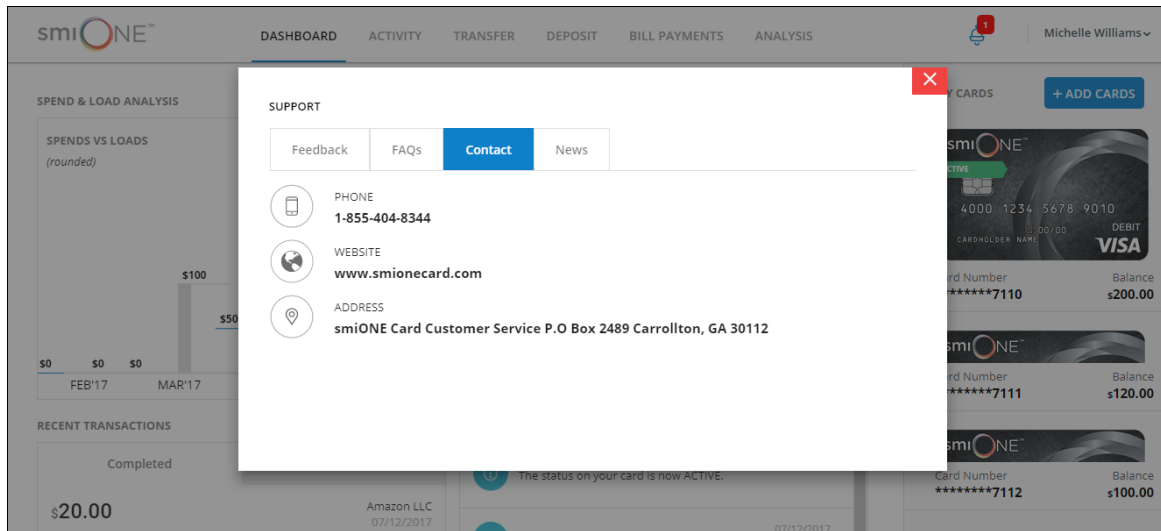


Figure 4-33: smiONE Website Support–Contact. The Contact Support tab provides information on multiple ways to access cardholder customer service.

SMI strives to anticipate and be responsive to cardholder needs. Providing comprehensive cardholder support through the smiONE website allows us to reach and serve cardholders through



technology that today's consumers rely upon and expect. We will continue our commitment to new and enhanced electronic support services for cardholders as new technology emerges.

#### 4.1.1.11.8.2 smiONE Mobile App

The Pew Research Center indicates at least 77 percent of American adults own smartphones, up from just 35 percent in 2011. Of these, 20 percent are "smartphone-dependent" for access to the internet, meaning they have limited or no options for other internet access. This increases significantly for younger adults and lower income adults. Whether for necessity or convenience, to serve cardholder needs anywhere they happen to be, SMI offers cardholders our smiONE Mobile App. The app is available for free download from the iTunes App Store or Google Play Store.

With the State's approval, we will market the app to West Virginia cardholders via materials included in the welcome packet mailed with the card, on the smiONE website, and through smiONE Customer Service Center contacts. Cardholder comments in the app stores indicate a high degree of satisfaction with the mobile app. Here is just a sampling of recent comments, just as they appeared in the app store.

- "I love the alerts and the easy access to my balances"
- "Great app!!!"
- "App is awesome, easy to get any updates & you can get your balance at the touch of a finger!!!"
- "Love this app keeps me updated any time \$ is used, added and when balance gets low"
- "Its great so far!! Love that the balance comes thru when i use it"
- "Da bomb diggity"
- "Great app. Helps me keep up with my funds. Love it."

The app provides on-the-go access to information and services like those provided on the website, including the ability to activate the card. The application makes secure calls over the device's enabled data network (CELL/WIFI) to our servers. To use the application, cardholders must first create a secure login and password by registering using their date of birth, last four digits of the card number, and last four digits of their SSN. Cardholders may also register on the website and use the same login to access their information on the mobile app.

The mobile app is broken down into two components—the application that resides on the mobile device and the application programming interface that provides access to the data. Each call to the server from the device is encrypted and parameters and data are secured through strong cryptography.

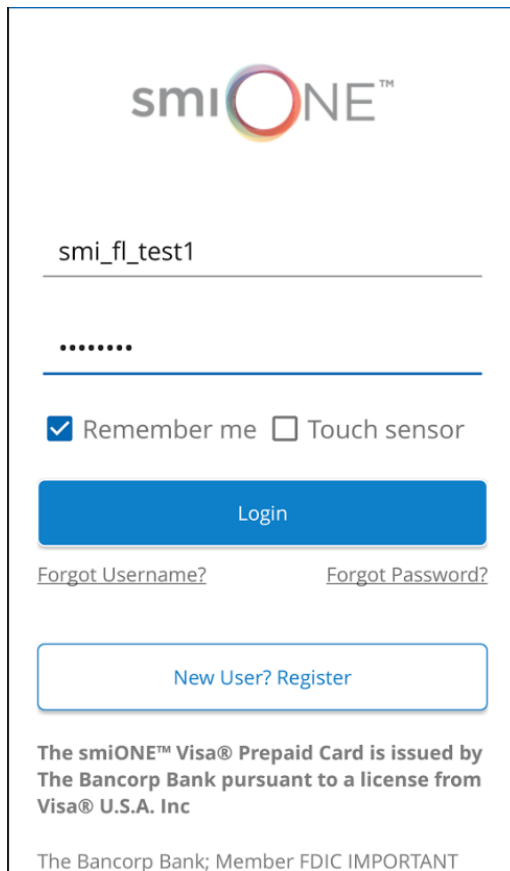
The app's registration and login process, shown below, is easy and secure.



The figure displays two side-by-side screenshots of the smiONE mobile app interface. The left screenshot shows the 'New Registration' screen, which includes the smiONE logo at the top, followed by the title 'New Registration'. Below the title are several input fields: 'Username' (with an information icon), 'Email ID', 'Mobile Number', 'Mobile Carrier ID' (with a dropdown arrow), 'Date of Birth', 'Time Zone' (with a dropdown arrow), and 'Last 4 Digits of SSN'. At the bottom of this screen are two buttons: 'Confirm' and 'Cancel'. The right screenshot shows the 'Login' screen, also featuring the smiONE logo. It has input fields for 'Username' and 'Password', followed by a blue 'Login' button. Below the login button are two links: 'Forgot Username?' and 'Forgot Password?'. A 'New user? Register' button is located below these links. At the bottom of the right screen, there is a disclaimer: 'The smiONE™ Visa Prepaid Card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc. The Bancorp Bank; Member FDIC. IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW CARD ACCOUNT: To help'.

Figure 4-34: smiONE Mobile App New Registration and Login. After downloading the mobile app, cardholders register and login using these secure app screens.

If the phone supports fingerprint authentication, the “Touch sensor” option also appears as shown in the following figure.



The image shows the login screen of the smiONE mobile app. At the top is the smiONE logo. Below it is a text input field containing 'smi\_fl\_test1'. Underneath is a password field represented by seven dots. To the left of the password field is a checked checkbox labeled 'Remember me', and to the right is an unchecked checkbox labeled 'Touch sensor'. Below these is a blue 'Login' button. Under the button are two links: 'Forgot Username?' and 'Forgot Password?'. Below these links is a 'New User? Register' button. At the bottom, there is a disclaimer: 'The smiONE™ Visa® Prepaid Card is issued by The Bancorp Bank pursuant to a license from Visa® U.S.A. Inc'. At the very bottom, it says 'The Bancorp Bank; Member FDIC IMPORTANT'.

Figure 4-35: smiONE Mobile App Touch Sensor Option. For phones that support fingerprint authentication, users can choose the touch sensor option for subsequent logins.

Once a fingerprint is stored on the device and this option is chosen, fingerprint authentication is enabled for the mobile app. When the user accesses the login screen, a popup appears allowing the user to sign in with their fingerprint, as shown below.

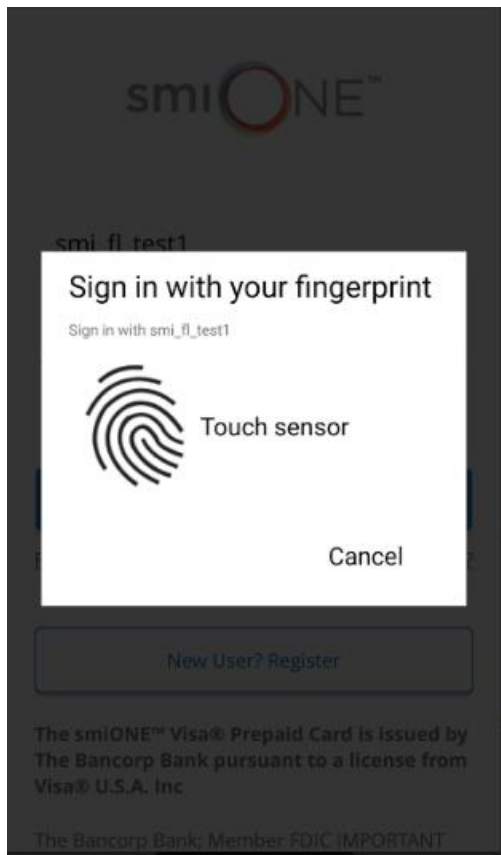


Figure 4-36: Sign In with Fingerprint Screen. To sign in, the user places their finger on their mobile device's sensor.

If the fingerprint matches the one stored on the mobile device, the user is logged into the application. After multiple failed fingerprint authentication attempts, with the number depending on the device used, the user is required to sign in with the password instead. Judging from comments in the app stores, the fingerprint sign-in feature is a favorite among smiONE Mobile App users.

The sections that follow demonstrate the screen designs and key features of the smiONE Mobile App.

## Dashboard

The Dashboard is the first screen presented when the cardholder logs into the app, providing a quick overview that includes the current card balance, most recent transactions, and monthly spend analysis. The Dashboard view is split into two screens, with the bottom half appearing when the cardholder swipes up, to display the same information provided on the website's Dashboard, in its entirety.

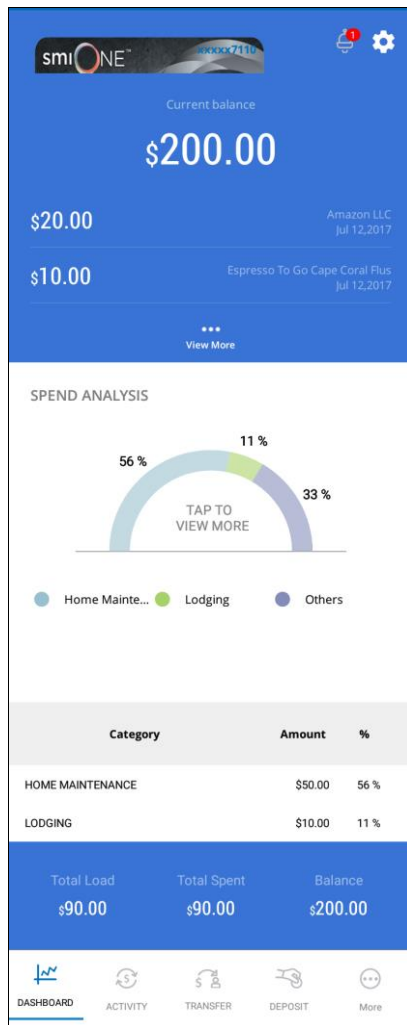


Figure 4-37: smiONE Mobile App Dashboard View. The Dashboard screen is the first screen presented when cardholders log in, providing cardholders with a snapshot of card activity and options for more detailed information.

Mobile app users can access different views and information by touching the desired view (Dashboard, Activity, Transfer, More) on the bottom of their device screen.

## Activity

The Activity view on the mobile app displays all completed and pending transactions. On this screen, shown below, the app will load the most recent transactions first. Older transactions will be loaded as the cardholder swipes up on the screen. The cardholder can select a specific date range to view only transactions within the specified dates.

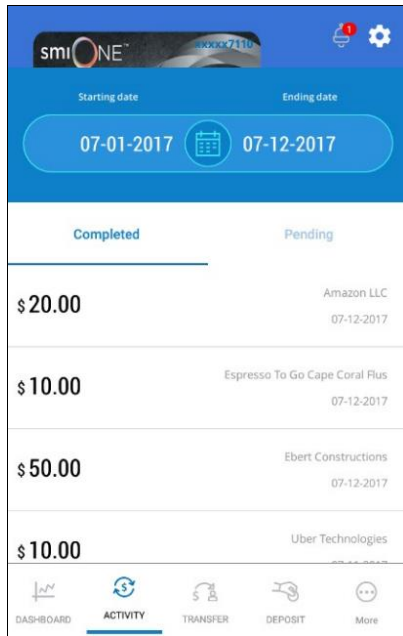


Figure 4-38: smiONE Mobile App Activity View. This screen provides a list of completed and pending card transactions and allows the cardholder to view details on and dispute a specific transaction.

On the Activity screen, the cardholder can touch a specific transaction to display details of the transaction. From the Details screen, the cardholder has the option to dispute a transaction, which automatically creates a support ticket for SMI to review and investigate.

## Transfer

Cardholders may have additional smiONE Cards because they have secondary cards for family members or friends. The smiONE Mobile App provides the same secondary card add and transfer functionality as the website, allowing cardholders to view and manage multiple smiONE Cards conveniently from their device's "card drawer" located under the My Cards segment of the screen, as illustrated in the following figure.



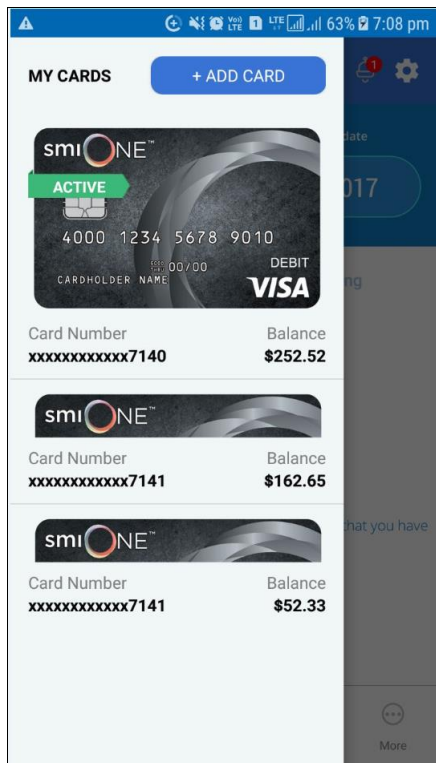


Figure 4-39: smiONE Mobile App Card Drawer. The My Cards segment of any view screen provides a card drawer for cardholders to view and manage all cards linked to their smiONE Card account.

If secondary cards have been added, the primary cardholder can transfer funds to any secondary card in the My Cards card drawer. Following is the mobile app screen on which the cardholder completes the funds transfer.



TRANSFER TO MY CARD

From

smiONE Balance \$200.0

To

smiONE Balance \$100.0

Amount

\$ 150

Message

to Shan's wallet

Transfer

Figure 4-40: smiONE Mobile App Transfer View. Transferring card funds to a secondary card is quick and easy through the mobile app.

The app maintains a Transfer History for the cardholder.

### Deposit – Provided Only if Approved by the State

If BCSE permits cardholders to deposit loads other than program loads to their smiONE Card, the mobile app will provide a Deposit function for cardholders. Following is the app screen on which the cardholder downloads a direct deposit form to initiate the direct deposit of other income to their card.



< DOWNLOAD DDF ⚙️

Name  
**Michelle Williams**

Account Type  
**Checking**

Bank Name  
**The Bancorp Bank**

Routing  
**031101169**

Account  
**7110011**

Bank Address  
**Wilmington, Delaware, United States**

[Download Direct Deposit Form](#)

Figure 4-41: smiONE Mobile App Deposit View. The mobile app deposit view allows cardholders to download a form to initiate personal loads to smiONE Card accounts.

State cardholders will enjoy this benefit used in all our other smiONE Card programs.

## Analysis

The spend and load analysis feature provided on the smiONE website is also provided on the mobile app. Cardholders swipe up on their device screen to view all spend and load information.

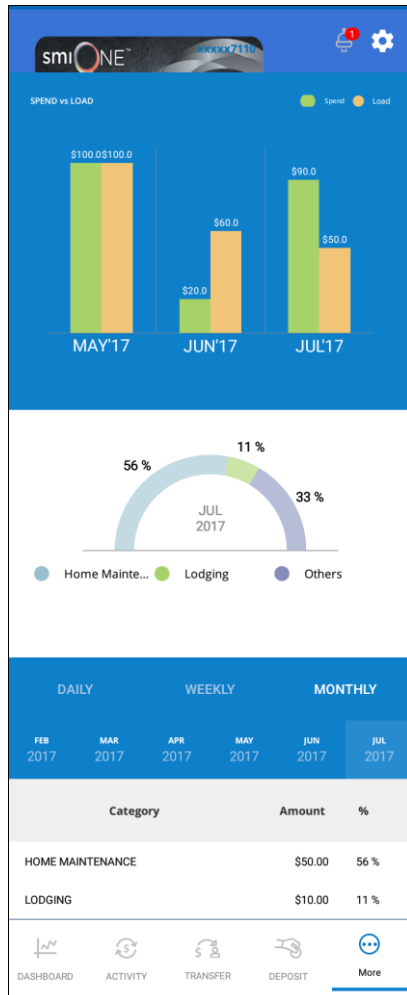


Figure 4-42: smiONE Mobile App Analysis View. The Analysis view helps cardholders analyze their loads and spending patterns.

The Analysis view provides a simple but valuable money-management tool to cardholders.

## Bill Payments

Cardholders can conveniently schedule bill payments to be debited from their smiONE Card account using their mobile device. Following is the smiONE mobile app screen from which cardholders access bill payment options available under the More view.

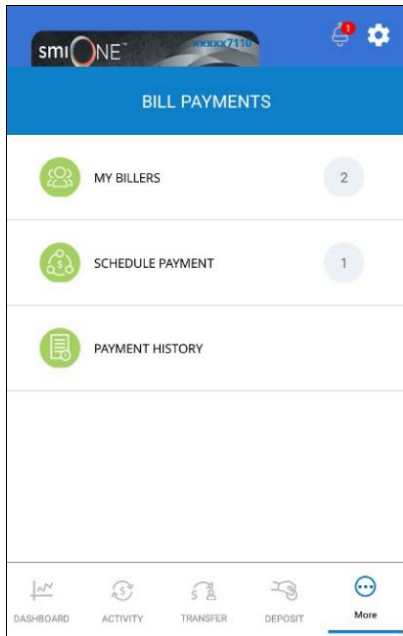



Figure 4-43: smiONE Mobile App Bill Payments. Functions available through this app screen allow cardholders to find and add billers, schedule a payment or recurring payments, view a history of payments, or edit any existing payment schedules.

Bill Payments functions on the app include finding and adding billers, scheduling one-time or recurring payments, viewing a history of payments, and viewing/editing any scheduled payments. We will offer this feature to West Virginia cardholders if the State approves.

## Settings

The same information and features available through the website's Settings menu are also available through the smiONE Mobile App's Settings menu shown below and accessed by touching the Gear icon  on any app screen.

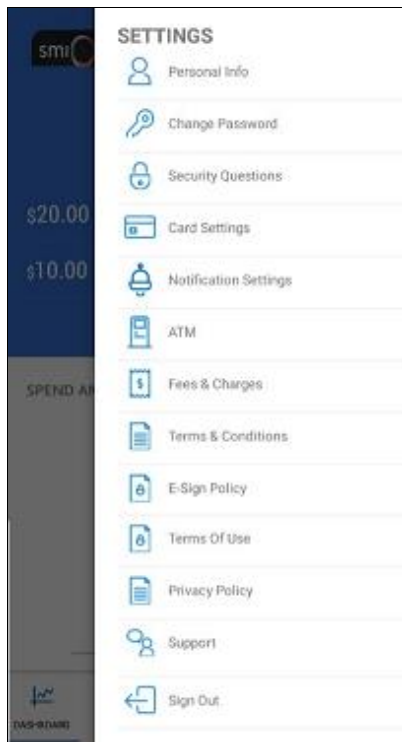


Figure 4-44: smiONE Mobile App Settings. Cardholders use this screen to access additional information and functions.

The Settings screen provides cardholder options for managing their account, obtaining card usage and other information, and accessing the customer support features detailed in the following sections.

## Personal Info

Under the Personal Info setting, cardholders may update their home and work addresses and edit their profile information on the Personal Info screen shown below.

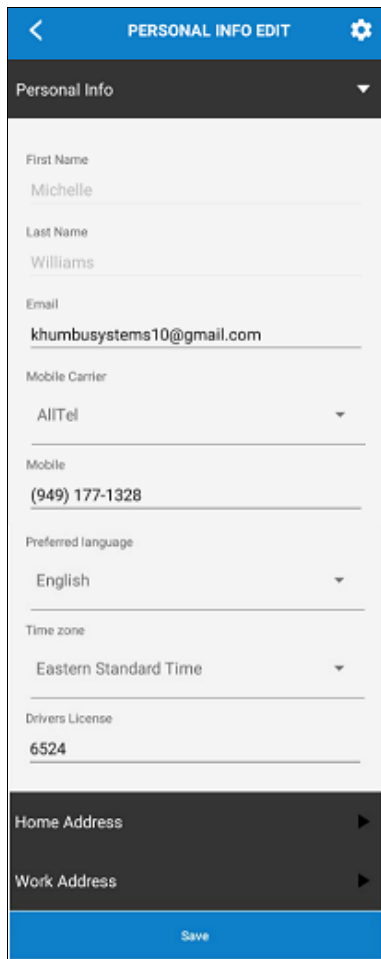



Figure 4-45: smiONE Mobile App Personal Info Setting. Cardholders may view and edit their personal information through the mobile app's Settings screen.

Cardholders swipe up on the Personal Info screen to view and edit additional profile details. From this screen, they may also access separate address tabs provided under the Personal Info setting to update their address.

## Card Settings

The app's Card Settings functions are identical to the website's functions.



Figure 4-46: smiONE Mobile App Card Settings. Card Settings allow mobile app users to request a replacement card, report a stolen or lost card, and suspend card activity.

Without having to log onto a computer, smiONE cardholders can immediately suspend activity on their card until they resolve an issue with their card.

## Notification Settings

Email and text notification options available through the smiONE website are also available through the smiONE Mobile App for cardholders who primarily use their mobile device for managing their card account.



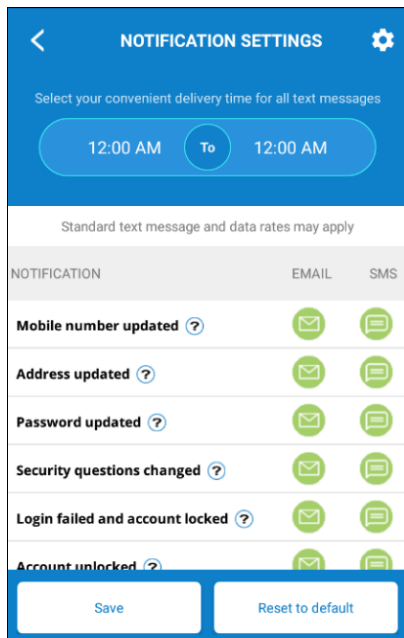


Figure 4-47: smiONE Mobile App Notification Settings. Cardholders can set up and manage account notifications through the smiONE Mobile App.

By swiping up on the device screen, mobile app users can view all notification options and customize notifications based on their preferences.

## ATM

The ability to locate a convenient, in-network ATM or bank or Visa ATM while they are on the go is another convenience we offer cardholders through the smiONE Mobile App.

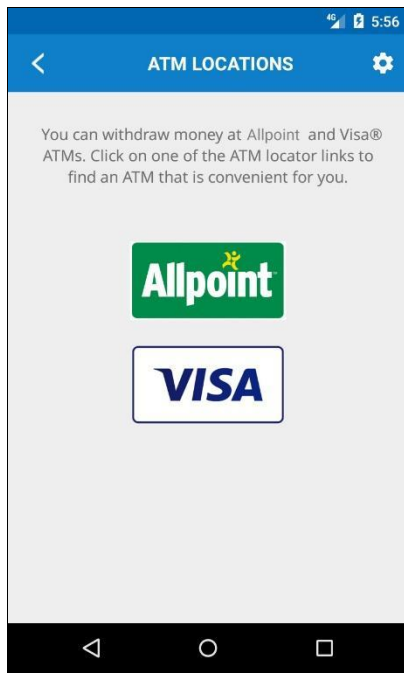
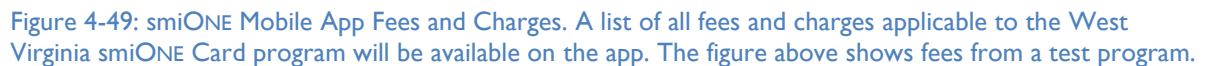


Figure 4-48: smiONE Mobile App ATM Setting. Cardholders can access ATM locations on the go with our smiONE Mobile App.

Many of today's cardholders routinely access information via their smartphone, so we make sure the card information they need, including ATM locations, is available through the smiONE Mobile App.

## Fees and Charges

The West Virginia smiONE Card Fee Schedule will be accessible 24/7/365 through the mobile app, as illustrated in the following example.



## Terms and Conditions

[illegible]

147



The length of the agreement requires mobile app users to swipe up on their screen to review the full document.

## Support

The smiONE Mobile App's Support tab offers the same feedback, FAQ, and Contact functions provided for cardholders on the smiONE Card website. West Virginia smiONE cardholders will have access to any information or customer support needed when choosing to use the mobile app instead of the website to manage their card account.

## Feedback

Support from the smiONE Customer Service Center is a fingertip away for cardholders via the Feedback tab in the mobile app's Support feature.

Figure 4-51: smiONE Mobile App Support Feature—Feedback. Online and on-the-go access to customer service is provided for cardholders on the mobile app.

Clicking Submit immediately creates a ticket that is assigned automatically to a CSR at the smiONE Customer Service Center. All feedback submitted through the mobile app is securely transmitted and timely received, reviewed, and acted upon, if appropriate, by smiONE Customer Service Center staff.

## FAQs

Having mobile access to the smiONE Card program FAQs is convenient for cardholders and an efficient way to provide answers to common questions about the card.

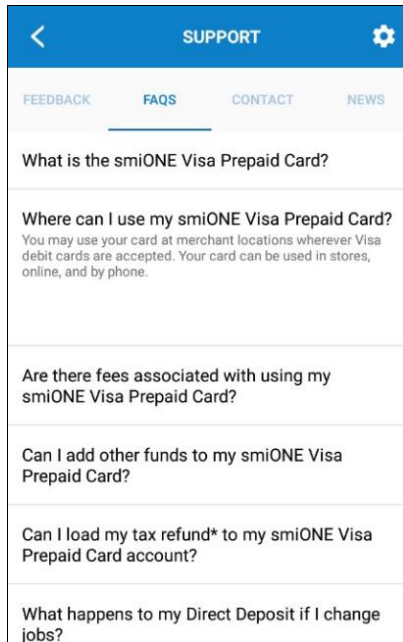


Figure 4-52: smiONE Mobile App Support Feature–FAQs. Any FAQs designed for and approved by the State will be available through the mobile app.

Cardholders can swipe up on their screen to find their question on the FAQs and touch the question to display the answer.

## Contact

Information on all methods for accessing smiONE customer service is provided under the app's contact tab in the Support feature.

The smiONE Mobile App is widely used by cardholders participating in other State debit card programs, and we anticipate that it will be just as popular among West Virginia's cardholders.

4.1.1.12 The Vendor shall submit a monthly report on the first business day of the preceding month, which provides debit card information for the preceding month's activities, including but not limited to:

### ADDENDUM No. 2

Question 8: SECTION 4.1.1.12, 4.1.4.7.2, 4.1.5.1.5, 4.1.5.2.1.25, 4.1.5.2.4.2: Each of these sections requires a report for the prior month due on the first day of the "preceding" month. Should each instance of "preceding" be changed to "following"?

Answer 8: Yes, it should read the first day of the following month for the preceding month.

Question 17: SECTION 4.1.1.12: Will the Agency please modify this requirement to allow the Vendor to provide the requested monthly reporting no later than the tenth business day of the preceding month? This will allow for month-end system jobs to run/complete and the requested information be compiled and made available to the Agency.



Answer 17: No, however the Agency will allow up to the fifth (5th) business day of the following month.

#### 4.1.1.12 Monthly Debit Card Report

SMI's reporting capabilities are robust and flexible. Using these capabilities, we will submit a monthly report each month for the preceding month's activities according to the schedule required by the Agency. Our reporting tools are demonstrated in the following sections.

Table 4-5: smiONE Card Program Reporting Tools. The following tools provide access to smiONE Card program data and reports.

Reporting Tool	Information Provided
gAnalytics	Data on cards and card usage, including IVR usage
CST	Data on individual card accounts and cardholders; including program loads and cardholder demographics; excluding transactional data
CIC Interaction Reporter	Detailed call records, both inbound and outbound, and Customer Service Center call performance metrics

Our online reporting tools include gAnalytics for reports on card and usage data, the CST for non-transactional card account data, and CIC Interaction Reporter for reports on customer service data.

#### gAnalytics

The gAnalytics tool is a next-generation reporting platform that provides dashboard, summary, and drill-through reports to measure the performance of a program. gAnalytics is a web-based application so users can access data both during and outside business hours.

With gAnalytics, we can access all card and account activity within the program. This includes, but is not limited to daily activations, daily and average funding, card status, total spending, customer service usage, phone system usage, and detailed portfolio analysis. This ability to monitor and analyze each card program assists SMI in maintaining optimal performance and allows us to quickly identify and respond to problems that may arise. More importantly, it will allow us to provide State staff access to up-to-date data for their smiONE Card program. Daily, weekly, and monthly snapshot reports can also be emailed to specific user groups, keeping strategic and operational teams informed of their program data. Value-added benefits of gAnalytics include:

- Access to full historical data
- High-speed reports with 10-30 second response time
- Visual and interactive reports with drill-up/down and drill-through capability
- Easy-to-use downloadable reports (HTML, PDF, Excel, others)
- File transfer protocol (FTP) reports



- Depending on the selected report, the gAnalytics report will generate as a:
- Dashboard, with a high-level view of information
- Summary, with details for the specified timeframe (e.g., daily, weekly, monthly)
- Drill through, providing cardholder-level information

Every gAnalytics report can be exported to a variety of file formats, including Excel and PDF. Most reports can be filtered by date range, providing individual programs with the convenience and flexibility of a reporting tool that presents the information when it is needed and for periods other than the standard day, week, or month. SMI will generate and provide the reports to BCSE.

## Galileo CST

If desired, authorized State users will be provided secure online access to the Galileo CST's account information, which provides non-transactional information on individual cardholder accounts. West Virginia users will have the ability to review new account information, search for specific cardholder accounts, and confirm that the program's loads were processed to the specific account. SMI's training for designated State staff will include information on how to access and navigate within the CST.

CST security measures and protocols include a unique user ID and password, and the user's IP address must be added to the service. SMI will assign CST access to authorized State users in a manner that limits the user's access to his/her program information.

State users' CST access will not display individual cardholder financial activity. Examples of cardholder and non-transactional account information available to State users through the CST include:

- Cardholder demographic information
- Card status (activated or not activated)
- Number of program deposits and total dollar value
- Program deposit rejections and details, if any

The following Account Info screen will display basic account information for West Virginia users.

<b>GALILEO PROCESSING   CUSTOMER SERVICE TOOL</b>					
CURRENTLY LOGGED IN: CHARLES HOLLINGSWORTH		CHANGE PASSWORD            LOGOUT			
<b>Account</b> System Administration   Load Locations   Customer Messages (0)					
<div style="margin-bottom: 10px;">Card Program <span style="border: 1px solid black; padding: 2px;">SMI Missouri (SMI)</span></div> <div style="display: flex; align-items: center;"> <span style="border: 1px solid black; padding: 2px; margin-right: 5px;">Name (First / Last)</span> <span style="border: 1px solid black; width: 100px; height: 20px; margin-right: 5px;"></span> <span style="border: 1px solid black; width: 100px; height: 20px; margin-right: 5px;"></span> <span style="border: 1px solid black; padding: 2px 10px;">Search</span> </div>					
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><b>Name</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Card Description</b> <span style="color: blue; text-decoration: underline;">SMI Missouri Primary (5059)</span></p> <p><b>Card Type</b> Personalized Visa</p> <p><b>Client ID / XID / Account ID</b> <span style="border: 1px solid black; padding: 2px 40px;"></span> </p> <p><b>User Defined Fields</b> </p> <p><b>External Account ID</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Other Accounts</b> No Other Accts.</p> <p style="text-align: center; color: blue;"><a href="#">View Load Addresses</a></p> </td> <td style="width: 50%; vertical-align: top;"> <p><b>Card Number</b> XXXX-XXXX-XXXX-<span style="border: 1px solid black; padding: 2px 10px;"></span></p> <p><b>Card Status / Account Status</b> Shipped/Ready to Activate / Active</p> <p><b>Passed Total ID / Override Ind</b> N/A / N/A</p> <p><b>Account Balance / Net Chargeoff</b> \$1.15 / \$0.00</p> <p><b>Payment Reference Number</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Related Accounts</b> No Related Accts.</p> </td> </tr> </table>				<p><b>Name</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Card Description</b> <span style="color: blue; text-decoration: underline;">SMI Missouri Primary (5059)</span></p> <p><b>Card Type</b> Personalized Visa</p> <p><b>Client ID / XID / Account ID</b> <span style="border: 1px solid black; padding: 2px 40px;"></span> </p> <p><b>User Defined Fields</b> </p> <p><b>External Account ID</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Other Accounts</b> No Other Accts.</p> <p style="text-align: center; color: blue;"><a href="#">View Load Addresses</a></p>	<p><b>Card Number</b> XXXX-XXXX-XXXX-<span style="border: 1px solid black; padding: 2px 10px;"></span></p> <p><b>Card Status / Account Status</b> Shipped/Ready to Activate / Active</p> <p><b>Passed Total ID / Override Ind</b> N/A / N/A</p> <p><b>Account Balance / Net Chargeoff</b> \$1.15 / \$0.00</p> <p><b>Payment Reference Number</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Related Accounts</b> No Related Accts.</p>
<p><b>Name</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Card Description</b> <span style="color: blue; text-decoration: underline;">SMI Missouri Primary (5059)</span></p> <p><b>Card Type</b> Personalized Visa</p> <p><b>Client ID / XID / Account ID</b> <span style="border: 1px solid black; padding: 2px 40px;"></span> </p> <p><b>User Defined Fields</b> </p> <p><b>External Account ID</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Other Accounts</b> No Other Accts.</p> <p style="text-align: center; color: blue;"><a href="#">View Load Addresses</a></p>	<p><b>Card Number</b> XXXX-XXXX-XXXX-<span style="border: 1px solid black; padding: 2px 10px;"></span></p> <p><b>Card Status / Account Status</b> Shipped/Ready to Activate / Active</p> <p><b>Passed Total ID / Override Ind</b> N/A / N/A</p> <p><b>Account Balance / Net Chargeoff</b> \$1.15 / \$0.00</p> <p><b>Payment Reference Number</b> <span style="border: 1px solid black; padding: 2px 20px;"></span></p> <p><b>Related Accounts</b> No Related Accts.</p>				

- ▶ Client Info
- ▶ Card Info
- ▶ Account Info
- Account Info
- Payment History
- Fee History
- Direct Deposit View
- Buddy Money
- Paper Stmt. Opt-out
- ▶ Notes
- ▶ Miscellaneous

### Account Info

Account Information	
Monthly Bill Date	Not Assigned.
Application Date	01/03/2017
Initial Payment Method	N/A
Affiliate ID / Group ID	0
System Reference	Batchproc
Reward Points	N/A

Update Account Information	
Account Status	Active
Change Status	<span style="border: 1px solid black; padding: 2px;">Normal</span> ▼
Active Flag	<span style="border: 1px solid black; padding: 2px;">Yes</span> ▼
Passed 2 <sup>nd</sup> Level ID Verification	<input type="checkbox"/>
<span style="border: 1px solid black; padding: 5px 15px;">Update</span>	

Figure 4-53: CST Account Information. State users can access this screen to confirm a cardholder's account status or other basic information.

The following Payment History View screen will display the program's deposits to the cardholder's account for West Virginia users.



**GALILEO PROCESSING | CUSTOMER SERVICE TOOL**

CURRENTLY LOGGED IN: CHARLES HOLLINGSWORTH

[CHANGE PASSWORD](#)
[LOGOUT](#)

Account

System Administration

Load Locations

Customer Messages (0)

Card Program

SMI Missouri (SMI)

▼

Name (First / Last)

Search

Name

Card Description

Card Type

Client ID / XID / Account ID

User Defined Fields

External Account ID

Other Accounts

Card Number

Card Status / Account Status

Passed Total ID / Override Ind

Account Balance / Net Chargeoff

Payment Reference Number

Related Accounts

[View Load Addresses](#)

▶ Client Info

▶ Card Info

▼ Account Info

Account Info

Payment History

Fee History

Direct Deposit View

Buddy Money

Paper Stmt. Opt-out

▶ Notes

▶ Miscellaneous

### Payment History

Date	Source No.	Payment ID	Type	Amount	Acct. No.	Status	Hold Days	User ID
2016-12-20 04:36:19	0		FSPC Support Payment (MI)	\$505.19		P	0	BATCH
2016-12-15 06:15:41	0		FSPC Support Payment (MI)	\$418.03		P	0	BATCH
2016-11-25 07:15:48	0		FSPC Support Payment (MI)	\$401.93		P	0	BATCH
2016-11-15 04:36:23	0		FSPC Support Payment (MI)	\$335.59		P	0	BATCH
2016-11-01 04:36:26	0		FSPC Support Payment (MI)	\$276.59		P	0	BATCH
2016-10-18 04:36:39	0		FSPC Support Payment (MI)	\$380.53		P	0	BATCH

Figure 4-54: CST Payment History View. This view is helpful for confirming the program's payment loads for cardholders.

CST access enables State staff to verify individual account information, excluding the cardholder's financial activity, when the need arises.

## Genesys PureConnect, Powered by CIC

For customer service information, our CIC telephone system provides the ability to report on the Customer Service Center's operations and ensures that SMI's and the State's customer service standards are being met. CIC allows SMI to provide reports ranging from high-level functional summaries to an extremely detailed breakdown of functions. The reporting capabilities of the Customer Service Center provide the means to demonstrate our full accountability for cardholder support services.

The CIC captures and stores detailed records for each call, inbound and outbound, made through our system. These call detail records include the information necessary to review and measure our



customer service performance and generate the reports required or desired by the State. Examples of available data elements include the number of calls offered by total and language selection, abandoned calls, average time to answer, call duration, calls answered by a CSR, and nature of the call.

Our Customer Service Center management and IT staff will monitor the performance of the Customer Service Center using Interaction Quality Management call review functions and Interaction Reporter reporting functions. Interaction Reporter allows templates for ad hoc reports to be saved, providing the ability to quickly regenerate, modify, or deactivate reports as needed.

### **West Virginia SDU Project Management Portal**

Any desired information or report not accessible through the CST, such as status reports, will be made available to State staff online via the West Virginia SDU Project Management Portal. SMI will also store other project-related documentation electronically on the portal for easy access by BCSE staff.

The project portal ensures that project-related information is securely stored in a central location and easily accessible by SMI team members and BCSE designated staff.

The smiONE Card platform can provide BCSE with the required reports. Following are examples of reports currently in production that we can adapt for BCSE.

---

#### **4.1.1.12.1 The total number of cards issued;**

---

#### **4.1.1.12.1 Total Number of Cards Issued**

The Embossed Cards report shows the number of cards issued for the month or other period selected by the user. Issued cards appear under the designation Total Emboss, as shown in the Missouri example below.

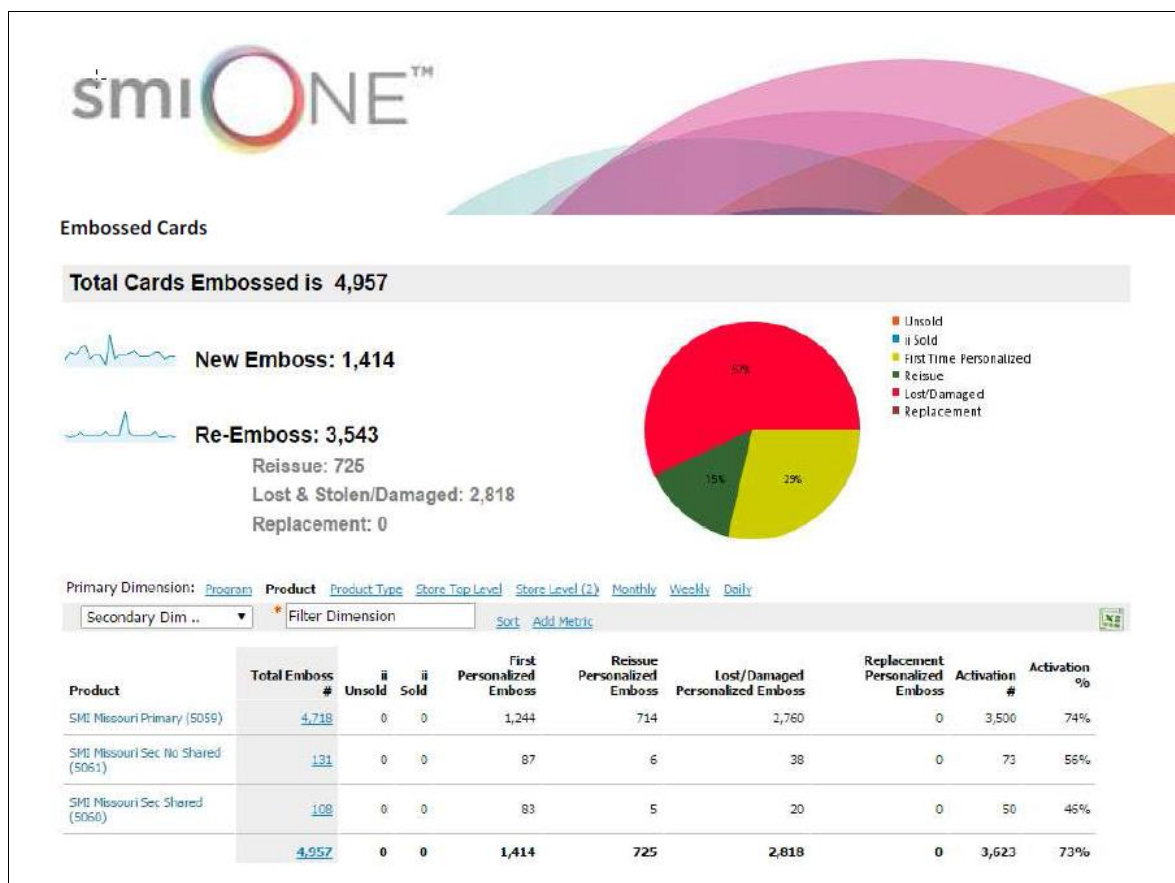


Figure 4-55: Embossed Cards Report. This report shows cards issued over the course of the reporting period.

As with any report, the Embossed Cards Report can be generated for one month or for a longer period.

#### 4.1.1.12.2 The total number of cards cancelled;

#### 4.1.1.12.2 Total Number of Cards Canceled

The Card Status Change Summary Report will provide BCSE with the number of cards canceled monthly.

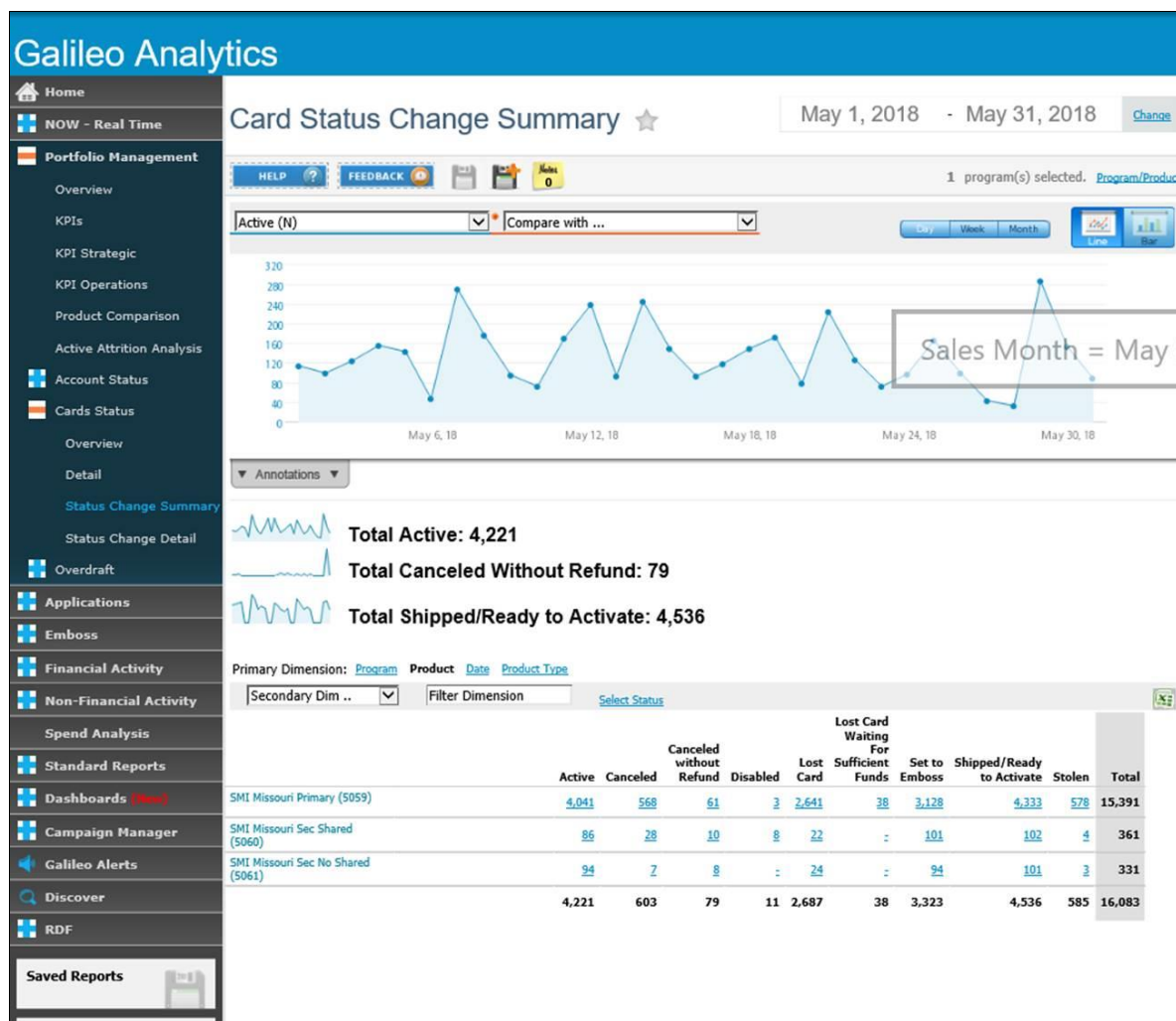


Figure 4-56: Card Status Change Summary Report. This report shows changes in card status for the reporting period, including those that have been canceled.

The Data Analyst can drill down on the column labelled Canceled to generate a detailed report of cards that have been canceled.

4.1.1.12.3 A list of accounts with balances having no customer usage during the preceding six month period; and

## ADDENDUM No. 2

Question 18: SECTION 4.1.1.12.3: Consumer privacy laws prohibit the sharing of account activity information with anyone other than the card holder once the initial card has been activated. We respectfully request that the requirement be modified as follows:

"4.1.1.12.3 -A list of accounts with balances that having not had an activated card associated to the account during the preceding six month period."

Answer 18: This section will be removed from Specs.



#### 4.1.1.12.3 Accounts Having No Customer Usage During Preceding Six Months

This requirement has been removed per Addendum No. 2.

#### 4.1.1.12.4 A list showing debit cards mailed but not activated.

#### 4.1.1.12.4 List of Debit Cards Mailed but Not Activated

The Card Status Detail screen of our gAnalytics tool allows us to generate reports of cards based on their status. We will use this screen to produce the report of cards mailed but not yet activated during the prior month. In the screen shown in the following figure, the status “Shipped/Ready to Activate” has been selected from the drop-down box, as indicated by the red arrow.

Row Number	Product	Program	Activate Date	PRN	Masked PAN
1	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
2	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
3	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
4	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
5	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
6	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
7	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
8	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
9	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		
10	SMI Missouri Sec No Shared (5061)	SMI Missouri	-		

Figure 4-57: gAnalytics Card Status Detail Screen. This screen allows us to generate a list of cards by status, including those mailed but not yet activated.

This sample report is for our Missouri operation. gAnalytics-generated reports can also be downloaded to Excel, which gives us the ability to sort the information and provide it to the Agency in the manner desired.



4.1.1.12.5 [If necessary, other reports may be added during the transition phase of the project as required by the Agency.]

#### 4.1.1.12.5 Other Reports

The smiONE platform provides robust reporting for our debit card programs in other States. We will provide these or other reports required by the Agency during the transition phase of the project. Following are some sample reports from other programs to demonstrate our reporting capacity.

The Monthly Load Summary Report shows the total number and amount of deposits. It also provides additional information, including the number of deposits per loaded account, the average deposit, and statistics on the frequency of one, two, or three+ loads.

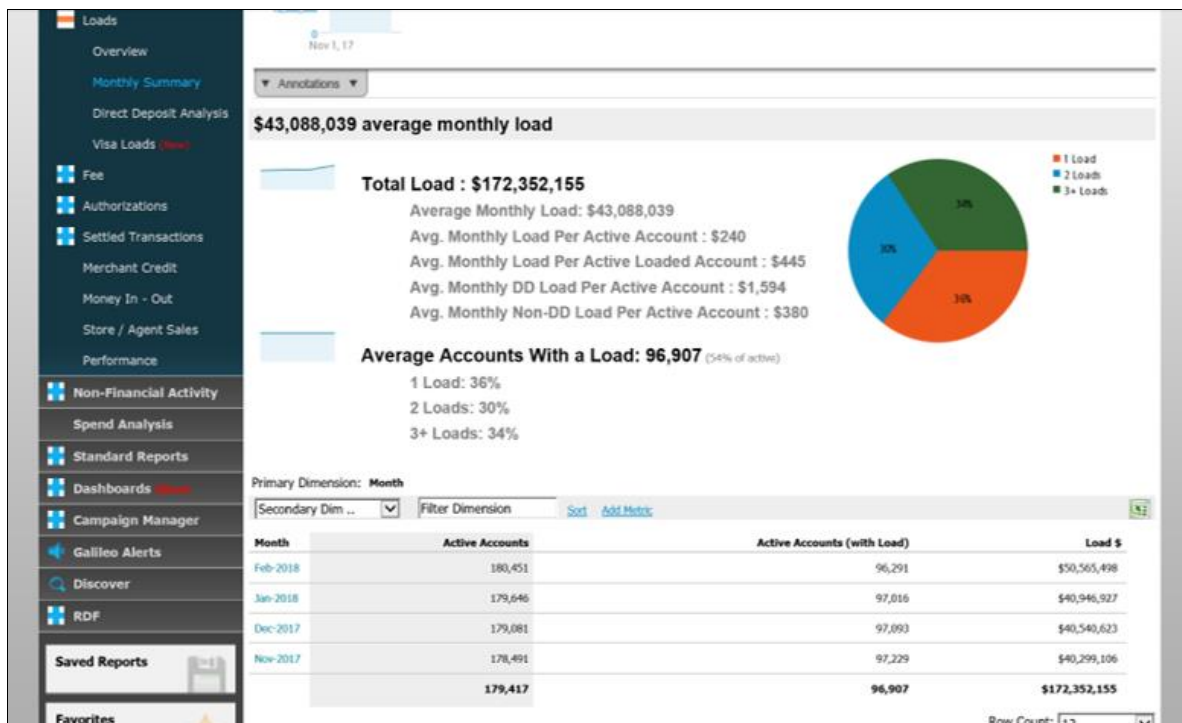


Figure 4-58: Monthly Load Summary Report. This report sample shows data for our Missouri child support program, where cardholders can deposit payroll and tax refunds to their card accounts.

This report can be run for a month or for several months, as this one showing historical information. gAnalytics reports include helpful visuals, like the pie chart included in this report.

The Settled Transactions Report in the following figure shows the total number and amount of:

- ATM withdrawals
- PIN-based transactions (including cash back with purchase)
- POS signature transactions



It also shows a split between domestic and international transactions. The information is further broken out between primary and secondary cards, as Missouri's program allows cardholders to obtain additional cards on their smiONE account.

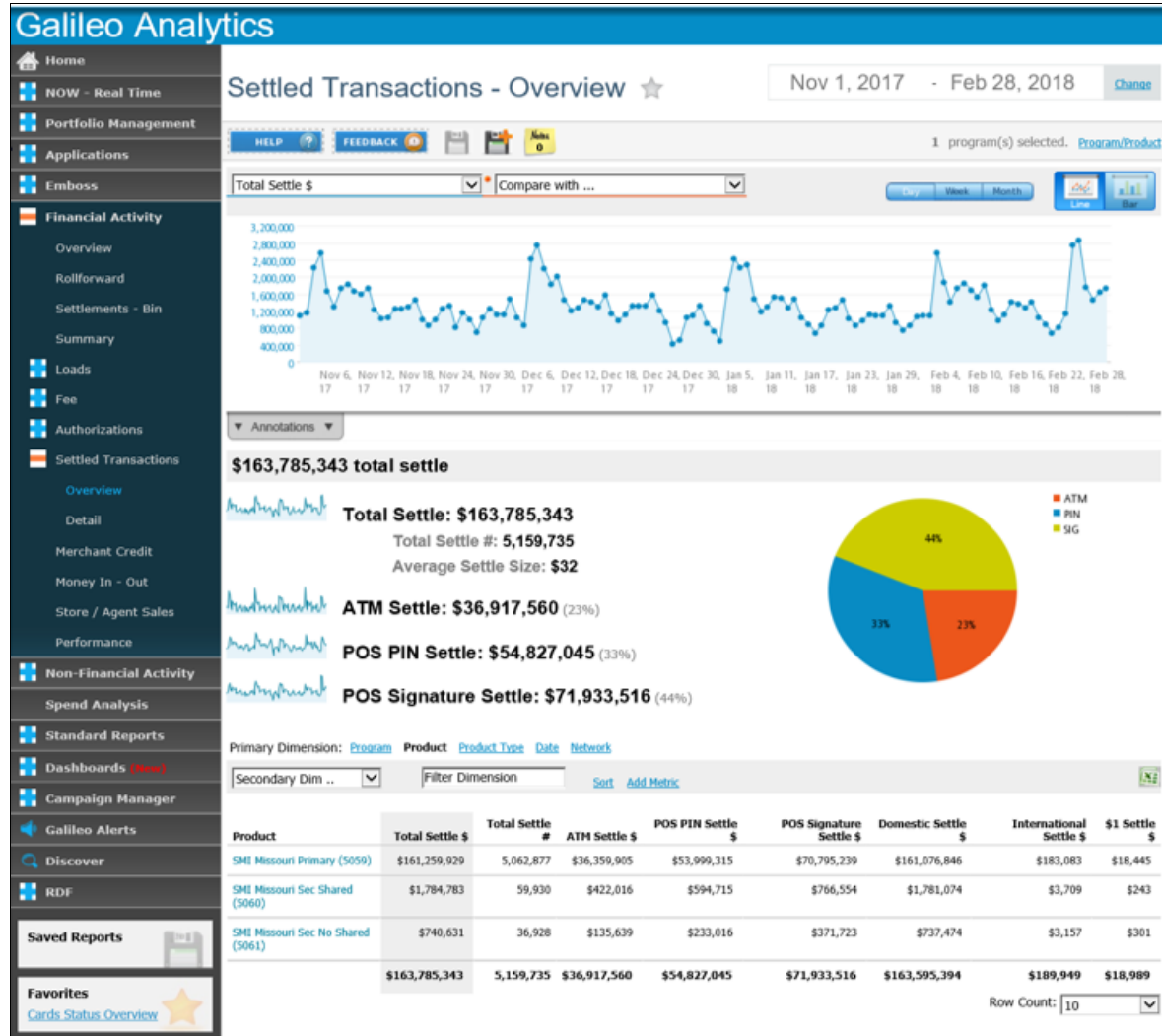


Figure 4-59: Settled Transactions Overview Report. This sample is for Missouri's child support card program.

This report can be run for one month or for a period of several months, as shown here. The report includes a graph at the top, which shows transaction trends over the specified period.

The Activations Report, shown below, provides the total activations for a given period, along with the length and average length of time to activate. The activations are split between initial and subsequent activations.

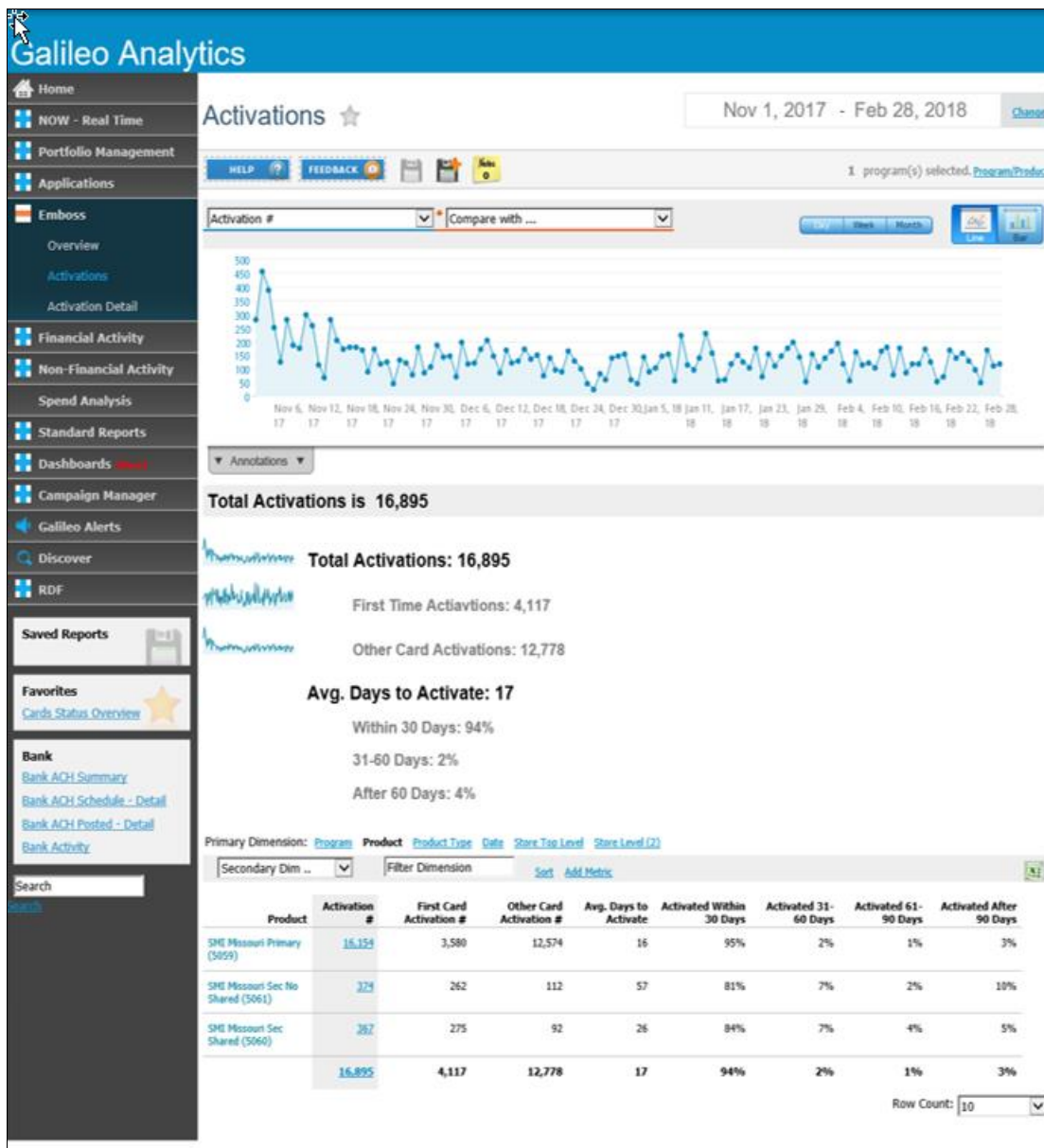


Figure 4-60: Activations Report. This Missouri sample shows cards activated, including average days to activate and percentage activated within 30-day increments.

The Card Status Overview Report provides a point-in-time snapshot of the status of all the program's cards since the inception of the card program. On this report example, "canceled" means the individual card is canceled, but the account remains open to receive deposits. "Canceled without refund" is the process for canceling the individual card and closing the account at a State's request and sending any balance to the cardholder.





Card Status Overview

Total Cards	Active Cards	Shipped/Ready To Activate	Canceled Without Refund
350,055	200,892	14,407	1,825

Primary Dimension: Program

Product: Product Type

Secondary Dim ..

Filter Dimension


Select Status

	Active	Blocked	Canceled	Canceled without Refund	Disabled	Lost Card	Set to Emboss	Shipped/Ready to Activate	Stolen	Others	Total
SMI Missouri Primary (5059)	193,886	8	3,576	1,457	27	104,292	83	12,734	22,436	5	338,504
SMI Missouri Sec Shared (5060)	3,378	1	503	252	14	706	3	866	153	-	5,876
SMI Missouri Sec No Shared (5061)	3,628	-	197	116	9	811	-	807	106	1	5,675
	200,892	9	4,276	1,825	50	105,809	86	14,407	22,695	6	350,055

Figure 4-61: smiONE Card Status Overview Report. The Card Status Overview Report provides information on the disposition of the program's smiONE Cards.

The smiONE Data Analyst can drill down on this report to identify cardholders who need additional encouragement to activate their cards.

The Queue Detail Report illustrates a call activity report the State could use for its calculation of customer service performance metrics. Among a multitude of other call details, this report will provide the average speed of answer and a breakdown of how long callers were on hold prior to their call being answered or abandoned. This report can be generated by the hour, day, week, month, or year.



# Queue Detail Report

Date Time Range:

9/1/2016 12:00:00 AM - 9/30/2016 11:59:59 PM

Media Type:

Call

Group Order:

Queue

Target Service Level Calculation:

Target answered/Total answered

Workgroup:

MO\_SMI\_One

INBOUND														INBOUND SERVICE LEVELS																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
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West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001




																										
Date Time Range:					9/1/2016 12:00:00 AM - 9/30/2016 11:59:59 PM																					
Media Type:					Call																					
Group Order:					Queue, Date																					
Target Service Level Calculation:					Target answered/Total answered																					
Workgroup:					MO_SML_One																					
INBOUND										INBOUND SERVICE LEVELS																
-- ANS --		-- ABD --		ASA		%ANS	AVG	AVG	AVG	AVG	Flow	#	ANS	ANS	ANS	ANS	ANS	ABN	ABN	ABN	ABN	ABN	ABN	ABN		
OFF				SVC			TALK	HOLD	ACW	HAND	Out	HOLD	5	15	30	60	120	5	15	30	60	120				
#		%		#		%	LVL																			
MO_SML_One		15284	14798	97%	486	3%	0.18	93%			3.22	0.15	0.13	3.49	0	1452	10258	1295	1181	1060	575	154	132	66	46	36
9/1/2016	673	641	95%	32	5%	0.21	90%			3.00	0.17	0.12	3.29	0	82	376	64	63	77	49	7	12	7	3	2	
9/2/2016	980	952	97%	26	3%	0.19	91%			2.50	0.19	0.13	3.21	0	109	602	59	76	127	64	7	6	7	4	2	
9/3/2016	344	336	98%	10	3%	0.11	96%			3.25	0.23	0.13	4.00	0	43	295	10	11	6	6	1	4	1	1	1	
9/4/2016	237	232	98%	5	2%	0.07	97%			3.16	0.14	0.14	3.44	0	28	206	8	5	7	5	4	0	0	0	1	
9/5/2016	181	181	100%	0	0%	0.02	100%			3.17	0.13	0.14	3.44	0	19	176	1	2	2	0	0	0	0	0	0	
9/6/2016	699	679	97%	20	3%	0.32	89%			3.23	0.20	0.13	3.56	0	79	426	68	58	51	25	1	6	1	4	1	
9/7/2016	658	635	97%	23	3%	0.24	89%			2.57	0.16	0.13	3.26	0	66	292	99	101	71	54	2	10	6	4	1	
9/8/2016	614	594	97%	20	3%	0.16	95%			2.57	0.15	0.13	3.25	0	57	407	49	50	56	20	3	7	3	3	1	
9/9/2016	683	649	94%	44	6%	0.57	76%			3.18	0.12	0.12	3.42	0	50	329	42	54	66	65	6	9	7	5	6	
9/10/2016	317	305	96%	12	4%	0.23	87%			3.35	0.20	0.14	4.08	0	35	211	19	17	19	24	1	7	2	1	1	
9/11/2016	191	184	96%	7	4%	0.08	96%			3.21	0.14	0.14	3.48	0	19	169	5	0	3	4	3	3	0	0	1	
9/12/2016	682	666	98%	16	2%	0.08	98%			3.08	0.17	0.13	3.38	0	64	531	43	36	40	14	7	6	3	0	0	
9/13/2016	617	596	97%	21	3%	0.25	88%			3.11	0.12	0.12	3.35	0	59	336	58	69	63	41	7	6	1	3	3	
9/14/2016	612	597	98%	14	2%	0.14	96%			3.27	0.16	0.13	3.56	0	62	464	30	43	36	15	8	1	1	1	2	
9/15/2016	621	611	98%	11	2%	0.12	97%			3.32	0.14	0.13	3.58	0	61	491	38	34	29	10	4	2	0	1	1	
9/16/2016	547	531	97%	16	3%	0.17	95%			3.24	0.12	0.13	3.48	0	39	356	58	44	47	14	5	5	3	1	2	
9/17/2016	275	262	95%	13	5%	0.14	96%			4.09	0.21	0.11	4.42	0	32	189	19	20	24	7	4	6	2	0	1	
9/18/2016	169	164	97%	5	3%	0.07	98%			3.49	0.23	0.14	4.26	0	26	144	4	5	7	4	3	0	1	0	0	
9/19/2016	587	573	98%	14	2%	0.15	93%			3.50	0.18	0.13	4.21	0	57	417	45	40	32	22	6	4	2	2	0	
9/20/2016	591	577	98%	14	2%	0.07	99%			3.33	0.15	0.13	4.00	0	60	476	43	32	19	6	10	2	1	1	0	
9/21/2016	527	517	98%	10	2%	0.07	99%			3.13	0.10	0.13	3.36	0	38	427	46	25	12	6	8	2	0	0	0	
9/22/2016	576	530	92%	46	8%	0.58	80%			3.41	0.13	0.12	4.06	0	41	237	84	62	43	28	8	7	6	3	5	
9/23/2016	610	580	95%	30	5%	0.27	90%			3.46	0.12	0.12	4.10	0	67	217	129	110	65	37	8	10	3	1	4	

Figure 4-63: CIC Queue Activity Detail Report Daily Breakdown. This report provides a detailed summary of the Customer Service Center's call activity for each day of the month.

The monthly Call Center Statistics Report serves as a dashboard for the month's call activity. In the example below, the dashed line indicates the service goal of 80 percent, and the solid blue line indicates the actual service level of over 90 percent, far exceeding the goal for each of the weeks displayed. This type of dashboard report provides our management and State partners with a quick overview of how the Customer Service Center is performing.

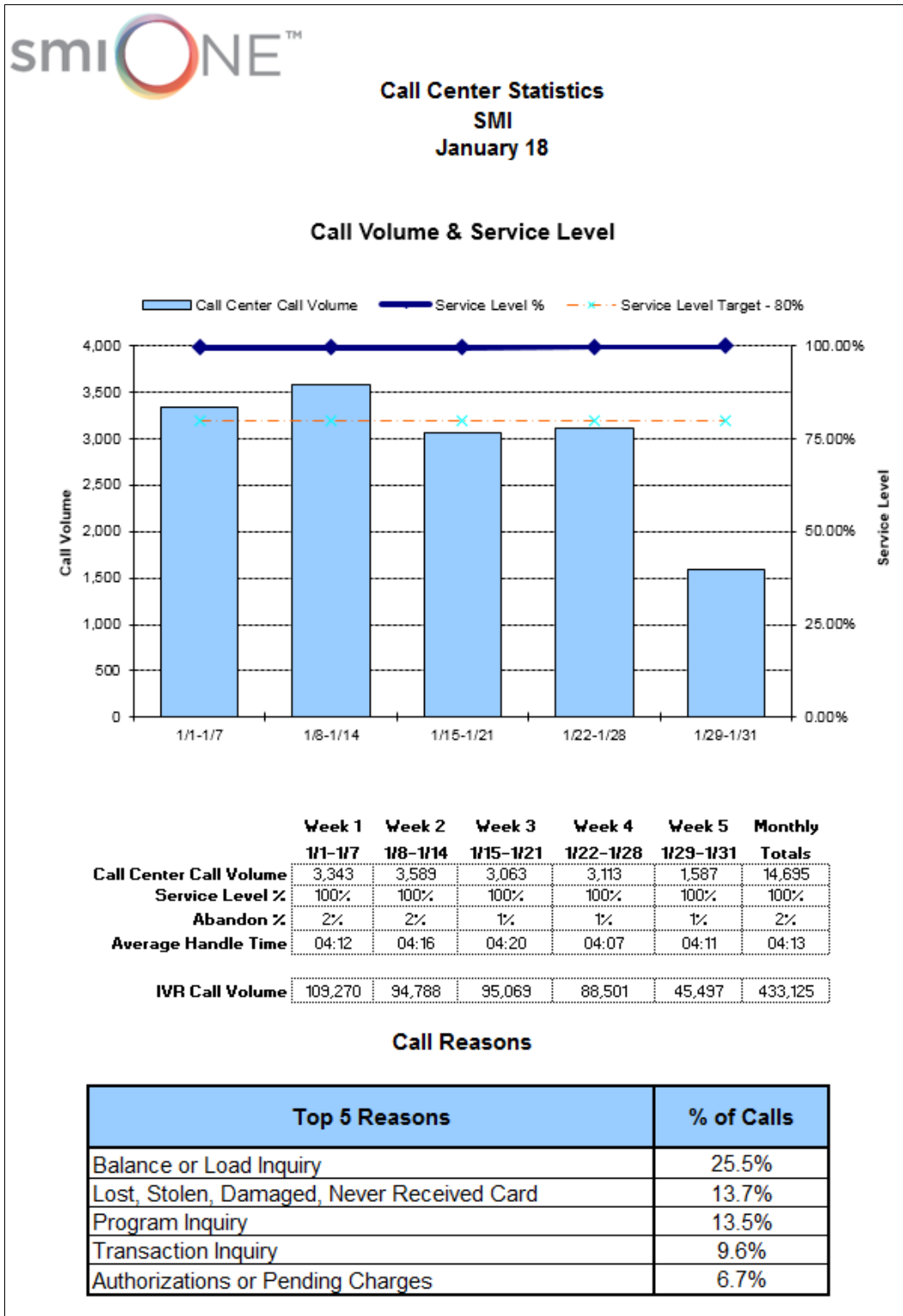


Figure 4-64: smiONE Call Center Statistics Report. This report example shows a high-level dashboard for call activity.



The IVR Events and Counts Report displays IVR event totals, broken down by event type, for the date or date range entered.

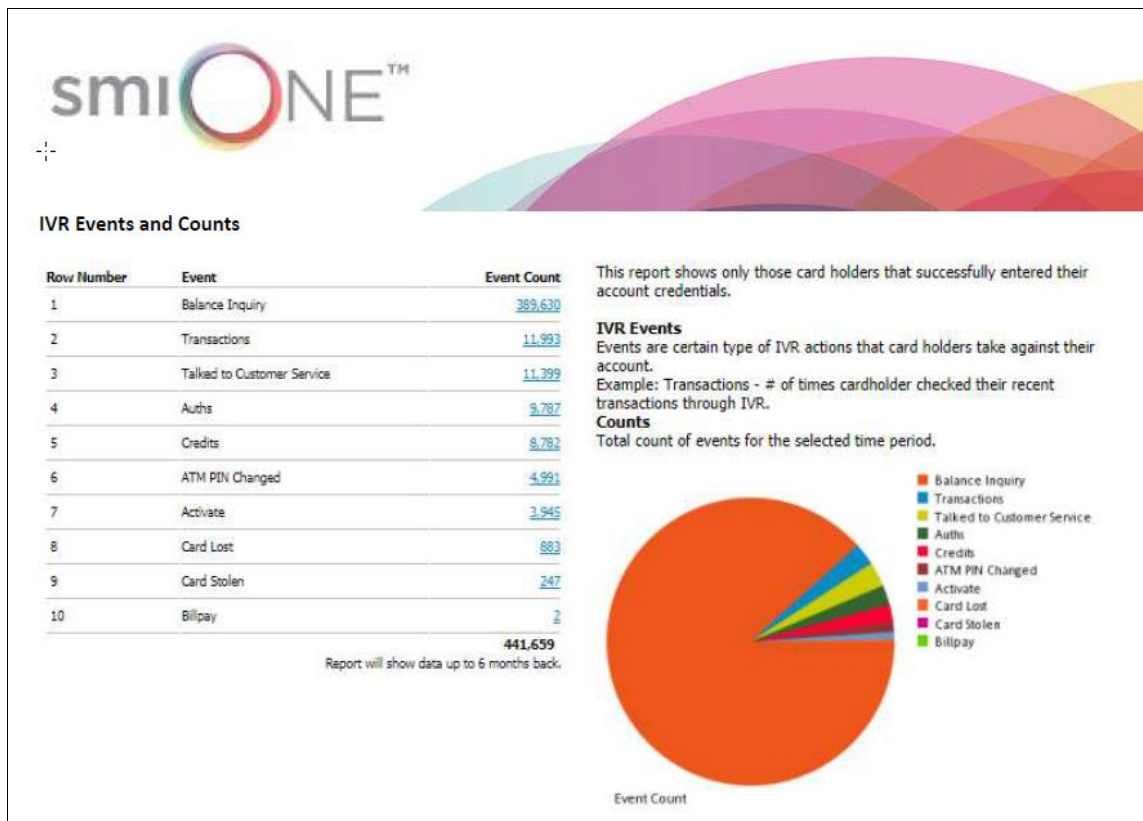


Figure 4-65: smiONE IVR Events and Counts Report. IVR event totals are broken down by event type in this report.

The IVR Events and Counts Report can be produced for a specific month or any period for the prior six months.

Based on cardholder demographic changes entered or imported into our CST, SMI currently produces a cardholder Demographic Changes Report for the North Carolina smiONE Card program. Following is a portion of the Demographic Changes Report available through gAnalytics.



GALILEO ANALYTICS														
Demographic Changes														
Home	Row Number	PRN	New Cardholder Name	DOB Changed?	New Home Phone	New Mobile Phone	New Email	New Gender	New Language	New Address Line1	New Address Line2	New City	New State	New Postal
All Tabs	1	N		N				EN				Newton	NC	26358
Home	2	N		N				EN				Louisburg	NC	26352373
Log Out	3	N		N				EN				Elizabeth City	NC	263030727
gCustom	4	N		N				EN				Charlotte	NC	26433
	5	N		N				EN				Vidalia	NC	26393
Profile Changes	6	N		N				EN				Charlotte	NC	262082007
	7	N		N				EN				Vidalia	NC	26207553
	8	N		N				EN				Hamden	NC	26257
	9	N		N				EN				Dover Hill	NC	262010550
	10	N		N				EN				Roaring River	NC	26663
	11	N		N				EN				Vidalia	NC	262063227
	12	N		N				EN				Rockland	NC	262144350
	13	N		N				EN				Pikeville	NC	26563
	14	N		N				EN				Sharpsburg	NC	262182295
	15	N		N				EN				Hamden	NC	26257
	16	N		N				EN				Kelly	NC	262420662
	17	N		N				EN				Godwin	NC	26344
	18	N		N				EN				Hudson	NC	26638
	19	N		N				EN				Erwin	NC	26539
	20	N		N				EN				Charlotte	NC	262422551
	21	N		N				EN				Charlotte	NC	26262
	22	N		N				EN				Vidalia	NC	262070224
	23	N		N				EN				Charlotte	NC	262420277
	24	N		N				EN				Hamden	NC	26210052

Figure 4-66: smiONE Demographic Changes Report. This report, available through gAnalytics, provides customer demographic changes captured in our CST.

The smiONE Monthly Signup Trend Report provides information on active smiONE web and mobile enrollments for email and text messaging, as well as the number and type of messages sent over time. Knowing the method by which cardholders access their account information and the most requested text or email alerts helps us evolve to meet customers' needs. The following report example is for the Florida smiONE Program.

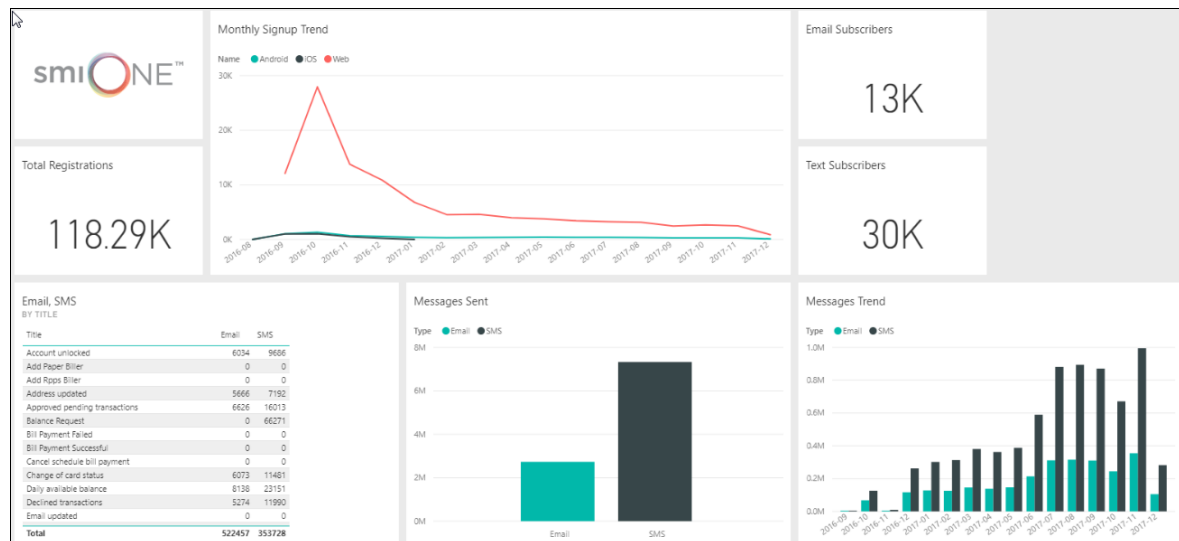


Figure 4-67: smiONE Monthly Signup Trend Report. This report provides valuable information on smiONE Card website, mobile app, email, and text message usage.

SMI looks forward to demonstrating our full reporting capabilities for West Virginia and to customizing or designing reports to meet and exceed your program's needs.

#### 4.1.1.13 The Vendor will provide a minimum of one network ATM in each of West Virginia's 55 counties.



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#### 4.1.1.13 Network ATMs in Each County

The smiONE Card's ATM network, Allpoint, is the Agency's current ATM network and will continue to include at least one network ATM in each of West Virginia's 55 counties.

Allpoint ATMs are in many convenient locations around the State, including common shopping venues such as Rite Aid, Speedway, Kroger, and Target. The Agency can be assured that the Allpoint Network will continue to provide superior ATM access to West Virginia cardholders throughout the life of the contract.

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4.1.1.14 The Vendor shall maintain both a Web-based payment and a telephonic option for non-custodial parents and third parties to initiate the payment of child support through a Web site or toll-free telephone number by use of, at a minimum, a Visa, Discover, American Express, Master Card, Debit Card, or through the ACH network, to be supported by a toll-free customer service line with automated assistance available 24/7 and live customer service representatives available during standard hours of operation from 7 a.m. to 2 a.m. Eastern Time, Monday through Sunday, and a 24/7 internet customer service website, both to be operated with no cost to the customers.

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#### 4.1.1.14 Web-Based and Telephonic Payment Options

Through our partnership with J.P.Morgan, SMI offers West Virginia continuity of web-based and telephonic payment options, with no related implementations for the Agency or risk of service disruption for child support remitters. We will continue to deliver the State's current web-based and telephonic payment services, making it convenient for payors, employers, and third parties to submit child support payments electronically.

##### 4.1.1.14.1 Integrated Receivables Connect Services

J.P.Morgan's Integrated Receivables Connect, also known to West Virginia customers as Pay Connexion, is a secure, highly-available, multi-channel e-payment platform that is fully-bank-hosted. Connect is Payment Card Industry Data Security Standard (PCI DSS) and NACHA-compliant. It supports credit card, debit card, and eCheck/ACH payment method options.

The highly configurable Connect platform and functionality provides West Virginia payors and third parties with a rich menu of feature options from which to choose. Available features include:

- Payment initiation via standard or mobile web browser, IVR via phone, CSR, POS, as well as Web Services application programming interface (API)-based system interfaces that will be integrated with SMI's system for the West Virginia SDU
- Payor-facing payment channels and emails that can optionally support the payor's preferred language, whether English or Spanish
- Single, one-time payments, whether immediate or future-dated
- Recurring payments, which can be:
  - ✓ Installment payments with a fixed amount on a fixed frequency; or
  - ✓ Variable recurring/auto payments, where the amount and/or timing of each payment vary per billing data



- Convenience fee management, if applicable (e.g., applying the appropriate convenience fee to the main payment, presenting notification of the convenience fee to the payor, and obtaining payor authorization)
- Efficient payment processing and settlement by J.P.Morgan
- Instant credit and debit card authorization with J.P.Morgan serving as the merchant processor
- eCheck/ACH debit transactions processed in batch, per NACHA guidelines, with J.P.Morgan serving as the Originating Depository Financial Institution (ODFI)
- Funds settlement to the West Virginia SDU's demand deposit account held at J.P.Morgan
- Pre-registration of the payor by the West Virginia SDU, payor self-registration, and/or unregistered payments
- Agency-specific configurable data elements and business rules to associate valid data with the payment, facilitating automated "straight through processing" of remittance data payment posting and cash application
- Bill presentment, notification, and paperless billing capabilities
- Batch and real-time interface options
- Extensive suite of administrative functions via secure website supporting the payor service, research, inquiry, and reporting
- Branding with the West Virginia SDU's logo and banner graphics or optional co-branding with the Chase logo
- West Virginia SDU configurable labels and content
- Secure platform with primary and secondary data centers
- Modularly expandable hierarchical structure to support multiple business units and/or payment types
- World-class data security, system stability, and business resiliency of a leading global financial institution

Connect can be supplemented by a convenience fee-funded solution for on-site credit and debit card payment initiation at the point of sale. J.P.Morgan currently offers MasterCard and Visa credit and debit card payment options for the State, and they will add American Express and Discover.



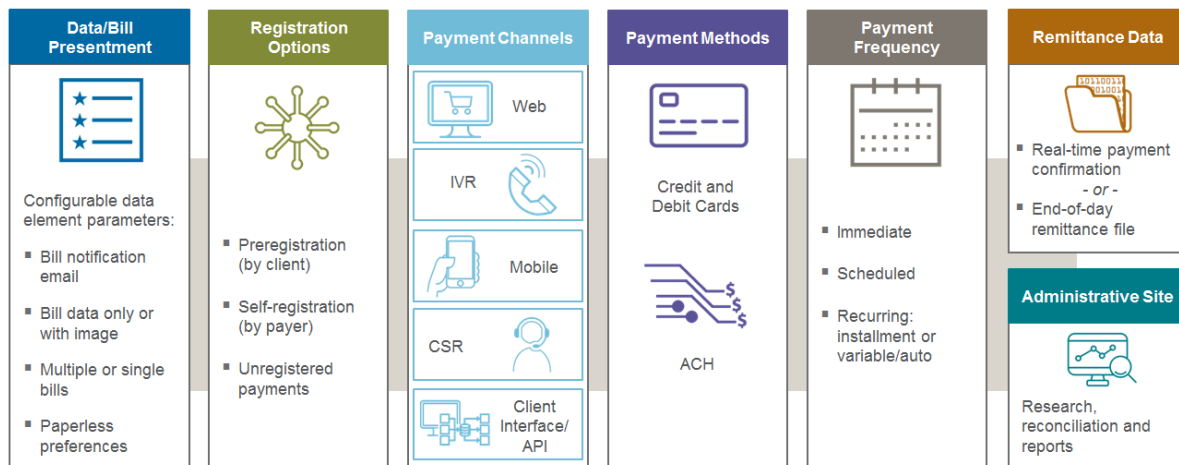


Figure 4-68: J.P.Morgan's Integrated Receivables Connect. This web-based and telephonic payment solution for West Virginia payors and third parties supports multiple, secure options for remitting payments electronically.

Continuing the use of J.P.Morgan's web-based and telephonic payment solution for the West Virginia SDU avoids the need for revisions to the Bureau for Child Support Enforcement's (BCSE's) website content/links and any written Agency materials that advertise the toll-free Pay Connexion IVR phone number.

#### 4.1.1.14.2 SMART e-Pay Website Services for Employers

With West Virginia's requirement that employers with more than 50 employees use EFT to remit payments, it is critical for the State's employers to receive as much EFT support as the SDU Vendor can offer. No Vendor offers more employer support than SMI.

Employers will continue to have access to the following EFT-related information through the **SMART** e-Pay website, which provides all the information employers need to set up EFT:

- Overview of EFT/EDI
- Steps to implement EFT/EDI
- NACHA record formats
- Downloadable or mailed *Employer Reconciliation Sheet*

To follow are detailed descriptions of **SMART** e-Pay services for employers.

##### 4.1.1.14.2.1 Online Employee Reconciliation

The e-Pay online employee reconciliation tool has received national recognition for its creativity and ease of use. SMI was the first SDU Vendor to offer this online service for employers. This tool allows employers to upload a Microsoft Excel file or manually enter the information for reconciliation and have their employee information verified. Employers have provided excellent feedback on the reconciliation tool, and we know that West Virginia employers appreciate this time-saving feature for reconciling information prior to submitting EFT/EDI or ACH debit





payments. Employers also appreciate the ability to electronically access information necessary for EFT set up.

**SMART** uses the On-line Support Collections and Reporting System (OSCAR) file information imported into the **SMART Database** to reconcile employers' data with valid OSCAR identifiers. The data in **SMART** never displays to the employer. If the employer enters/uploads employee information that does not match **SMART Database** information, an error message displays for the employer, and the field that does not match is highlighted. This allows the employer to review the information entered for that employee and resubmit the data if necessary. At any time in the automated reconciliation process, the employer can call the website's toll-free Contact Us telephone number for 24/7 assistance from live customer service representatives.

To begin the automated reconciliation process, employers register and create a website account to access **SMART e-Pay**, and then select the option to download and complete the *Employer Reconciliation Sheet*.

Payment Description
EFT/ EDI
EFT/ EDI is the process of sending child support payments electronically through the ACH (Automated Clearing House) network. It offers an alternative to preparing checks and remittance documents. To set up an EFT/ EDI payment, please follow these steps:
<ol style="list-style-type: none"><li>1. Register an account at this web site if you are a new user or log in with your user ID and password.</li><li>2. Download and complete the <a href="#">Employer Reconciliation Sheet</a>, or provide us with a Microsoft® Excel file that contains each employee's last name and social security number.</li><li>3. Upload the completed sheet so that the information can be validated.</li><li>4. Transmit payment and remittance information to your bank in NACHA format.</li></ol>
The amount you authorize will be deducted from your bank account and the payment information will be sent to the West Virginia Bureau for Child Support Enforcement.
<a href="#">Continue</a>

Figure 4-69: **SMART e-Pay** Automated Reconciliation. Employers can automatically reconcile employee information with OSCAR payor information in our **SMART Database** through the **SMART e-Pay** site.

The following page displays after the employer selects the automated reconciliation option.



**Reconcile Employee Information**

Upload your Excel file for reconciliation. Only files in Microsoft® Excel format (.xls) are supported.

Please make sure that:

1. All data is located in the first worksheet (tab) of the Excel file.
2. The tab name does not include spaces or special characters; for example, !, @, #, \$, ?
3. Two valid identifiers are provided for every employee:
  - Last Name
  - SSN: 9 numeric characters with or without "-". (e.g. "123456789" or "123-45-6789")

Submit

Browse...

Next

Figure 4-70: **SMART** e-Pay Automated Reconciliation. Employers receive online access to information needed to set up EFT and the automated reconciliation tool via the site. Instructions for uploading employee information are simple and easy to follow.

Employers must be registered users of **SMART** e-Pay to use the reconciliation tool. Once registered, they go through each of the steps to upload their employee information for automated reconciliation.

After the employer uploads the file, the data is parsed and matched against the **SMART** Database to ensure that EFT or ACH debit payments can be processed automatically and accurately.



### Reconcile Employee Information

Upload your Excel file for reconciliation. Only files in Microsoft® Excel format (.xls) are supported.

Please make sure that:

1. All data is located in the first worksheet (tab) of the Excel file.
2. The tab name does not include spaces or special characters; for example, !, @, #, \$, ?
3. Two valid identifiers are provided for every employee:
  - Last Name
  - SSN: 9 numeric characters with or without "-". (e.g. "123456789" or "123-45-6789")

Browse...

Submit

---

Data parsed from the uploaded Excel file.

name	case	ssn	amt
			1
			1
			1

Please specify the column for each applicable identifier (A minimum of two is required).

Identifier	Column number (starts from 1)
Payor Last Name	<input type="text" value="1"/> ×
Payor SSN	<input type="text" value="3"/>

Next

Figure 4-71: **SMART** e-Pay Reconcile Employee Information Page. Reconciling employee information automatically allows employers to immediately correct errors, which reduces the time they must spend setting up EFT/EDI.

After the employer verifies the data uploaded properly and clicks Next, the uploaded data is matched against the **SMART** Database. The matching results display for the employer, but the employer views only information they provided and never information contained in the **SMART** Database. If any records do not match, the matching results page prompts the employer to correct and resubmit the employee data as shown in the following example.



**Reconcile Employee Information**

3 records have been checked.  
2 records are valid.  
1 record is invalid.

Correct the information at the bottom of the page and click Submit.

Click Previous if you would prefer to make the corrections in your worksheet and upload the file again.

Click Download to download your validated file. The format may be different from the one you uploaded.

**Download**

name	case	ssn	amt	IsValid
			1	<input checked="" type="checkbox"/>
			1	<input type="checkbox"/>
			1	<input checked="" type="checkbox"/>

< >

Please correct the following record(s):

name	case	ssn	amt
			1

Submit

Previous

Exit

Figure 4-72: **SMART** e-Pay Reconcile Employee Information Page with Invalid Records. The data matching results display for the employer, who is prompted to correct any unmatched records.

Once all uploaded data matches **SMART** data, a page displays confirming the successful reconciliation and providing the SDU bank account and routing numbers necessary to send the EFT file.



**Reconcile Employee Information**

3 records have been checked.  
3 records are valid.  
All records are valid.

The bank account information is provided at the bottom of the page.

Click Download to download your validated file. The format may be different from the one you uploaded.

[Download](#)

name	case	ssn	amt	IsValid
			1	<input checked="" type="checkbox"/>
			1	<input checked="" type="checkbox"/>
			1	<input checked="" type="checkbox"/>

< >

Your employee information has been verified. Please send wage withholdings via EFT/ EDI to the following bank account:

Routing Number: 7  
Account Number: 9

[Previous](#)

[Exit](#)

Figure 4-73: **SMART** e-Pay Reconcile Employee Information Page with Valid Records and Bank Account Information. Upon successful reconciliation of all employees, an information page displays with the valid records and SDU bank account information.

After the employee information is successfully reconciled, the employer receives instructions on how to complete the EFT setup or the employer may proceed with scheduling ACH debit payments on the website.

#### 4.1.1.14.2.2 Employer ACH Debit Payments

West Virginia's **SMART** e-Pay website will continue to allow employers to set up one-time or recurring ACH debit payments through our secure site at no cost. When registering on the website, employers enter their name and/or employer identification number (EIN) and then click Search. As illustrated below, **SMART** e-Pay will perform a search of OSCAR employer data stored in **SMART** and return a matched employer record the employer may click to select.



**Registration**

1. Please enter the employer name and/or EIN, then click Search. A partial employer name is recommended. A minimum of 3 characters is required.

2. Choose the employer from the search result by clicking the name.

Enter the employer name

Debbies cleaning services

Enter the employer EIN

Search

Choose Employer

DEBBIES CLEANING SERVICES  
9243 HOOD RD  
MANASSAS, VA 20110

Previous

Figure 4-74: **SMART** e-Pay Employer Registration. When registering on **SMART** e-Pay, employers enter their name and/or EIN to locate a matching employer record for selection. **SMART** compares the name and/or EIN entered on the website to OSCAR employer data stored in **SMART** to return matching records.

If the employer is not in the **SMART** database because their information has not yet been received on a file from OSCAR, **SMART** e-Pay will display the message, “Cannot find this employer,” along with a link labeled “Create Employer Record.” Employers whose records are not already in **SMART** can manually enter their name, EIN, and address. They may then continue their registration by entering contact information as shown on the following page.



Registration	
Provide your contact information:	
Employer Name	DEBBIES CLEANING SERVICES
Employer Address	MANASSAS, VA 20110-5939
First Name*	Debbie
Middle Name	
Last Name*	
Address*	123 Main Street
City*	Carrollton
State*	US - Georgia
Zip*	30116
Country*	United States
Phone*	<input type="text"/> Ext <input type="text"/>
E-mail*	<input type="text"/>
Re-enter e-mail*	<input type="text"/>
* Required field	
We will use your e-mail address to correspond with you regarding your web site account.	
<input type="button" value="Previous"/> <input type="button" value="Next"/>	

Figure 4-75: **SMART** e-Pay Employer Contact Information. Employers provide specific contact information as part of the **SMART** e-Pay registration process.

Employers create a user ID and password, choose a challenge question and answer in the event of a forgotten user ID or password, and choose an authentication image and caption. The website provides a registration confirmation message, and a registration confirmation email is generated to the employer's email address.

Registered employers who wish to remit payments by bank draft select the ACH Debit method from the following Select Payment Method page.

Select Payment Method
<a href="#">EFT/EDI</a>
<a href="#">ACH Debit</a>
<b>This Web Site Does Not Accept Payments Drawn On A Foreign Bank Account</b>

Figure 4-76: **SMART** e-Pay Employers Select Payment Method Page. Employers select the ACH Debit payment method to make ACH debit payments through **SMART** e-Pay.

Selection of the ACH Debit method displays the ACH Debit Payment Description page shown below. This page provides employers with ACH debit information and instructions, including options for reconciling employee information.



Payment Description
ACH Debit
ACH Debit is a method of electronically remitting child support payments and offers an alternative to preparing checks and remittance documents. To set up ACH Debit, please follow these steps:
1. Register an account at this web site if you are a new user or log in with your user ID and password.
2. Provide withholding information using one of the following methods:
a. Download and complete the <a href="#">Employer Reconciliation Sheet</a> , or provide us with a Microsoft® Excel file that contains each employee's last name, social security number, and withholding amount. Upload the completed sheet so the information can be validated.
b. Manually input each employee's information. Enter each employee's last name, social security number, and withholding amount.
3. Provide your bank account information, payment amount, payment frequency, and payment date.
The amount you authorize will be deducted from your bank account and the payment information will be sent to the West Virginia Bureau for Child Support Enforcement.
<a href="#">Continue</a>

Figure 4-77: **SMART** e-Pay ACH Debit for Employers. **SMART** e-Pay provides employers with information and instructions for remitting payments by ACH debit.

Clicking Continue takes employers to the secure Login pages where they are prompted to enter their user ID and confirm their authentication image and caption before entering their password on the following page.


Login
Please enter your current password only if your authentication image and caption are correct.
<b>Warning:</b> If your authentication image and caption are incorrect, do not enter your password and <a href="#">contact us</a> immediately.
Authentication Image: 
Authentication Caption: Pet
Password: <input type="password"/>
<a href="#">Exit</a> <a href="#">Submit</a>
<b>Note:</b> You will only have three attempts to login after which your account will be blocked for a period of 24 hours.
<a href="#">Forgot your password?</a>

Figure 4-78: **SMART** e-Pay Employer Authentication Page. Employers must complete the secure login process before initiating ACH debit payments.

As with the EFT payment method, employers remitting payments by ACH debit choose between manually inputting employee information or completing automated reconciliation by uploading a Microsoft Excel spreadsheet into **SMART**, along with the payment amount.





**Reconcile Employee Information (Step 1 Of 5)**

Please choose one of the following options for providing your employees' withholding information:

☒ Upload Reconciliation Spreadsheet.  
☐ Manually input each employee's information.

☐ I accept the Terms and Conditions governing the use of the WV Bureau of Child Support Enforcement's Internet Payment Web Site.

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Figure 4-79: **SMART e-Pay Reconcile Employee Information Page.** Employers have the choice of uploading a Microsoft Excel spreadsheet to complete automated reconciliation or manually inputting each employee's information.

The reconciliation process matches employee information entered or uploaded on the website to OSCAR payor data stored in the **SMART Database**. This payor validation process prevents the receipt of unidentified payments via the site.

After uploading/entering and validating employee information, including payment amount, employers enter their bank account information.

**Provide Bank Account (Step 2 Of 5)**

Payor Name	SSN	Amount
	***_**_	\$1.00
	***_**_	\$1.00
	***_**_	\$1.00

Total: \$3.00

Please provide your bank account information and click Next.

Bank Name\*

Bank Telephone

Account Type\*

Routing Number\*

Account Number\*

Re-enter Account Number\*

\* Required field

Amount\* \$

\* Required field  
Click on the question mark if you need help in obtaining your routing number and account number.

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Figure 4-80: **SMART e-Pay Provide Bank Account Page.** Employers add bank account information on the above screen.



Employers select the bank account to be debited or add a different account as illustrated below.

**Provide Bank Account (Step 2 Of 5)**

Payor Name	SSN	Amount
	***-**-****	\$1.00
	***-**-****	\$1.00
	***-**-****	\$1.00

Total: \$3.00

Please specify which bank account you would like to use and click Next.

☒ Test Bank (Account Number: \*\*3456)

☐ Add new bank account

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Figure 4-81: **SMART e-Pay** Bank Account Selection. The employer selects the bank account for the debit or adds a new bank account.

For new accounts, a prenote will be initiated to the employer's bank when the bank routing and account numbers entered by the employer are verified and associated to the employer in **SMART**. Therefore, the payment start date for new account setups must be at least five business days from the current date. The employer receives a confirmation message online and by email after adding a new bank account.

The employer chooses the frequency for payments, such as weekly, bi-weekly, monthly, or one time. If the chosen payment date is recurring, the next payment date is calculated and displayed after the employer confirms the payment start date.



**Schedule Payment (Step 3 Of 5)**

Payor Name	SSN	Amount
	***_**	\$1.00
	***_**	\$1.00
	***_**	\$1.00

Total: \$3.00

Your bank account information has not been previously verified. Your payment start date must be a minimum of 5 business days from the date you registered your bank account. This will allow us enough time to verify your bank account information before drafting your payment.

Step 1: Enter a payment description:

Step 2: Choose payment frequency:  
 on

Step 3: Enter payment start date (MM/dd/yyyy):

Payment Start Date: 07/06/2018  
Next Payment Date: (Calculated) 07/06/2018

Payments will post to your employees' child support case on the day money is drafted from your bank account. If the draft falls on a weekend or holiday the payment will be drafted and posted the next business day.

Figure 4-82: **SMART** e-Pay Schedule Payment Page. The employer chooses a one-time or recurring payment date. Based on the frequency and start date entered, the next payment date is calculated for recurring payments.

After the employer sets up the payment frequency and start date and **SMART** calculates the next payment date, the payment schedule and employee payment list display for the employer's review.

**Schedule Payment (Step 4 Of 5)**

- Payment Description: Weekly Test
- Bank Name: Test Bank
- Account Number: \*\*3456
- Scheduled Payment Amount: \$3.00
- Account Type: Checking
- Payment Frequency: Weekly on Friday
- Next Payment Date: 07/06/2018
- [Show Employees](#)

You currently do not have a scheduled payment set up. The above payment schedule will be set up.

Figure 4-83: **SMART** e-Pay Payment Schedule. Employers review their payment schedule and employee information after setting up the payment frequency and date.

The employer must then confirm that the bank account information, employees, payment amounts, payment frequency, and next payment date are correct.



**Confirm (Step 5 Of 5)**

Payor Name	SSN	Amount
	***_**	\$1.00
	***_**	\$1.00
	***_**	\$1.00

Total: \$3.00

Please confirm the following information. If the information is correct, click Confirm. If you need to make a change, click Previous.

Payment Description	Weekly Test
Name of the Bank	Test Bank
Bank Telephone	
Account Type	Checking
Routing Number	*****1017
Account Number	**3456
Amount	\$3.00
Payment Frequency	Weekly on Friday
Next Payment Date	07/06/2018

Previous

Confirm

Exit

Figure 4-84: **SMART** e-Pay Confirm Page. Employers must confirm all bank account, employee, and payment schedule information to complete the ACH debit scheduling process.

Upon the employer clicking Confirm, the payment is scheduled, and the employer receives a confirmation message. **SMART** e-Pay also generates a scheduled payment confirmation to the email address the employer provided during website registration.

**Thank You**

Thank you. Your ACH Debit payment has been successfully set up. The following is a summary of your scheduled payment.

Child Support Payment Amount: **\$3.00**

Payment Description:	<b>Weekly Test</b>
Bank Name:	<b>Test Bank</b>
Bank Phone Number:	
Bank Routing Number:	<b>*****1017</b>
Bank Account Number:	<b>**3456</b>
Account Type:	<b>Checking</b>
Payment Frequency:	<b>Weekly on Friday</b>
Next Payment Date:	<b>07/06/2018</b>

Confirmation #: 223

Use this confirmation number for contacting customer service with any inquiries regarding this transaction. Please print this page for your records.

Your payment will be posted to your employees' child support cases on the date it is drafted from your bank account. If the draft falls on the weekend or holiday the payment will be drafted and posted the next business day.

Exit

Figure 4-85: **SMART** e-Pay Scheduled Payment Confirmation. The confirmation screen includes the payment amount, bank name, last four digits of the routing and account numbers, and payment frequency.



**SMART** e-Pay's ACH debit options provide employers with an easy, no-cost alternative to EFT, encouraging employers with 50 or fewer employees to remit payments electronically.

#### 4.1.1.14.3 Customer Support for Web-Based and Telephonic Payments

For the web-based and telephonic payment options provided through J.P.Morgan's Connect solution, J.P.Morgan will continue to provide 24/7 automated assistance via the toll-free IVR number and live customer service representatives available from 7:00 a.m. to 2:00 a.m. Eastern Time, Monday through Sunday.

SMI will continue to provide our toll-free customer service contact information on the e-Pay website for West Virginia employers.

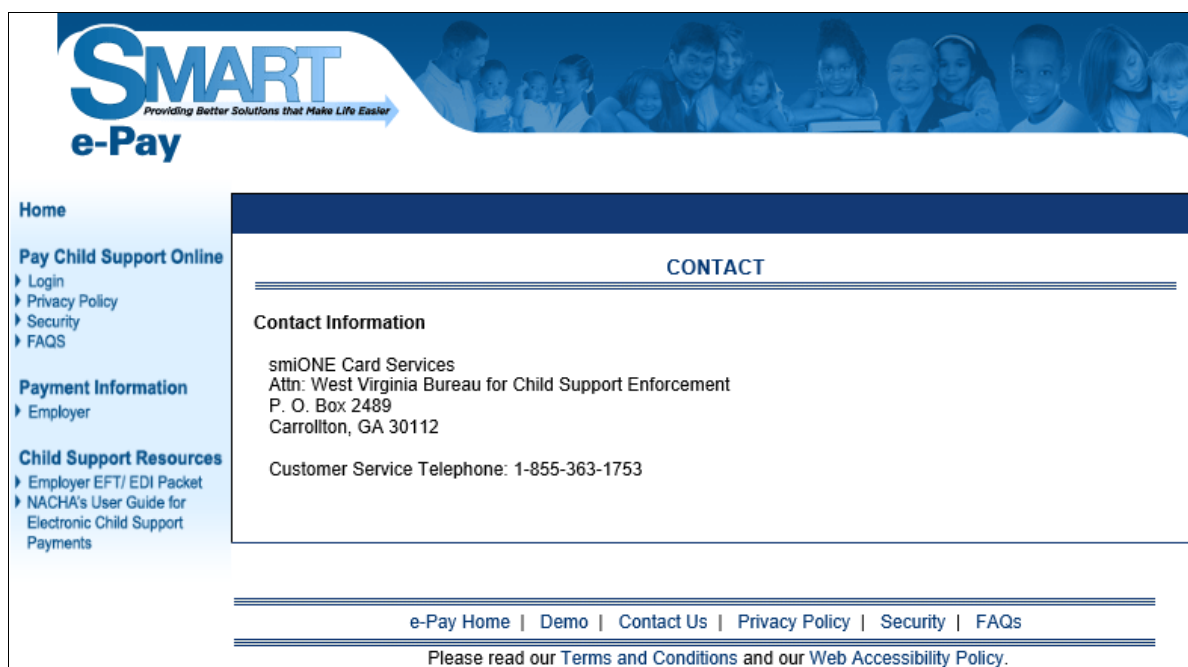


Figure 4-86: Live Customer Service Representatives. Through the toll-free number we provide on the West Virginia **SMART** e-Pay website, live customer service representative assistance will continue to be available to employers 24/7.

West Virginia employers can contact our customer service line 24/7 for live customer service representative assistance, exceeding the State's requirement for hours of customer service operation. All customer service options will continue to be provided at no cost to the State's customers.

4.1.1.15 The Vendor shall maintain such records a minimum of five (5) years and make available all records to Agency personnel at Vendor's location during normal business hours upon written request by Agency within 10 business days after receipt of the request.



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#### 4.1.1.15 Maintenance and Access to Records

All records obtained under the contract will be maintained for a minimum of five years. SMI will make all records available to Agency personnel at our location during normal business hours upon written request within 10 business days after receipt of the request. SMI will continue to exceed the State's requirement for records maintenance and availability by making many records available through secure online access.

All physical documents will be retained in accordance with a retention schedule agreed to with the Agency. Remittance documents will be retained for 60 days before the documents are securely and confidentially destroyed on site.

SDU documentation related to collection and disbursement processing is accessible to Agency-designated staff on demand through the **SMART** Image Viewer within 30 minutes of imaging. A database of these images will be kept for a minimum period of five years.

Contract documentation, such as deliverables, change orders, status reports, meeting and design session minutes, *Project Schedules*, and Action Item Logs will be available to Agency-designated personnel on the West Virginia Project Management Portal.

Documentation related to West Virginia's debit card program will be accessible to Agency-designated staff through the online CST.

To assist with State and federal audits, we can produce a large array of reports for use in an audit, and these are available for review by State, federal, or outside auditors. In addition to the numerous reports available to perform audit and verification, our **SMART** Audit History provides a complete audit trail of all transactions. This audit trail includes an audit history for each payment batch, each envelope, each credit, each debit, and each scanned page. Through *Audit History*, auditors can trace an envelope through every step of **SMART** processing.

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4.1.1.16 Vendor should provide with their bid a copy of any hardware or software licensing and/or support terms and conditions to which the State of West Virginia or the Agency must agree to or accept, either in writing or digitally, in order to order and receive the commodities or services offered as part of this contract. Written terms will be required prior to the award of any contract resulting from this solicitation. Failure to provide additional terms and conditions may result in disqualification of the vendor's bid.

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#### 4.1.1.16 Hardware or Software Licensing and/or Support Terms and Conditions

SMI as the prime Vendor has no hardware or software licensing and/or support terms and conditions to which the State of West Virginia or the Agency must agree to or accept, either in writing or digitally, in order to order and receive the commodities or services offered as part of this contract.



Because J.P.Morgan is the current provider of banking services for the SDU, the Agency has already completed product and service terms and agreements for the services it currently uses. If the Agency decides to add additional services, J.P.Morgan will require execution of all applicable account opening documents, as well as all relevant product and service agreements. As part of J.P.Morgan's efforts to manage their environmental footprint in an efficient and sustainable manner, sample documents are provided through the links below. Please note that these documents may be modified by the bank from time to time.

- Sample Account Opening Documents:  
<https://www.chase.com/content/dam/chasecom/en/commercial-bank/documents/11-21-us-account-opening-package.pdf>
- Sample Product and Service Terms and Agreements:  
<https://www.chase.com/content/dam/chasecom/en/commercial-bank/documents/11-21-consolidated-service-terms-commercial-bank.pdf>
- Sample Integrated Receivables & Payables Connect Service Terms has been provided in Appendix C. of our proposal.

The sample documents provided cover the comprehensive set of products and services that may be offered to J.P.Morgan's Commercial Banking clients in general, and many of those in the standard package may not apply to the services currently proposed to West Virginia. During the transition period, and based on the specific services the Agency elects to use, J.P.Morgan will provide the applicable agreements to be executed by the Agency, if necessary.

There may be additional signature-required documentation needed to initiate electronic banking or information reporting services in addition to the account opening documents and service terms, as noted below:

- Security Administrator Designation Form is required to give the bank authorization to set up the individuals listed on the form as security administrators.
- Third-Party Access Authorization Form may also be required when setting up accounts with different tax IDs.
- Know Your Customer

J.P.Morgan is required to know its customer and to adhere to policies and procedures intended to meet those regulatory requirements that apply to safety and soundness and to fight against the funding of terrorism, money laundering, and sanction related activities including performing certain transaction screenings. This means J.P.Morgan will request information about the Agency and its management and those having authority to transact business with J.P.Morgan in order for J.P.Morgan to comply with its policies and procedures. This is an ongoing requirement, and the provision of services pursuant to this proposal and any additional products or services that may be requested is subject to and conditioned upon the ongoing satisfaction of those policies and procedures and compliance by the Agency with applicable law with respect to the services provided and J.P.Morgan's policies of which the Agency is informed.



Other than the banking terms and conditions discussed immediately above, SMI has no hardware or software licensing and/or support terms and conditions to which the State of West Virginia or the Agency must agree to or accept, either in writing or digitally, in order to order and receive the commodities or services offered as part of this contract.

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#### 4.1.2 Access Requirements:

4.1.2.1 To insure compliance with the contract and for any other reason the Agency deems appropriate for the effective and continuing operation of the centralized collection and distribution process, the Agency and its authorized representatives and designees shall at all times have the right to enter any premises of the Vendor used in the performance of the contract, including the centralized collection and distribution operations site, or such other place where duties of the contract are being performed. The Agency's right of access shall be exercised in order to inspect, monitor, or otherwise evaluate the work performed or being performed therein, or to elicit information concerning the operation of the centralized collection and distribution function. All such instances of access shall be undertaken in such a manner that will not unduly disrupt the Vendor's operations or performance under the contract, and shall be coordinated through the responsible Vendor representative and account officer.

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### 4.1.2 Access Requirements

We understand and agree that the Agency and its authorized representatives and designees shall at all times have the right to enter the premises used in the performance of the contract, including our operations site and any other place where duties of the contract are performed. SMI welcomes visits by the Agency and its authorized representatives and designees at any time with and without notice.

The West Virginia SDU Project Manager will be available to assist Agency visitors. In accordance with established security requirements, Agency visitors will be required to present an acceptable form of identification, sign in, and wear an appropriate visitor badge.

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#### 4.1.3 Confidentiality of Respondent and Client Information

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### 4.1.3 Confidentiality of Respondent and Client Information

SMI has a long and successful history of working with Human Services agencies in child support operations as well as other social services programs. SMI understands the confidential nature of the information obtained and used for the purpose of providing services. SMI takes the confidentiality of information and data very seriously and ensures that all our employees do so as well. Clear expectations are provided from the beginning of employment and are a critical part of new employee orientation and training.

4.1.3.1 The Vendor, its officers, agents, employees, and subcontractors shall treat all information and must adhere to all requirements listed, including Federal and State tax information, with particular emphasis on information relating to customers and litigants, which is obtained through performance under the contract, as confidential information to the extent required by the laws of





the State of West Virginia and of the United States, as well as any regulations promulgated thereunder (WV Code Chapter 48-18-131; 45 CFR 303.21; and IRS Publication 1075.)

#### 4.1.3.1 Confidentiality Required by Laws and Regulations

To maintain confidentiality of all the information received in conjunction with operating the SDU, SMI has instituted proven internal control functions. These internal controls reflect SMI's commitment to a system that provides confidentiality and accountability for each area of responsibility as well as procedures that assure tasks performed under the contract meet performance requirements. The following are included in our internal control measures:

- Operating procedures outlining processes and procedures SMI follows are written and agreed upon
- Background checks are performed on each employee prior to hiring
- Employees must sign a *Confidentiality Agreement* regarding non-disclosure of information
- Handbooks containing company policies are provided
- Performance management plans for each staff position are conducted annually for each employee
- All employees of SMI are bonded
- A username and password are required to use Customer Service Center systems
- Access to the SDU is controlled using a proximity card access control system
- Video cameras monitor critical areas of the SDU
- Servers are kept within a secured room with very limited access
- All mail is kept in a secure zone accessible only by security access card
- A username and password are required to use **SMART** to scan mail, process payments, create ICLs, create batch transfer files, or perform any other duty in the SDU
- Operators are required to lock their machines when they leave them unattended; all machines automatically lock after 15 minutes of inactivity

Given our experience working with the State of West Virginia and 14 other States, we know that any child support information, as well as federal and State tax-related information, is confidential and must be maintained in accordance with the State and federal confidentiality requirements including *IRS Publication 1075 Safeguarding Procedures*. Such information will be used by SMI solely for the purposes of administering this project.

SMI further requires all personnel authorized to handle any type of tax-related information to view the *IRS Safeguarding Confidentiality* video, as well as sign an *IRS Confidentiality Form*. Employees must receive security and confidentiality training annually, which includes the IRS training. SMI understands the importance of safeguarding IRS, Federal Parent Locator Service (FPLS), and Social Security Administration (SSA) data and will continue to review the form thoroughly with employees at the time the form is completed.



Our SDU includes all security controls necessary to ensure confidential information is protected. Training also outlines the penalties for failing to comply with confidentiality requirements. All employees are required to sign a *Confidentiality/Non-Disclosure Agreement* as a condition of employment. Improper disclosure of confidential information is subject to disciplinary action, up to and including, termination. Our employees are informed of the confidentiality of child support data and the penalties involved if a breach occurs.

Additional methods to protect confidential information include proper security and logon procedures that are maintained so that the requesting party receives only the appropriate information. Supervisory monitoring and our quality assurance (QA) processes also ensure strict adherence to confidentiality regulations.

4.1.3.1.1 All personal identifiable information relating to any customer and litigant shall be held confidential and shall not be disclosed by the Vendor, its officers, agents, employees, or contractors without the prior written approval of the Secretary of the Department of Health and Human Resources or his/her designee.

#### 4.1.3.1.1 Confidentiality of Personal Identifiable Information

Given our SDU experience in 15 States, we know that all personal identifiable information, relating to any customer or litigant, is confidential and must be maintained in accordance with the State and federal confidentiality requirements. Such information will be used by SMI solely for the purposes of administering this project and shall not be disclosed by SMI, our officers, agents, employees, or Contractors without the prior written approval of the Secretary of the Department of Health and Human Resources or his/her designee.

SMI's facilities and systems are built to maintain security for all SDU data, records, and operations, which includes securing all data from sabotage, manipulation, theft, or breach of confidentiality. Our *Security Plan* provides details of the safeguards we employ in our system and network to prevent unauthorized access of identity information of the State of West Virginia's customers and litigants. The following includes protections in place to prevent unauthorized access:

- Access and Control - Users are granted access on a need-to-know/ need-to-share basis, as determined by job duties and management
- Identification and Authentication - System uniquely identifies and authenticates users with a combination of username and password
- Maintenance – Scheduled maintenance to apply security patches and updates
- Media Protection – Forms of media are stored in secured areas of the facility that are closely monitored using the alarm system and each entry attempt, whether successful or not, is logged to the facility access control system
- System and Communication Protection - Perimeter routers, firewalls, and internal routers all run software that is capable of mitigating risks associated with denial-of-service (DoS) attacks



- ✓ Application user interfaces are stored and managed separately from related back-end data
- ✓ A multi-layer network defense strategy is used, combining routers, firewalls, VPN, and other security appliances
- ✓ Encrypted network protocols are used for a high level of integrity and confidentiality
- ✓ Web applications enforce a 128-bit SSL connection
- ✓ Network sessions time out at 15 minutes
- System and Information Integrity - Enterprise anti-malware software is used to protect endpoint computers against malicious code
- Physical Security - Access to SMI's facility is permitted only to individuals who have been issued a proximity card
  - ✓ Facility Access Control
  - ✓ Proximity card access control system based on High Intensity Discharge (HID) technology
  - ✓ Alarm System
  - ✓ Video Surveillance

Our *Security Plan* for the West Virginia SDU will provide additional details on how we prevent unauthorized access to personal identifiable information.

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4.1.3.1.2 The Vendor may not at any time furnish case file information or documentation to any requesting customer or litigant.

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#### 4.1.3.1.2 Case File Information

SMI, its officers, agents, employees and subcontractors will not provide case file information or documentation to any requesting customer or litigant.

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4.1.3.1.3 The use of information obtained by the Vendor in the performance of its duties under any contract resulting from this RFQ shall be limited to those purposes directly connected with such duties.

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#### 4.1.3.1.3 Use of Information Obtained by the Vendor

SMI understands and agrees that use of information obtained through performance of duties under the contract is limited solely to the purposes directly connected to performing such duties.

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4.1.3.1.4 The Vendor shall advise the Agency within 48 hours of any and all requests received for information described in this RFQ.

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#### 4.1.3.1.4 Requests for Information

SMI will advise the Agency within 48 hours of any and all requests received for information described in the RFQ.

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4.1.3.2 The Vendor shall be responsible for assuring that any agreement between itself and any of its officers, agents, employees, or subcontractors contains a provision which strictly adheres to the provisions of confidentiality as described in this section.

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#### 4.1.3.2 Confidentiality and Vendor's Officers, Agents, Employees, and Subcontractors

SMI shall be fully responsible for assuring that all agreements between SMI and our officers, agents, employees, and subcontractors contains necessary provisions that strictly adhere to the requirements of Section 4.1.3 of the RFQ.

All employees, including applicable agents and subcontractor employees, are required to sign a Confidentiality/Non-Disclosure Agreement as a condition of employment. Improper disclosure of confidential information is subject to disciplinary action, up to and including, termination. Our employees and subcontracted employees and agents are informed of the confidentiality of child support data and the penalties involved if a breach occurs. SMI will ensure all forms are thoroughly reviewed with employees, agents, and subcontractors at the time the forms are completed.

#### 4.1.4 Payment Processing

The Vendor shall provide the following services in relation to processing payments, which are received by mail, electronically through the ACH network, through the Web-based payment option, or through any other means or medium.

#### 4.1.4 Payment Processing

**SMART**—our nationally recognized solution for child support payment receipting and other critical SDU functions—was developed with the direct involvement of child support professionals. The following table provides descriptions for the **SMART** core processing modules that support the SDU's payment processing, disbursements, reconciliation, debit card services, and other functions.

Table 4-6: **SMART** Solution Core Processing. The following table describes our solution's core processing modules.

SMART Solution	Description
<i>Workflow Manager</i>	Automatically routes payments to the next appropriate function within the system and provides a dashboard tracking system for monitoring work progress
<i>Scan</i>	Provides a complete image-based solution where images of the contents of the physical envelope and the envelope itself are captured and stored in the <b>SMART Database</b>
<i>Credit-MICR Profile</i>	Allows payment source type and payment instrument type to be stored by MICR and used for future automated payment posting
<i>Credit-Credit Entry</i>	Using courtesy amount recognition/legal amount recognition (CAR/LAR) and double validation, validates the deposit worthiness of the payment instrument and the credit amount of each payment with at least two separate validations
<i>Debit-Transaction Manager</i>	Using proprietary business rules and optical character recognition (OCR), analyzes each payment instrument and the contents of the envelopes, including coupons, to determine if the transaction(s) can be automatically identified



SMART Solution	Description
	Automatically identifies a payment if the payment meets the required confidence levels
<i>Debit-Debit Entry</i>	<p>Has OCR/intelligent character recognition (ICR) capability built in for on-demand use by Operations Specialists</p> <p>For payments not automatically identified by <i>Transaction Manager</i>, allows manual validation by verifying the payment using approved identifiers with the aid of extensive search capabilities, including historical MICR information</p>
<i>Exception Processing</i>	<p><i>Returns</i>–Queue for processing non-negotiable and other items that meet Agency requirements for returning a payment</p> <p><i>Out of Balance</i>–Queue of <b>SMART Debit Entry</b> that allows payments from employers (for which the payment instrument amount and the debit amounts are not equal) to be segregated for research purposes and to be processed based on West Virginia-specific rules</p> <p><i>Exceptions</i>–Queue for payments requiring special handling based on West Virginia-specific situations that do not meet criteria for other <i>Exception Processing</i> queues</p> <p><i>Unidentified Pending</i>–Queue for payments for which the payor is not identified in <b>SMART Debit Entry</b>; and research in OSCAR and <b>SMART</b> must be conducted</p> <p><i>Unidentified Reviewed</i>–Queue for unidentified payments that have been reviewed, searches have been conducted in OSCAR and <b>SMART</b>, and contact with the remitter is needed</p> <p>Maintains a record of all contacts and contact attempts with the remitter</p> <p>Tracks payments that remain unidentified after searches and remitter contact attempts, allowing for further research and reporting until the payment is sent as unidentified on the Receipt File to OSCAR</p>
<i>Correspondence</i>	<p>Enables automated handling of correspondence received with and without payments at the SDU</p> <p>Provides electronic notification of the location of images to the appropriate office to allow staff the ability to manage correspondence items within the system while protecting confidential information</p>
<i>Audit History</i>	<p>Maintains a complete audit trail that tracks all activity on each payment from the time it is imported into the system until the time it is deposited into the SDU account at the end of the day and sent on the Receipt File</p> <p>Provides an excellent tool for formal audits as well as for resolution of inquiries from stakeholders related to a specific item received at the SDU</p>
<i>Image Viewer</i>	<p>Provides access to data and images of payments and correspondence processed at the SDU</p> <p>Available to Agency-designated staff for assisting with the research and resolution of payment-related issues</p> <p>Allows for access over a secured internet connection for West Virginia staff</p> <p>Provides access that is password protected and encrypted</p>
QA	Provides a comprehensive quality assurance queue for another level of quality determination of work processed



SMART Solution	Description
	<p>Constructed on configurable parameters that identify high-risk items, allowing for targeted audits</p> <p>Produces a random audit sample for a predetermined percentage of our daily work items</p> <p>Enables the completion of quality assurance processes and correction of errors before items are transmitted on the Receipt File to OSCAR</p>
<i>Intercept</i>	<p>Allows hold to be placed on a bank account (MICR) or payor (participant) SSN when a payment is returned for NSF, stop payment, closed account, or credit card chargeback</p> <p>Allows hold to be placed on a Federal Employer Identification Number (FEIN) if an employer ACH debit payment is returned for NSF, stop payment, or closed account</p> <p>Has special handling rules that allow users to associate special instructions to a MICR or a participant</p>
<i>Receipt File Generator</i>	<p>Gathers processed payments for balancing against deposits and transmission to OSCAR</p>
<i>Deposit</i>	<p>Creates ICLs for Check 21 electronic deposit processing</p>
<i>File Management</i>	<p>Works in conjunction with our managed file transfer (MFT) service, GoAnywhere, which:</p> <p>Utilizes file and database processing actions, managed through scheduled workflows and triggers</p> <p>Retrieves, tracks, and manages all incoming files for both test and production environments</p> <p>Sends, tracks, and manages all outgoing files for both test and production environments</p> <p>Is used to validate and import files into the <b>SMART Database</b></p> <p>Contains validations designed to prevent creating or importing duplicate files</p> <p>Designed to use only encrypted transmission protocols</p> <p>Contains automatic notification to SDU management and IT staff on file activities and issues</p>
<i>Reports</i>	<p>Provides a reports management system for SDU staff and designated Agency staff to access reports online and on demand</p> <p>Makes reports accessible online via a secure internet connection and available to designated West Virginia staff and SMI corporate management</p>
<i>Disbursements</i>	<p>Retrieves and imports disbursement-related files from OSCAR; creates and/or manages file transfers for check disbursements, ACH/direct deposit disbursements, and debit card enrollment, disbursements, demographic updates, and exceptions</p>
<i>e-Pay</i>	<p>Is an e-commerce website providing employers with an online tool to reconcile payor information prior to submitting electronic payments and allowing employers to set up and manage ACH debit payments</p>



Discussions and demonstrations on each of the core **SMART** modules, as they relate to specific requirements, are provided throughout our proposal.

**SMART** tracks every receipt through our payment processing workflow. The following graphic illustrates our paper payment processing workflow for the West Virginia SDU.

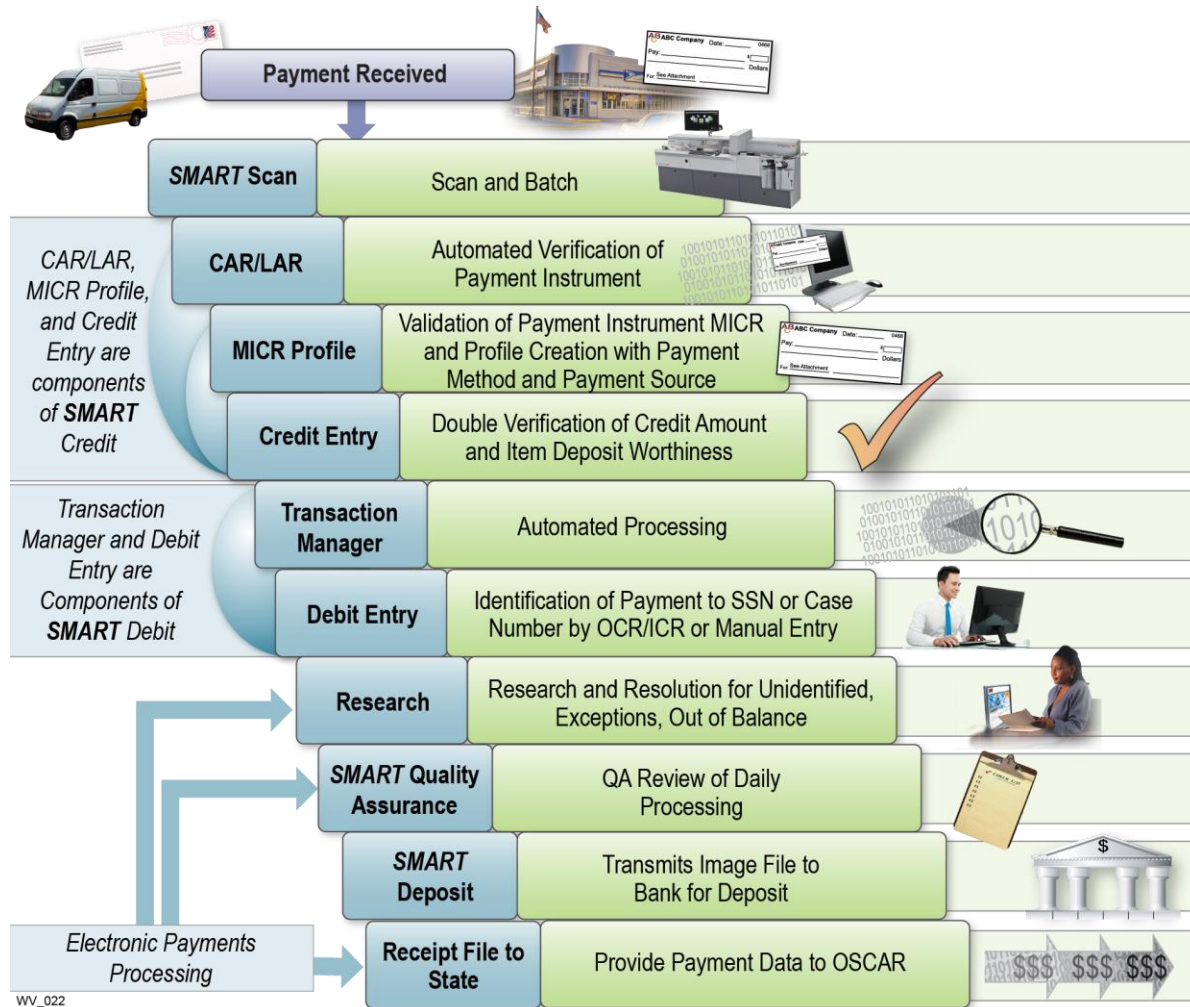


Figure 4-87: **SMART** Paper Payment Processing Workflow. Our paper payment processing workflow is built to provide fast and accurate processing.

The graphic below depicts our electronic payment processing workflow for the West Virginia SDU.

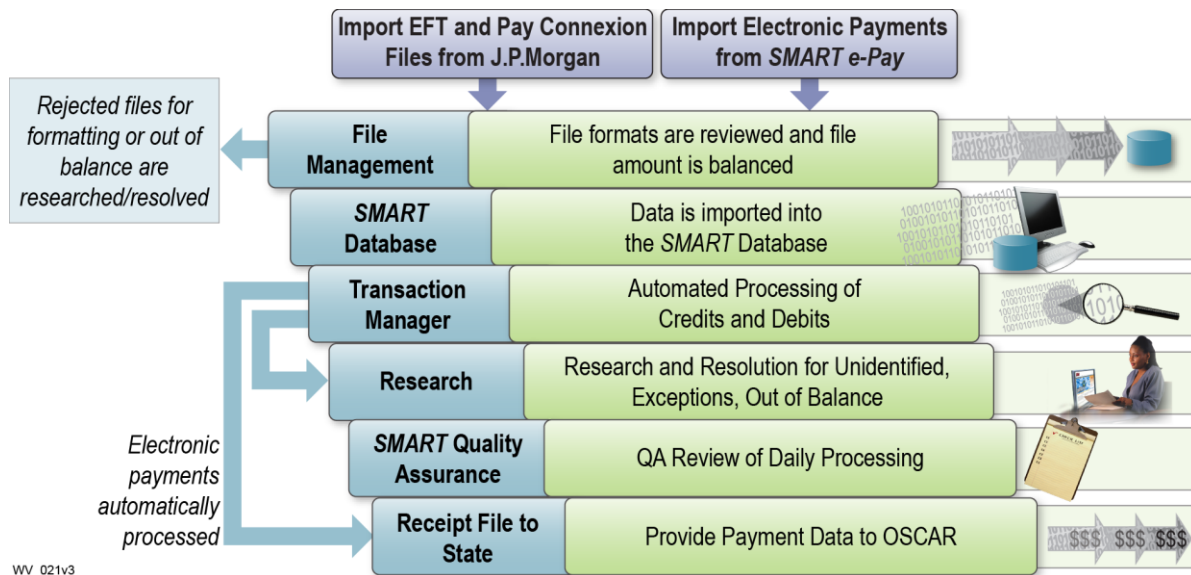


Figure 4-88: **SMART** Electronic Payment Processing Workflow. Files containing electronic payments are imported into **SMART** and, once balanced, are imported into the **SMART Database** for processing.

SMI's business model incorporates validation and accuracy throughout our processing. Therefore, fewer errors are made and less follow-up work is required. Payment validation or error prevention in **SMART** is comprised of a comprehensive set of processes designed to provide the highest level of accuracy possible.

**SMART** is driven by an upfront imaging process that sprays a unique scan number on the back of each paper document received at the SDU. **SMART** then assigns each document and work item a unique system audit number that is stored in the **SMART Database** and associated to the unique scan number sprayed on the back of each document. This allows the system to track the document and work item throughout the processing cycle.

In addition, **SMART** provides access to payment documents and correspondence that includes full notation on all actions needed and/or taken to ensure acceptability. All imaged payment instruments and correspondence are available to Agency staff through an easy-to-use, web-based search screen. **SMART Image Viewer** makes images available for viewing within approximately 30 minutes of scanning, making it easy to research the status of support payments even on the day of receipt.

For electronic collections imported into the **SMART Database** for processing, whether ACH credit (EFT/EDI), ACH debit (bank draft), or credit/debit card, **SMART** creates remittance images, assigns a unique system audit number, and maintains an audit trail. The images, audit number, and audit trail can be viewed online by Agency staff.

**SMART e-Pay** provides technologically advanced web-based services for employers, including secure, online options to automatically reconcile employee information prior to payment submission and set up ACH debit payments.





SMI's **SMART** solution provides West Virginia with the most advanced child support payment processing technology in the industry today. Through more than six years of processing for West Virginia and more than 18 years of processing in other States, we have continually refined our workflows to maximize payment processing efficiency and accuracy by staying abreast of new technology and addressing staff feedback on what slows them down or causes errors. SMI is committed to ongoing payment processing improvement efforts to ensure the West Virginia SDU has the most effective technology and processes.

**4.1.4.1 Mail Extraction and Scanning Equipment:** The Vendor shall be responsible for supplying, programming, and implementing Mail Extraction Equipment. This equipment must provide scanned electronic images that will be transmitted to a workflow environment for processing.

#### **4.1.4.1 Mail Extraction and Scanning Equipment**

SMI's mail extraction is handled as part of the imaging process, which translates into significantly less paper handling, fewer labor-intensive tasks, and improved quality. **SMART Scan** combines mail opening and extraction with image capture and classification. Our Scanning Operator touches the envelope only once to extract the contents, capture data and images, and for most mail, to open the envelope as well. **SMART Scan's** in-line processing also prints an audit trail and classifies mail contents without a separate preparation process that decreases processing efficiency.

##### **4.1.4.1.1 Equipment**

Mail received at the West Virginia SDU is extracted from envelopes using the OPEX® Omaton 2100™ Envelopener. While processing at high speeds, this compact machine can remove as little as .010" to .015" chips from the envelope edge.



Figure 4-89: Mail Extraction Equipment. The Omaton 2100 Envelopener provides powerful performance to meet the SDU's daily mail extraction needs.

The Omaton 2100 Envelopener is capable of opening envelopes containing folded documents without cutting contents, resulting in smoother, faster, and more productive mail extraction. The



Envelopener processes mail of all sizes up to 0.188" in thickness. Features and benefits of the Omaton 2100 include:

- Milling Cutter—protects contents, eliminates paper cuts, and minimizes waste
- Digital Counter—has an easy-to-read, resettable six-digit LED display
- Durable and Reliable Technology—made of steel with the highest quality components and workmanship

SMI was the first SDU provider in the nation to use OPEX scanners fully integrated within a child support payment processing system. For the West Virginia SDU's high-speed imaging process, SMI has installed and will continue to use two of OPEX's most efficient scanners, the DS2200™. We will also continue to maintain full maintenance contracts on all OPEX equipment to ensure timely and quality imaging of West Virginia's mail.



Figure 4-90: Scanning Equipment. In the West Virginia SDU, SMI has installed two of the most efficient scanning platforms available, the OPEX DS2200 mixed document capture platform.

The DS2200 provides the Scanning Operator maximum flexibility to handle virtually any document scanning task while virtually eliminating costly prep, jams, and rescans.

The DS2200 comes equipped with OPEX's CertainScan™ Capture Software that allows for real-time document identification and recognition. Notable features of the OPEX DS2200 are summarized in the following table.



Table 4-7: Scanning Equipment: OPEX DS2200 Mixed Document Capture Platform. This table summarizes notable features of the scanning platform we will continue to use for the West Virginia SDU operation.

OPEX DS2200 Feature	Function Advantage
Versatile Document Feeding	Scans up to 110 pages per minute Provides drop feed, packet feed, and auto feed capabilities Intelligent packet sensing capabilities adjust track speed for optimal throughput
Multiple Document Sizes and Types	Handles a wide range of intermixed document sizes and types, with document sizes ranging from 2" x 3.5" to 12.25" x 18.25"
22" Touch Screen Display	Allows the Scanning Operator to visually examine the contents of an envelope and adjust using the touch screen controls Automatically detects the document types such as payment instrument, envelope, and remittance documents; based on the document type, the thumbnail displays a configurable colored background Provides quality assurance is done at the front end, allowing errors to be corrected early in the process Alerts the Scanning Operator that there may be an error if the software does not recognize a document type
Duplex Scanner up to 300 Dots Per Inch (DPI)	The front and back of all documents are captured and high-quality images are created With only one scan of the payment instrument, SMI creates two images: the first in 300 DPI for payment processing and optimal image viewing, and the second in 200 DPI for electronic deposit with ICLs
In-Line Recognition, Capture, and Storage	Provides in-line recognition of barcode, OCR, optical mark-sense recognition (OMR), and MICR
Restrictive Endorsement and Unique Scan ID	Automatically applies a restrictive endorsement to each payment instrument immediately upon envelope opening Sprays a unique scan ID on the back of each envelope and each document within the envelope, including the payment instrument, for the audit trail
Envelope Contents Verification	Ensures the contents of the envelope have been removed and the envelope is empty through a mechanical thickness verifier that replaced the old sensor-type candling technology

The DS2200s also have an integrated workstation to provide Scanning Operator ergonomics, comfort, and productivity. Two programmable output sort bins on the workstation allow us to outsort envelopes, checks, or other items during the scanning process.



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#### 4.1.4.1.2 **SMART Scan**

Using **SMART Scan**, we immediately image all envelope contents on the day received, including the front and back of the payment instruments, remittance documents, and correspondence, along with the envelope itself. During the scanning process, a unique scan ID is physically sprayed on the back of each item in an envelope. The scan ID includes the:

- Date the work item was scanned (automated date stamp)
- Number assigned by the OPEX machine
- Batch number
- Envelope number
- Sequential number assigned to each item in the envelope

A restricted endorsement is also imprinted on the back of payment instruments during scanning.

The unique scan ID is imported into the **SMART Database** and used to create the unique system audit number in the **SMART Database**. This allows SMI to provide a more complete audit trail that links the paper documents received to the images stored electronically.

**SMART Scan** benefits to the Agency include:

- Envelope integrity by immediately scanning the envelope and all its contents upon opening
- Audit trail immediately established
- Restricted endorsement immediately added
- No doubt as to when the mail was received
- Immediate image availability

The Scanning Operator selects the appropriate batch header for the batch of envelopes to be scanned. While some mail types are universal for all States (e.g., correspondence), **SMART Scan** batch types can be added as needed to meet the unique needs of the State. Our batch headers contain a batch number and designate the number of payments and total dollar amount in the batch.

The restricted endorsement and unique scan ID automatically sprayed on the back of each payment instrument and used to create the unique system audit number are part of SMI's internal controls and initiate the item's audit trail. **SMART Scan** provides efficiencies for paper payment processing that other SDU solutions may not offer.

Even work items that cannot be immediately processed are scanned, sprayed with the unique scan ID that includes the date stamp, and assigned a unique system audit number. Items that cannot be processed are forwarded to special **SMART** queues for research or return, depending on the issue preventing processing. Unprocessed collections are identifiable and tracked automatically through the specialty queues and online reports.

**SMART Scan** creates an image of all documents received by the SDU including, but not limited to:

- Envelopes
- Payment instruments and foreign items
- Supporting documents, such as Wage Assignment Transmittal forms
- Correspondence

As the envelope and contents are imaged, each image's creation date and time are automatically captured and become part of the audit trail. When there are multiple payment instruments within an envelope, SMI's practice is to image each payment instrument as an individual work item.

**SMART Scan** captures the MICR line of each payment instrument and other data during the imaging process, including data from scannable coupons. As soon as the images are uploaded into the **SMART Database**, generally within minutes of scanning, they are available for viewing in the **SMART Image Viewer**. Agency staff don't have to wait several hours or until the next day to view the payment.

Because we image all contents of the envelope immediately, there is no movement of paper documents in our payment processing workflow. Operations Specialists use document images to process child support payments and **SMART** uses the same scanned image for electronic deposit submission to the bank. **SMART** is an image-based system that increases workflow efficiency by eliminating:

- The need to move paper from one station to another
- The reliance on paper documents that may be lost, misplaced, or destroyed in the workflow process

Using images also provides a more secure solution in which access to payment instruments is limited to staff performing mail extraction, imaging, and financial functions, excluding staff performing payment processing.

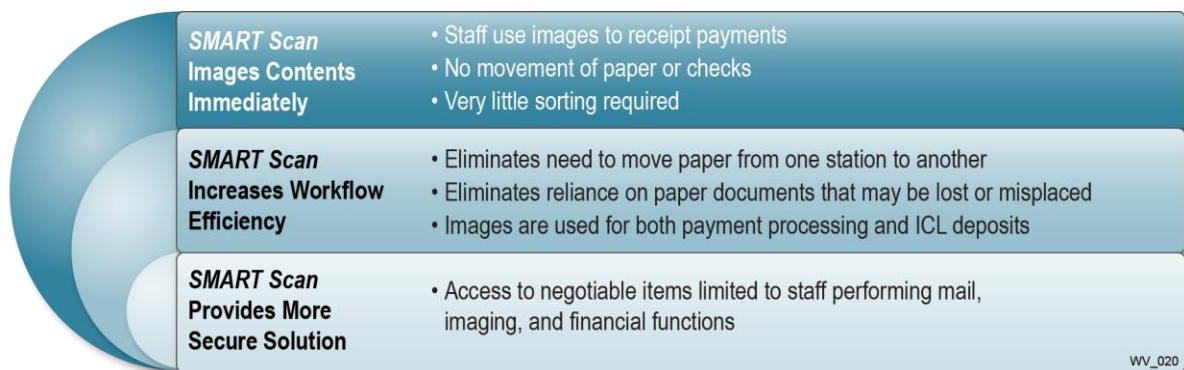


Figure 4-91: **SMART Scan** Efficiency. **SMART Scan** technology integrates several features that ensure efficiency and security in payment processing.



Immediately upon scanning, the payment instrument is sent to a pocket on the scanner separate from any other documents. Once a batch has been scanned, the physical payment instruments are bundled and placed in the on-site locked safe.

#### 4.1.4.1.3 SMART Workflow Manager

Once the contents of the envelopes and the envelopes are imaged into unique work items, **SMART Workflow Manager** automatically moves the work items to the next appropriate processing queue. **SMART** determines if the payment is deposit worthy, inputs the credit amount, and posts the money to the appropriate identifiers using various automated processes. When automated processes are not successful in processing the payment to completion, the work item is presented to an Operations Specialist for review and data entry.

**SMART Workflow Manager** is also a key tool for tracking progress to make certain we meet the expected daily outcomes. This queue assists in meeting all processing timeframes by tracking workflow through all processes of **SMART**. The automated workflow tool tracks the status of all payment work items as they progress through the receipting process and facilitates effective management of resources to accomplish same-day processing of all collections.

The following figure illustrates the **SMART Workflow Manager's** Workflow Status dashboard as it appears in real time when items still need to be processed, and where in the workflow those unprocessed items exist.

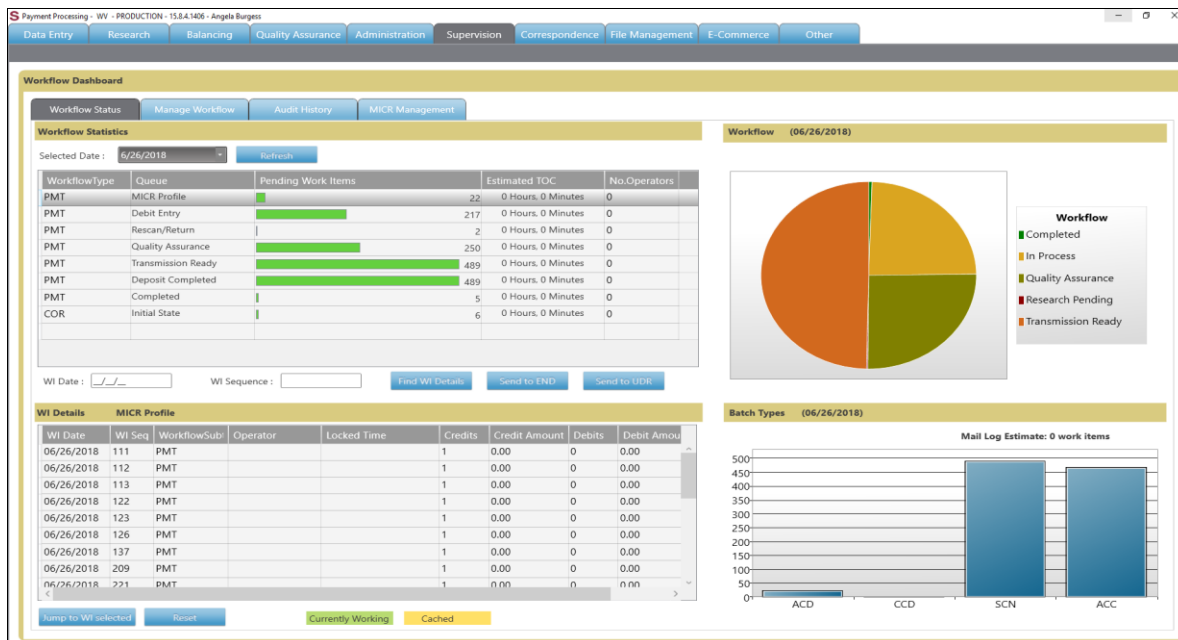


Figure 4-92: **SMART Workflow Manager**. The Workflow Status dashboard provides real-time access to the status of the day's processing. This example illustrates the workflow before processing is complete.

The example that follows shows a Workflow Status dashboard after all work is completed, deposits are made, and payments are successfully transmitted to the State's system.



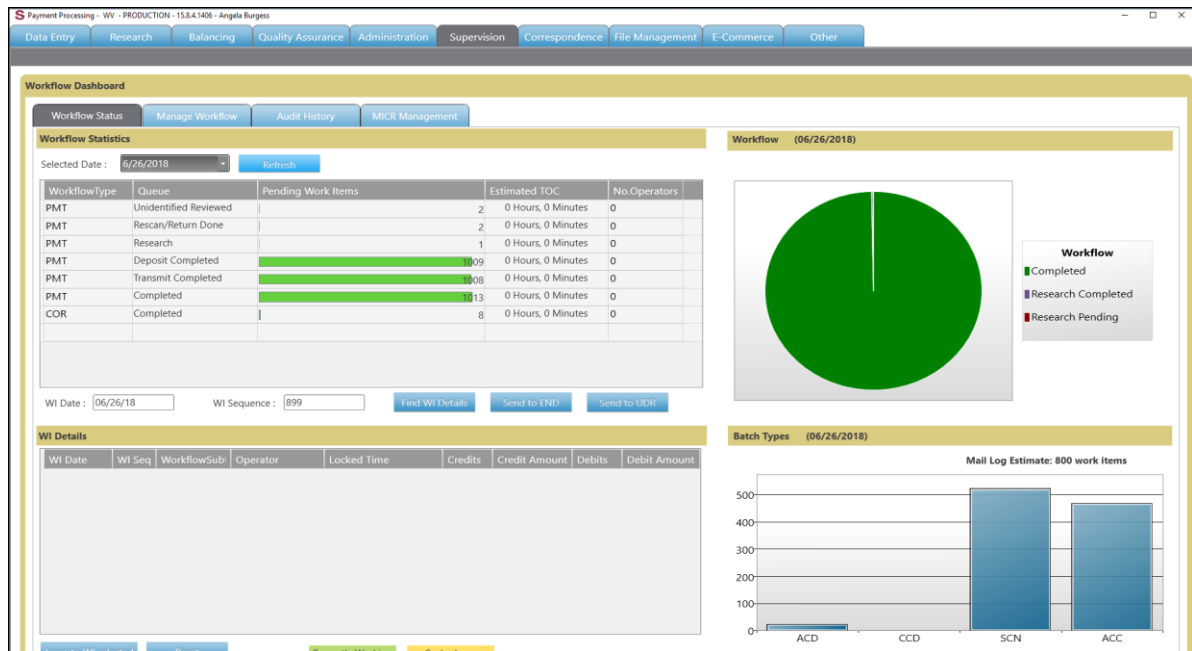


Figure 4-93: **SMART Workflow Manager.** This Workflow Status dashboard example illustrates the workflow after all work is completed, the deposits are made, and payments are successfully transmitted on the Receipt File.

**SMART Workflow Manager** is available not only to our SDU management staff, but also to our corporate managers regardless of their locations via their secured access abilities. This allows our corporate managers to monitor the progress of each of our SDU operations remotely to ensure compliance with each operation's processing timeframes.

#### 4.1.4.1.4 **SMART Credit**

**SMART** initially forwards paper work items to credit queues that focus on the payment instrument, answering several questions either through automated or manual data-capture processes. **SMART Credit** includes two queues, *MICR Profile* and *Credit Entry*, and is designed to:

- Ensure the payment instrument is acceptable and deposit worthy
- Capture the credit amount
- Validate the check's MICR line, including capturing the financial instrument number
- Capture the payment method and source

**SMART** independently records the amount of the payment instrument (the credit record) for later balancing to the child support payment records (debits). Using CAR/LAR and Operations Specialist validation, if necessary, **SMART Credit** also quickly and accurately validates the deposit-worthiness of the payment instrument and the credit amount of each instrument with at least two separate validations.



#### 4.1.4.1.4.1 MICR Profile

After payment instruments and associated documents are imaged into **SMART**, the system verifies that the MICR from the payment instrument was correctly read by the OPEX and the MICR information meets the banking requirements for deposit. **SMART** also checks to determine if the payment instrument was previously processed and the MICR information is already stored. Rules built into **SMART** determine if the payment instrument meets banking requirements for deposit. If **SMART** determines that the MICR is incorrect, the work item (with all images) is presented to an Operations Specialist in *MICR Profile* for correction. Following is the *MICR Profile* user interface.

The screenshot shows the SMART MICR Profile user interface. The top navigation bar includes tabs for Data Entry, Research, Balancing, Quality Assurance, Administration, Supervision, Correspondence, File Management, E-Commerce, and Other. The main content area is divided into three sections: MICR Image, MICR Clean-Up, and MICR Profile. The MICR Image section displays a scanned check with MICR data. The MICR Clean-Up section contains input fields for Routing Number, Account, and Check Number. The MICR Profile section contains various dropdown menus and text fields for Payment Method, Payment Source, EIN, Maker Name, Address 1, Address 2, Address 3, Zip 5, Zip 4, City, State, and Phone Number. There are also buttons for 'Done', 'Stop', and 'Suppress Posting History'.

Figure 4-94: **SMART MICR Profile**. This queue correctly captures the MICR data that we store for use in processing future payments.

The *MICR Profile* information captured during **SMART Credit** processing is stored in **SMART Database** and assigned to future payments with that MICR unless modified by the Project Manager or Operations Supervisor.

#### 4.1.4.1.4.2 SMART Credit Entry

We have incorporated the A2iA CheckReader™ into **SMART** for automating deposit worthiness and capturing the credit amount. A2iA is an industry leader in OCR/ICR products. A2iA CheckReader is robotic software designed for the automatic reading of cursive constrained and unconstrained handwritten and machine-printed documents on business and personal checks. The following figure illustrates check elements the A2iA CheckReader reviews.



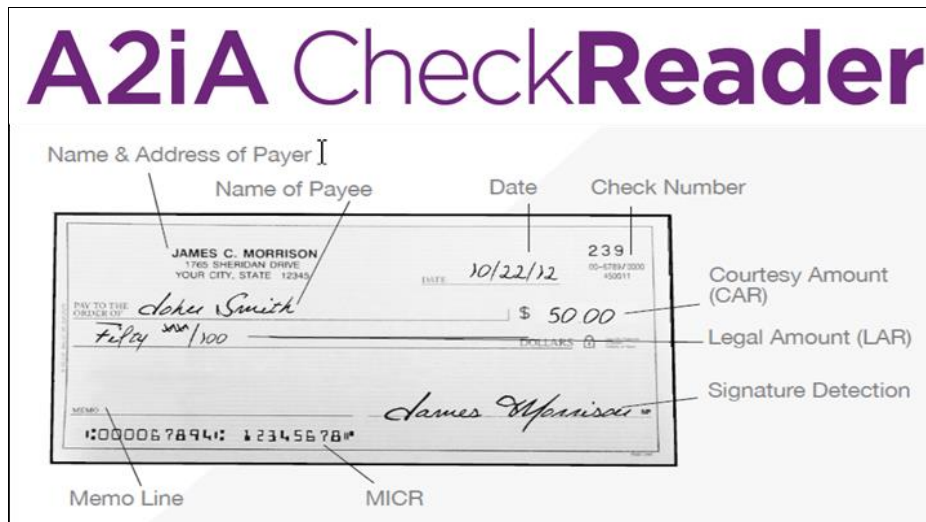


Figure 4-95: A2iA CheckReader. The A2iA CheckReader automatically reviews payment instruments and ensures deposit worthiness.

All imaged payment instruments are forwarded to **SMART Credit's** A2iA CheckReader that locates, extracts, and analyzes data such as:

- Agreement of CAR and LAR (CAR+LAR)
- Date of the check
- Name of the payee or if blank
- Presence of the signature
- Presence of foreign currency

If the A2iA CheckReader determines that a payment instrument is non-negotiable based on West Virginia's receipt exception requirements, **SMART** automatically marks the work item containing the payment instrument as a "Return" and forwards the item to the **SMART Returns** queue where a letter of explanation is generated to accompany the item being returned. If the A2iA CheckReader determines that a payment instrument is deposit worthy and the CAR+LAR value reaches an appropriate confidence level, the amount of the payment instrument is recorded automatically into the credit record, representing the first of at least two credit amount validations.

Because accurately capturing the credit amount is crucial, SMI does not rely on automation alone to capture the check amount or other criteria that determine deposit worthiness. Payment instruments automatically cleared by the A2iA CheckReader are forwarded to the following **SMART Credit Entry** user interface screen where the credit amount and deposit worthiness are verified by an Operations Specialist.



Figure 4-96: **SMART Credit Entry**. This queue ensures the payment instrument's credit amount is captured accurately. The Operations Specialist can also correct the payment method in this queue.

If the amount captured by A2iA is not the same as the amount entered by the Operations Specialist, **SMART** will cycle the payment back through *Credit Entry* for another Specialist to enter the credit amount. There must be two credit amount entries that match before the amount is accepted. The payment instrument's credit amount is also verified against the associated debit record(s) later in the payment processing workflow.

After the credit phase of processing reviews and captures payment instrument details, *Workflow Manager* routes work items that do not require special handling, research, or return to the **SMART Debit** queues for automated processing of individual child support payment amounts (debits).

#### 4.1.4.2 Receipt of Mail:

##### 4.1.4.2 Receipt of Mail

SMI will continue to pick up child support post office box mail at the downtown Charleston postal facility based on the following daily mail collection schedule in Eastern Time.

Table 4-8: West Virginia SDU Child Support Mail Collection Schedule. SMI will maintain the following child support mail pick-up schedule for the SDU.

Day of Week	First Pick-up	Second Pick-up
Monday	5:00 a.m.	8:00 a.m.
Tuesday	5:00 a.m.	8:00 a.m.
Wednesday	5:00 a.m.	8:00 a.m.



Day of Week	First Pick-up	Second Pick-up
Thursday	5:00 a.m.	8:00 a.m.
Friday	5:00 a.m.	8:00 a.m.
Saturday	4:00 a.m.	N/A

We use bonded SMI employees to collect mail from the post office and deliver it to the SDU. Mail that is sent registered, certified, or insured receives special attention and accommodation. Our mail courier follows strict instructions for handling and accounting for special mail. Our policy requires comparison of the tracking number on each piece of certified, registered, and insured mail to the tracking number on the firm delivery receipt, checking each to verify and signing each with a readable signature or stamped signature. This comparison and signoff ensures adequate tracking for every piece of special handling mail.

SMI's tracking of mail begins with mail pickup. The mail courier completes a Mail Log Tray Count upon pickup at the postal facility.

Mail Log Tray Count								West Virginia Bureau of Child Support Enforcement
Date	Time	SDU Payments	Repayment/ Specialty	Total	Est. Batch	Actual	Certified	Signature
Monday								
Pickup 1								
Pickup 2								
Pickup 3								
Pickup 4								
Tuesday								
Pickup 1								
Pickup 2								
Pickup 3								
Pickup 4								
Wednesday								
Pickup 1								
Pickup 2								
Pickup 3								
Pickup 4								
Thursday								
Pickup 1								
Pickup 2								
Pickup 3								
Pickup 4								
Friday								
Pickup 1								
Pickup 2								
Pickup 3								
Pickup 4								
Saturday								
Pickup 1								
Pickup 2								
Pickup 3								
Pickup 4								

Figure 4-97: Mail Log Tray Count. Tracking of payments begins with mail pickup and use of the Mail Log Tray Count. The pick-up time and estimated number of work items are recorded.



The number of work items is estimated based on the volume of envelopes contained in the mail trays. This is our first step in capturing the daily item count of all mail received. The work item count estimates are based on statistical data from trays previously processed at the SDU.

Upon arrival at the SDU, the mail courier places the mail on the mail table in the secured operations area. Digital cameras are positioned to capture all mail receipt and processing activities. Upon mail arrival, a Supervisor or Manager who did not act as courier verifies the Mail Log Tray Count, signs the form to complete the audit trail, and enters the daily item count of all SDU mail received into the online Mail Log.

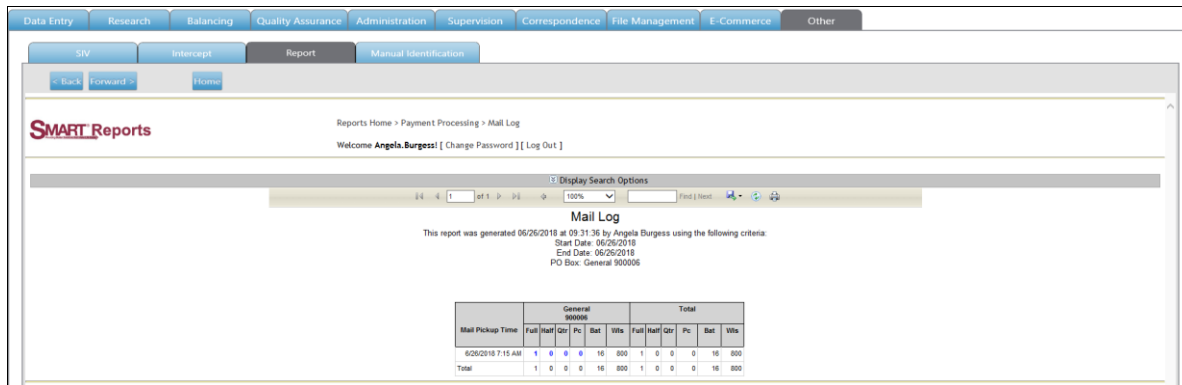


Figure 4-98: **SMART Reports Online Mail Log.** The online Mail Log provides SMI and designated Agency staff with the number of envelopes received at the SDU. It can be filtered by date range and post office box.

The Mail Log information is maintained for retrieval through **SMART Reports** by date or date range. Mail Log information, including pick-up times and estimated work item counts, is available to designated Agency staff and can be viewed for all post office boxes or just the child support post office box.

Our **SMART Workflow Manager** extracts estimated work items information from the online *Mail Log* for display on the day's Workflow Dashboard, as illustrated in the following figure. That work item estimate assists Project Manager Angela Burgess in appropriately allocating resources to ensure timely payment processing.

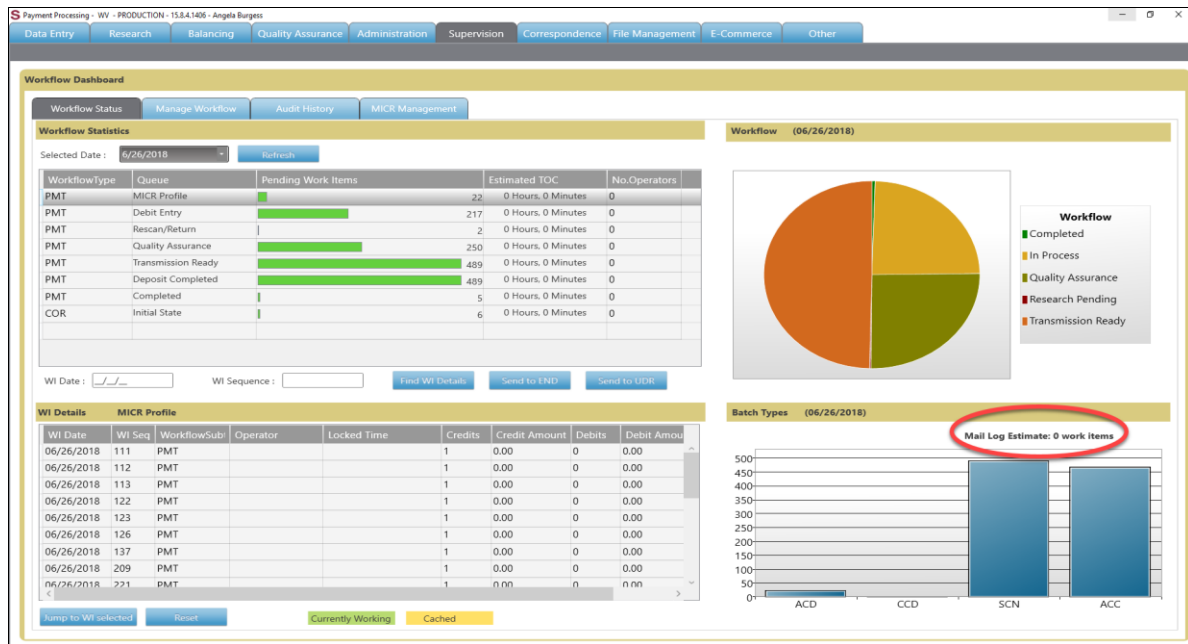


Figure 4-99: **SMART Workflow Manager Mail Log Estimate.** Entry of the Mail Log estimate into the **SMART Database** each morning assists with allocating appropriate resources for payment processing.

**SMART Workflow Manager** tracks work throughout the day and provides the actual number of work items for the day.

4.1.4.2.1 Vendor shall maintain the current post office box dedicated to the receipt of child support collections and related activities.

#### 4.1.4.2.1 Maintain Post Office Box

SMI will maintain the current post office box dedicated to the receipt of child support collections and related activities: West Virginia Bureau for Child Support Enforcement, P.O. Box 247, Charleston, West Virginia 25321-0247.

4.1.4.2.2 All mail shall be transported directly to the Vendor's operations center each business day, unopened.

#### 4.1.4.2.2 Transport Mail to Operations Center

SMI's bonded courier will continue to transport all child support mail directly from the downtown Charleston postal facility to our operations center each business day and Saturday, unopened. Mail will be opened when it is received in the secured operations area of our SDU facility.

4.1.4.2.3 All mail shall be opened on the day of receipt. All envelopes that contain correspondence shall be segregated from the other envelopes for pick up by Agency courier.



#### 4.1.4.2.3 Open Mail

SMI will continue to open and immediately image all mail received for the SDU on the day of receipt. Envelopes containing correspondence will continue to be segregated from other envelopes for pick up by the Agency courier.

##### 4.1.4.2.5 The Vendor shall review each receipt for the following exceptions:

4.1.4.2.5.1 Amount - When the written amount and the numeric amount disagree, the remittance documents shall be returned to the maker.

4.1.4.2.5.2 Date- The Vendor shall notify the Agency upon receipt of a post-dated or stale dated check. (A stale dated check is any check that is more than six months old, unless otherwise stated.) The Agency will either approve the check for deposit or instruct the Vendor to return the check to the maker, indicating that it is stale dated or postdated.

4.1.4.2.5.3 Signature- All checks received which are not properly signed and/or endorsed shall be returned to the maker. The Vendor shall indicate to the maker that the check is being returned because of an illegal or missing endorsement, or other appropriate reason. All legal endorsements shall be honored.

4.1.4.2.5.4 Payee- Unless otherwise notified by the Agency, any time the payee identified on the check is significantly different from the "Bureau for Child Support Enforcement" the envelope, along with all of the related information, shall be forwarded to the Agency's Receipts and Distribution Unit manager for further processing. After removing the documents from the envelopes and sorting the payments from the correspondence, the Vendor shall immediately endorse each payment: "For Deposit to the Account of the Within Named Payee." The endorsement shall clearly include the date the mail is received by the Vendor.

#### 4.1.4.2.5 Receipt Exceptions and Endorsement

**SMART** is built to prevent acceptance of checks that are not negotiable for bank processing or that require special handling. As **SMART** Scan images the payment instrument, it detects certain receipt exceptions and outsorts those work items for special handling. The table that follows describes **SMART** modules that automatically detect receipt exceptions addressed in the RFQ, as well as other exceptions.

Table 4-9: **SMART** Detects Receipt Exceptions. SMI developed business rules within **SMART** to detect checks that are not negotiable or that require special handling.

Module	Error Capture Methods
<b>SMART</b> Scan	Images all payments, detects MICRs, out-sorts foreign currency and invalid MICR work items for special handling
<b>SMART</b> Workflow Manager	Routes payments through <b>SMART</b> to the appropriate queue and includes a dashboard that allows the Project Manager to detect backlogs and bottlenecks so resources can be reassigned; helps ensure that identified payments are processed on the day of receipt



Module	Error Capture Methods
A2iA CheckReader	Automatically screens payment instruments for several key elements such as agreement of courtesy and legal amounts (CAR/LAR), presence of a signature, post-dated instruments, stale-dated instruments, name of the payee or blank payee, foreign currency, and altered dollar amounts
<b>SMART</b> Credit Entry	Validates the credit amount with at least two separate validations to ensure the payment amount is accurate

In addition to having superior technology, we train our staff to review payment instruments for deposit-worthiness in each of our **SMART** queues. Through **SMART** technology and our processes, SMI can detect virtually all receipt exceptions and route the items to the *Returns* queue for exception processing. Our customary actions to process the receipt exceptions listed in the RFQ are provided in the following table.

Table 4-10: Processing Receipt Exceptions. **SMART** technology and skilled staff detect payment instruments that require exception processing.

Payment Instrument	Actions
Amount: Written (LAR) and Numeric (CAR) Amounts Do Not Agree	Return the item to the maker with a letter of explanation on the day of receipt
Date: Post-dated or Stale-Dated Check	Notify the Agency on the day of receipt and follow the Agency's directive to either process the check or return it to the maker with a letter of explanation
Signature: Check Not Properly Signed and/or Endorsed	Forward envelope, item, and all related documentation to the Agency on the day of receipt
Payee: Check Payee Significantly Different from Bureau for Child Support Enforcement	Any payment instrument payable to an entity that is not an acceptable payee is returned with a letter of explanation on the day of receipt

**SMART** has been customized for West Virginia to recognize check payee names that are acceptable to the Agency for processing. This customization enables *Workflow Manager* to automatically detect checks made payable to an unacceptable payee and route those work items directly to the *Returns* queue.

To avoid any unnecessary return of a payment, an Operations Specialist reviews all work items in the *Returns* queue to provide a second validation that a return is appropriate per Agency requirements.

The following figure depicts a payment instrument in the *Returns* queue.





Credit Seq	Account Name	Issue Date	Check Number	Amount
1			001329	0.00

Figure 4-100: **SMART Returns**. This queue allows further review of work items that may need to be returned.

For unacceptable items that cannot be processed and must be returned to the remitter, the Operations Specialist processing in the *Returns* queue selects Confirm Return and the appropriate reason for the return. This action triggers **SMART** to generate a letter to accompany the returned check to the remitting party and automatically updates the Document Log with the return reason and date.

Images and Document Logs for all returned checks are stored in **SMART** and are available for Agency staff to view online via the **SMART Image Viewer**. **SMART** also produces the Returned Credit Instrument Report to provide a list of all returned checks for a specified date range.

After documents are removed from envelopes, during the scanning process, a restricted endorsement “For Deposit Only to WV BCSE” is automatically imprinted on the back of each payment instrument using **SMART Scan** technology. Following is an example of the unique scan ID and restricted endorsement sprayed on the back of a payment instrument received by the SDU, as viewed through the **SMART Image Viewer**.



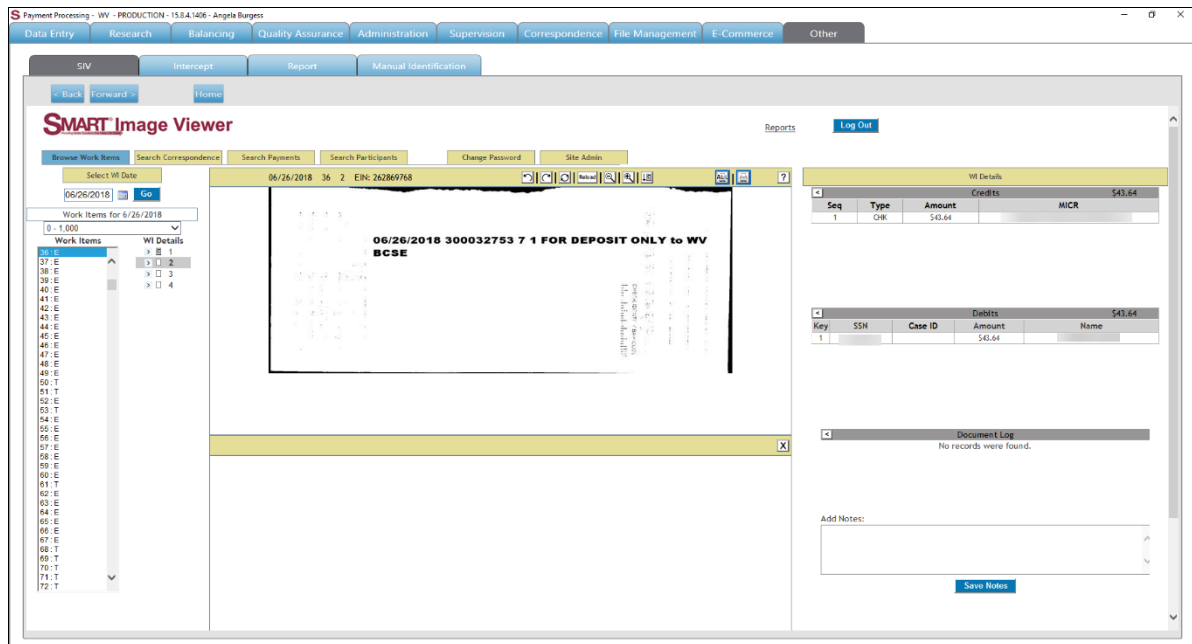


Figure 4-10I: **SMART Scan** Restricted Endorsement and Unique Scan ID. The unique scan ID is used to create the unique system audit number maintained in the **SMART Database**.

The endorsement clearly includes the date SMI received the mail.

## Cash Payments

At least two people are always present during mail opening and in the handling of cash. The following table lays out the responsibilities of SDU employees when cash is discovered in the mail.

Table 4-1 I: Cash Payments. This table includes a description of the duties and responsibilities of SDU staff when cash is discovered during the mail opening and scanning process.

SDU Staff	Cash Handling Duties and Responsibilities
Scanning Operator	<p>Immediately notifies the Operations Supervisor that an envelope contains cash</p> <p>Counts the cash received in the presence of the Operations Supervisor</p> <p>Completes a Cash Substitute Ticket indicating the amount of cash received; Scanning Operator and Operations Supervisor record their initials on the Cash Substitute Ticket</p> <p>Scans the Cash Substitute Ticket along with any other contents of the envelope, creating a work item that <i>Workflow Manager</i> will route through <b>SMART</b> queues for processing</p> <p>Gives the Cash Substitute Ticket and the cash to the Operations Supervisor for processing</p>
Operations Supervisor	<p>Completes the Cash Log with the following information: OPEX and <b>SMART</b> receipt numbers, payor's name and any other identifying information, amount of cash, Scanning Operator's initials, Operations Supervisor's initials, and date of deposit</p> <p>Attaches the Cash Substitute Ticket to the Cash Log and places the Cash Log with the cash in the safe</p>



SDU Staff	Cash Handling Duties and Responsibilities
Project Manager	<p>With the Operations Supervisor present, retrieves cash from the safe and counts the cash to verify the total amount received</p> <p>Initials the Cash Log</p> <p>Marks the items for physical deposit in <b>SMART</b></p> <p>Prepares a deposit ticket for each remitter, listing each receipt number and its corresponding amount, and initials the deposit ticket</p> <p>Obtains the Operations Supervisor's initials on the deposit ticket</p> <p>Gives the cash and deposit ticket to the Courier and has the courier initial the deposit ticket</p>
Courier	<p>Takes the deposit to the bank and obtains a receipt</p> <p>Gives the deposit receipt and copies of the deposit ticket to the Project Manager</p>
Project Manager	<p>Verifies that the Cash Log and deposit receipt totals match</p> <p>Makes one copy of the Cash Log and deposit receipt</p> <p>Attaches the copy of the deposit receipt to the copy of the Cash Log and forwards both documents to the Operations Supervisor</p> <p>Attaches the original deposit receipt to the original Cash Log and files the Cash Log</p> <p>Includes the amount of the cash deposit in the Cash Deposits field on the balancing spreadsheet</p> <p>Generates a letter to the remitter with payment instructions that include appropriate forms of payment and information on electronic payment options</p>

As illustrated below, **SMART** uses the imaged Cash Substitute Ticket to process the payment on the day of receipt, and the cash bank deposit also occurs on the day of receipt.



Figure 4-102: Cash Substitute Ticket. Our cash handling procedures involve the use of a Cash Substitute Ticket to process and provide an audit trail for a cash payment received in the mail.

Our cash-handling procedures provide for a complete separation of duties to ensure that all cash is handled appropriately and in compliance with Generally Accepted Accounting Principles (GAAP). Only individuals with proper security clearance have access to the scanning area, which has security cameras above each scanning workstation as an added measure of security.

## Foreign Currency Payments

Our **SMART** solution provides automatic detection and outsourcing of foreign currency work items to the *Returns* queue for special handling. Edits built into **SMART** recognize foreign currency by one or more of the following elements:

- MICR line does not conform to U.S. banking standards [such as a dash (-) in the routing or transit number]
- Payment amount is not in U.S. funds
- Non-English words on the face of the check

The following flowchart provides a high-level overview of SMI's procedures for handling foreign currency received by the SDU.

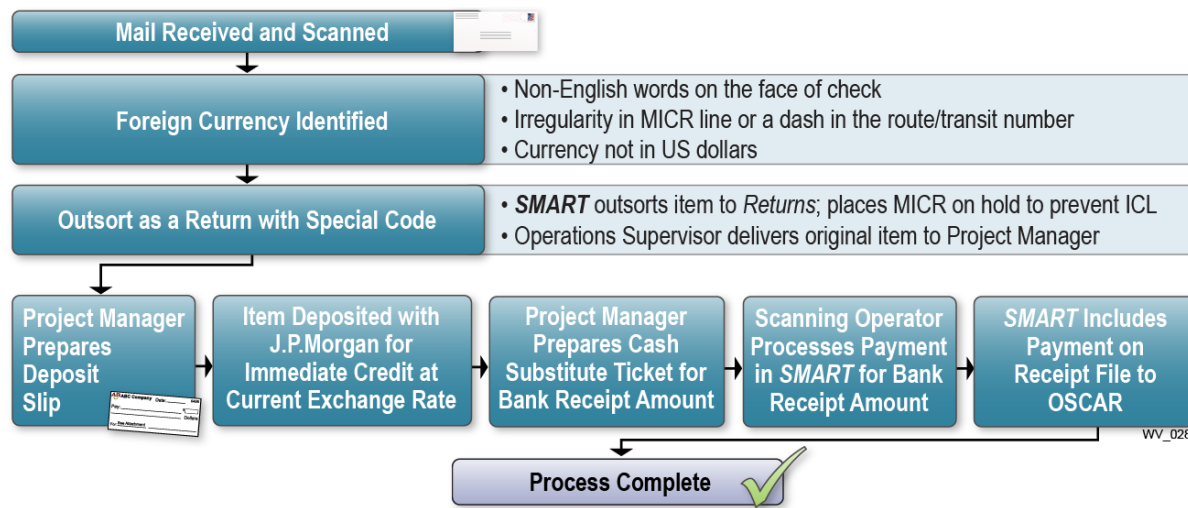


Figure 4-103: Foreign Currency Workflow. Our foreign currency process for the SDU ensures accurate, same-day conversion.

SMI processes a foreign currency payment based on banking requirements and the appropriate currency exchange rate on the same business day the payment is received. Our procedures for obtaining immediate credit at the current exchange rate eliminate the need for a post-deposit update to the payment amount in OSCAR. The following table provides a more detailed description of our procedures.

Table 4-12: Foreign Currency Workflow. This table outlines SMI's Foreign Currency Procedures for the West Virginia SDU.

SDU Staff	Foreign Currency Processing Responsibilities
Scanning Operator	<p>Via <b>SMART Scan</b>, outsorts the foreign currency work item to the <b>SMART Returns</b> queue for special handling</p> <p>Outsourcing triggers <b>SMART</b> to place a hold on the payment instrument's MICR, preventing its transmission on an ICL</p>
Operations Supervisor	<p>Collects the foreign currency payment instrument from the Scanning Operator's station</p> <p>Delivers the payment instrument to the Project Manager</p>
Project Manager	<p>Prepares a bank deposit ticket for the foreign currency</p> <p>Makes a copy of the foreign currency payment instrument</p> <p>Attaches a copy of any remittance documents received with the payment to the copy of the payment instrument and places all the documentation in the Foreign Funds bin</p> <p>Delivers the foreign currency payment instrument to J.P.Morgan, depositing the payment for immediate credit at the current exchange rate for the applicable country</p> <p>Obtains a bank receipt for the deposit amount</p> <p>Retrieves the supporting documentation from the Foreign Funds bin</p> <p>Fastens together the following items:</p> <ul style="list-style-type: none"><li>▪ Bank receipt for deposited amount</li></ul>



SDU Staff	Foreign Currency Processing Responsibilities
	<ul style="list-style-type: none"><li>▪ Copy of deposit ticket</li><li>▪ Any remittance documents received with the payment</li><li>▪ Copy of foreign currency payment instrument</li></ul> <p>Prepares a cash substitute ticket, writing "Foreign Currency," the payment instrument's check number, and the U.S. dollar amount on the ticket</p> <p>Delivers all documents to the Scanning Operator</p>
Scanning Operator	<p>Scans the cash substitute ticket in the U.S. dollar amount of the deposit</p> <p>Scans the copy of the foreign currency payment instrument and any other documents received with the payment as remittance</p>
Project Manager	<p>Includes the amount of the foreign currency deposit in the Foreign Currency Deposits field on the day's balancing spreadsheet</p>

SMI determines daily exchange rates on the day of receipt and completes payment processing for the U.S. amount based on the current exchange rate. SMI's and J.P.Morgan's process allows the foreign currency payment to be processed completely on the day of receipt with no need to update the payment amount in OSCAR on a later date. This process results in the disbursement being issued on the business day following the date of receipt, preventing a delay in getting child support to the family.

#### 4.1.4.3 Document Imaging and Retrieval

4.1.4.3.1 Vendor shall provide a scanning solution to securely transform payments and correspondence into electronically retrievable information which can be accessed same day by the Agency and Vendor's staff.

4.1.4.3.2 Vendor's scanning solution shall provide for the safe and secure electronic capture, storage, retrieval, and distribution of all documents retrieved from the post office box, including checks and payment documentation.

4.1.4.3.3 Vendor shall provide the Agency with electronically imaged information on a daily basis.

4.1.4.3.4 The electronically imaged information shall be provided in a format that allows Agency staff to instantaneously retrieve the secured, electronic documents from their desktops for viewing, annotating, faxing, printing, or emailing.

#### 4.1.4.3 Document Imaging and Retrieval

Our **SMART** document imaging and retrieval solution provides for the safe and secure electronic capture, storage, retrieval, and distribution of all documents received from the child support post office box.

Transforming payments and correspondence into electronically retrievable information that can be accessed the same day is accomplished through **SMART Scan**, as described previously.

Agency staffs' retrieval of scanned work items (payment instrument or correspondence), electronic payment transaction records, and remittance documents, along with the work item's Document



Log, will continue to occur through our secure, web-based **SMART Image Viewer**. Images are retrievable for viewing from Agency staffs' desktops within approximately 30 minutes of scanning or processing in **SMART**. We can accommodate *Image Viewer* access by as many users as the Agency wishes to authorize.

Additionally, for each payment transmitted on the Receipt File, SMI will continue to include a URL that allows the Agency to insert a hyperlink from the recorded payment in OSCAR to the location of the payment's images and data in **SMART Image Viewer**.

Following is the *Image Viewer* Search Main Menu.

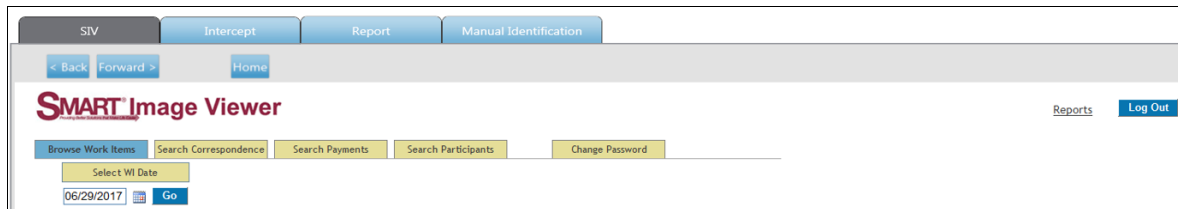


Figure 4-104: **SMART Image Viewer** Search Menu. The *Image Viewer* makes it easy for users to search for payment information by providing a Menu with different search parameters.

As the above figure indicates, search categories include Browse Work Items (no filtering other than by date), Search Correspondence, Search Payments, and Search Participants (payors and employers).

The figure below illustrates how *Image Viewer* users can search for payments by transaction number, date, date range, transaction amount, check number, or routing and account number (MICR) of the check or ACH debit payment. Users also have the option of searching by check amount and partial MICR.

### Search Payments

**Search Criteria**

State Transaction #:  yyyyMMddBBBXXXXXXXDDDD

Batch Date:  /  /  Batch #:  Env #:

WI Date:  /  /  WI Seq #:

---

WI Start Date:  03/31/2017  WI End Date:  06/29/2017

Transaction Amount:  ###.##

OR

Check #:  Check Amt:  ###.##

Routing #:  Account #:

Complete MICR:

Partial MICR:  (Use at least 5 chars)

Only the first 100 records will be returned.

**Search Results**

**Payment Details**

Figure 4-105: **SMART Image Viewer Search Payments.** Users have multiple search options for payments. The more information entered, the more refined the search.

The more information entered on the search screen, the more refined the search results. The Search Payments screen is an excellent tool to use when searching for a specific payment instrument.

*Image Viewer* users may search for a payor by date range and payor details or by date range and employer details. Using a combination of search criteria limits the search results. Employer details may include employer name or FEIN. We also provide the ability to search by third-party ID.

After entry of the search criteria, *Image Viewer* returns a list of payments that match the criteria entered. The example below demonstrates information returned when searching by payor SSN. All payments associated with the payor are returned, and the user can click on the item to retrieve the images and data for the item.

Payment Processing - WV - PRODUCTION - 15.8.4.1408 - Angela Burgess

Data Entry   Research   Balancing   Quality Assurance   Administration   Supervision   Correspondence   File Management   E-Commerce   Other

SRV   Intercept   Report   Manual Identification

Back   Forward   Home

## SMART Image Viewer

[Browse Work Items](#)   
 [Search Correspondence](#)   
 [Search Payments](#)   
 [Search Participants](#)   
 [Change Password](#)   
 [Site Admin](#)

[Reports](#)   [Log Out](#)

Search Payers

Search Criteria

Payor Results

Full Name	SSN	PIN	Case ID	CASR	Civil Act #	Address 1	Address 2	City	State	Zip5	Emp Name
								WEBSTER SPRINGS	WV	26288	
								WEBSTER SPRINGS	WV	26288	
								WEBSTER SPRINGS	WV	26288	
								WEBSTER SPRINGS	WV	26288	

4 record(s) were found.

Figure 4-106: **SMART Image Viewer Search by Payor SSN.** A search by SSN is a convenient way to identify all payments associated with a specific payor.

Images and data for EFT/EDI, ACH debit, and credit/debit card payments are also available for viewing. The following is an image of an EFT payment received.

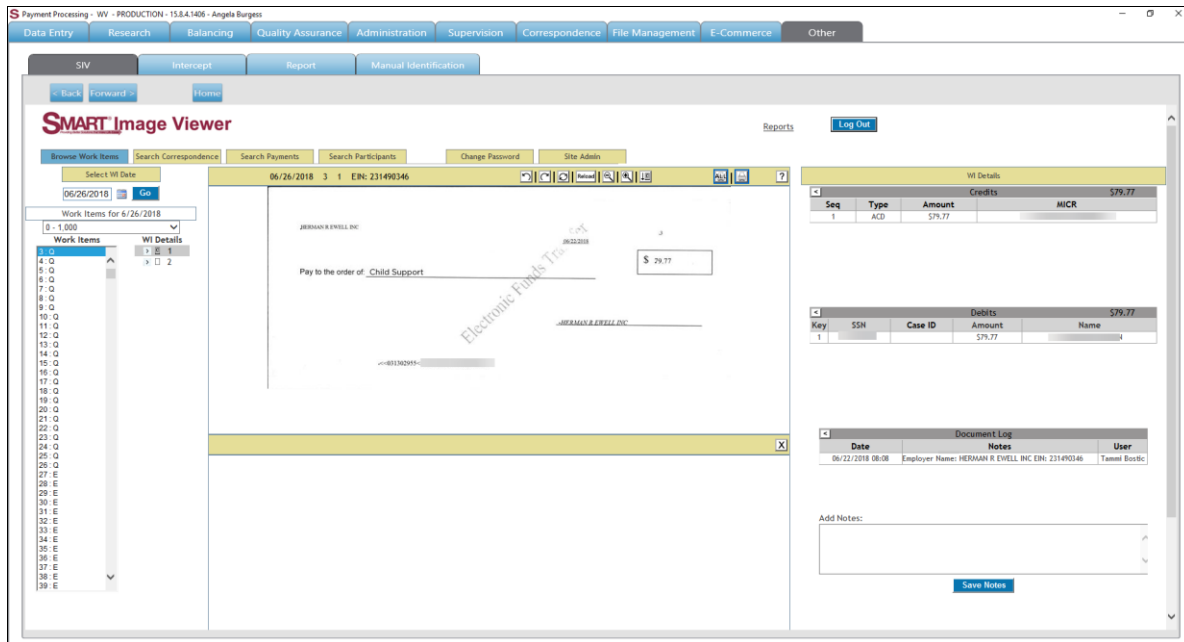


Figure 4-107: **SMART** Image Viewer EFT Payment Image. Agency users can view data EFT and other electronic payments received by the SDU.

The figure below demonstrates the remittance document created from the EFT/EDI file, showing all the record/payment details available to *Image Viewer* users.

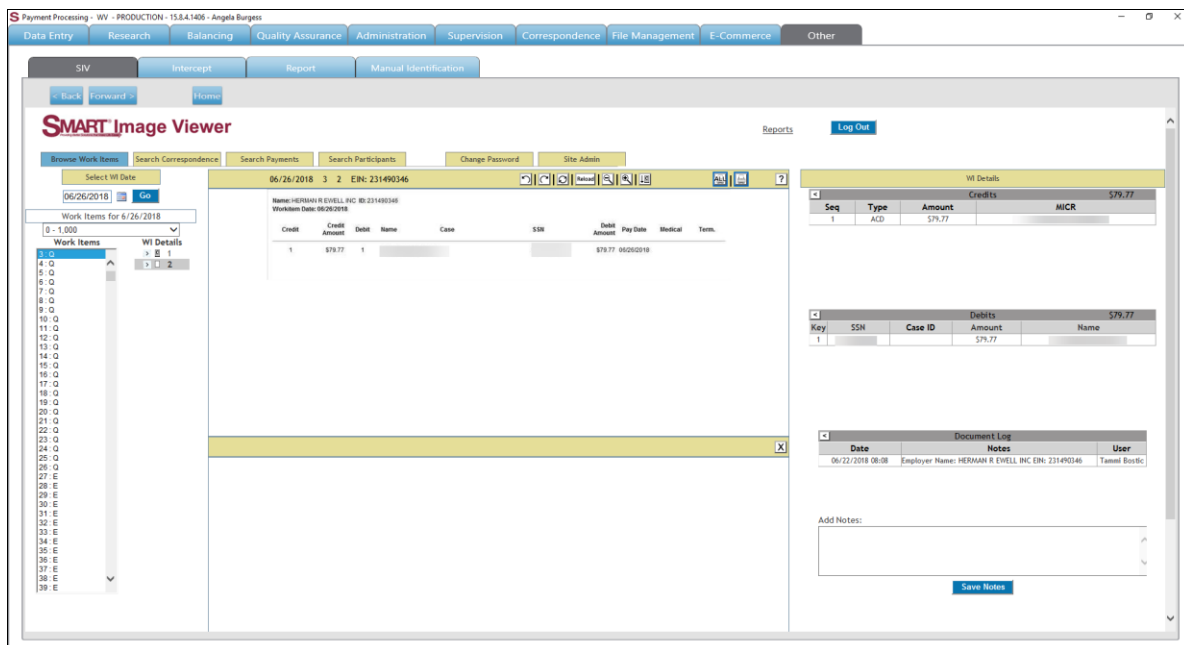


Figure 4-108: **SMART** Image Viewer EFT Payment Details. Agency staff can view payment remittance details created from an EFT/EDI file submission.



**SMART** assigns each electronic payment imported into the database a unique system audit number, just as it does for paper collections.

The Search Participants screen is helpful for quickly identifying collections associated with a specific payor or employer. This search is especially useful to staff conducting research or waiting on a specific payment to avoid proceeding with an enforcement action.

The Search Correspondence screen allows *Image Viewer* users to retrieve correspondence received with or without a collection, using search parameters like those available on the Search Participants screen. Following is an example of correspondence search results in *Image Viewer*.

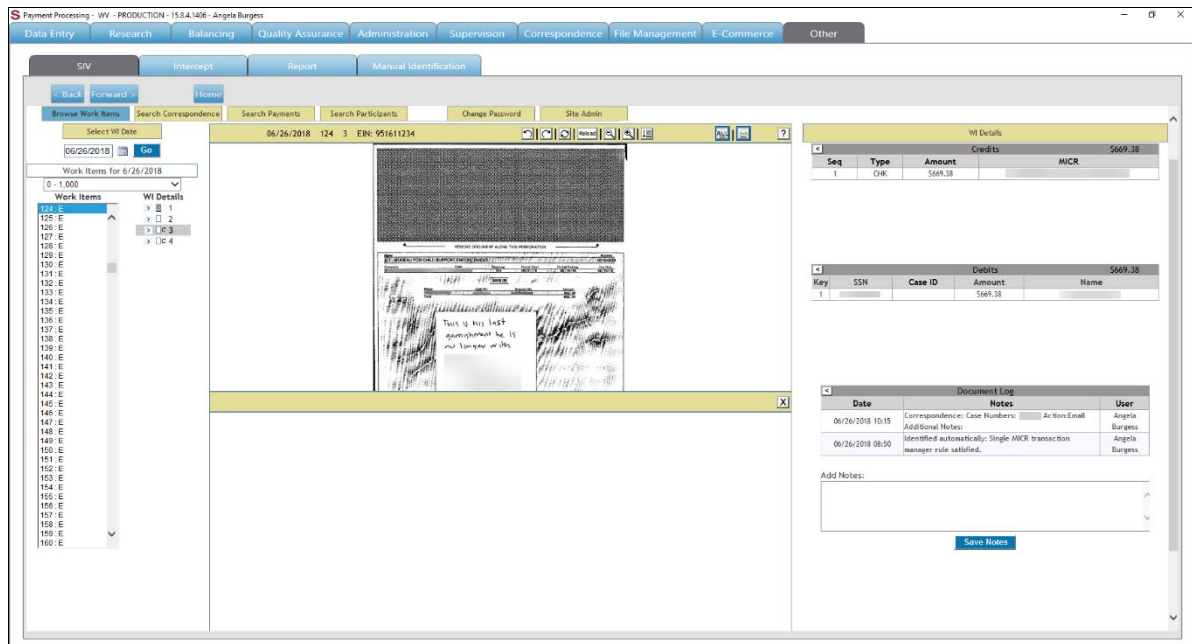


Figure 4-109: **SMART** Image Viewer Search Correspondence. Agency staff may access correspondence via the *Image Viewer*.

For both payment and correspondence work items, Agency staffs' access to an item's images and data include the Document Log in which we capture notes related to the item, as illustrated below.

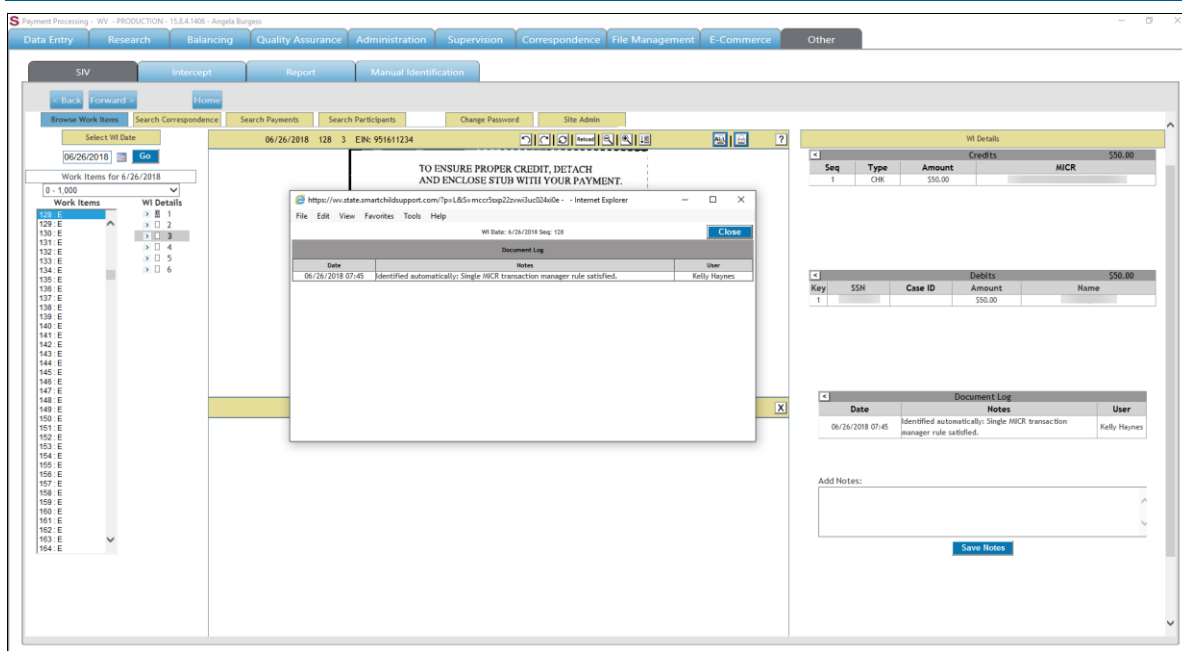


Figure 4-110: **SMART Image Viewer Document Log.** In addition to images, Agency staff have access to a work item's Document Log details.

The **SMART Image Viewer** tool bar allows users to rotate the image, reload the image, decrease or increase the size of the image, move the image down, and print one image or all images in the work item. Following is the tool bar, which displays with every image search.



Figure 4-111: **SMART Image Viewer Tool Bar.** SMI's *Image Viewer* allows users to rotate the image, reload the image, decrease or increase the size of the image, move the image down, and print one image or all images for the work item.

Using **SMART Image Viewer**, Agency staff can continue to retrieve the images from their desktops anytime for viewing, annotating, faxing, printing, or emailing. Payment and document images and data will be retained and accessible in electronic format for the life of the contract.

#### 4.1.4.4 Deposits:

##### 4.1.4.4 Deposits

With J.P.Morgan as our depository banking partner, SMI has the qualifications, experience, and resources to provide seamless depository banking services for the West Virginia SDU.

4.1.4.4.1 All payments shall be deposited into an interest bearing Demand Deposit Account (DDA) within one business day. All monies shall be deposited into a financial institution which is designated or eligible to be designated as a State Depository prior to execution of contract pursuant to West Virginia Code, §12-1-1 et seq. [www.wvlegislature.gov/legisdocs/code/12/WVC](http://www.wvlegislature.gov/legisdocs/code/12/WVC), in addition to being a direct participant in the Federal Reserve Automated Clearing House System. Receipts not deposited in the Agency's account shall be secured in an Office of Management and Budget (OMB)



approved safe when they are not being processed. The Vendor shall maintain records that will disclose the dates that payments are received and subsequently deposited. Performance of this standard will be measured quarterly by review of the Vendor's office records.

#### **4.1.4.4.1 Interest Bearing Demand Deposit Account (DDA)**

J.P.Morgan offers interest-bearing DDAs, including a stand-alone interest-bearing DDA and a Hybrid DDA or a non-interest-bearing account that offers an earnings credit allowance. In the Hybrid DDA solution, balances earn an earnings credit allowance up to a predetermined threshold to offset certain bank service fees while balances above the threshold earn hard dollar interest. Thus, instead of sweeping to a separate account each night, excess balances remain in the DDA and earn interest.

All payments will continue to be deposited into the SDU's current J.P.Morgan interest-bearing DDA within one business day of receipt. All monies will continue to be deposited into a J.P.Morgan account, which is designated as a State Depository pursuant to West Virginia Code, §12-1-1 et seq., in addition to being a direct participant in the Federal Reserve Automated Clearing House System. SMI will secure all receipts not deposited in the Agency's account in an Office of Management and Budget (OMB)-approved safe when the receipts are not being processed. We will maintain records that disclose the dates the payments are received and subsequently deposited. SMI understands that performance of this standard will be measured by review of our records.

#### **State Depository Bank**

As a qualified public depository of the State of West Virginia, J.P.Morgan has been operating in West Virginia through its predecessor, Union National Bank, for more than 100 years. J.P.Morgan provides depository and disbursement banking services under the current West Virginia SDU contract. J.P.Morgan will continue to comply with all aspects of Chapter 12 of the West Virginia Code, which includes full collateralization of all funds deposited over the amount insured by the FDIC.



**DUPLICATE**

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**FEDERAL DEPOSIT INSURANCE CORPORATION**  
WASHINGTON, D. C.

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Hereby certifies that the deposits of each depositor in

**JPMORGAN CHASE BANK,  
NATIONAL ASSOCIATION**

**COLUMBUS**

**OHIO**

are insured to the maximum amount provided by the  
Federal Deposit Insurance Act

---



No: 628

In testimony whereof, witness my signature and the seal of the  
Corporation this 13TH day of NOVEMBER, 2004

Attest:   
EXECUTIVE SECRETARY

  
CHAIRMAN OF THE BOARD OF DIRECTORS

Figure 4-I 12: J.P.Morgan FDIC Certification. Funds deposited in the J.P.Morgan account are FDIC-insured.

Deposits in the J.P.Morgan account are insured by the FDIC as provided by law and regulation.

### Direct Participant in Federal Reserve ACH System

J.P.Morgan is a direct participant and an originating bank in the ACH system. J.P.Morgan has provided ACH solutions to clients and has ranked consistently as a top originator of ACH transactions since the founding of the ACH network in 1972.

J.P.Morgan is highly involved and committed to the ACH industry and actively participates in legal reviews and monitoring of NACHA changes. With representation on the board of directors of NACHA, as well as membership in several NACHA, EPN, and TAWPI councils, J.P.Morgan is an expert, leader, and driver of change in the payments industry—and passes the benefits of this influence and experience directly to its clients.

J.P.Morgan's executives serve on several Federal Reserve Bank and private sector ACH task forces concerning processing, posting, settlement, and finality of payment. J.P.Morgan is committed to ACH issues and monitoring regulatory and legal issues closely. They are actively involved in developing industry processes to mitigate the rising risks associated with ACH payments.



Additionally, J.P.Morgan lends its leadership, expertise, and experience to the following industry committees:

- New York Clearing House – ACH Committee
- NACHA – The Electronic Payments Association – Board of Directors
- NACHA – The Electronic Payments Association – The Global Payments Forum
- NACHA – The Electronic Payments Association – The Council for Electronic Billing and Payment
- NACHA – The Electronic Payments Association – Internet Council

J.P.Morgan is active in industry forums related to the creation and adoption of ISO 20022 standards that include the ISO 20022 RMG, the ISO 20022 Payment SEG, and the CGI work group and its predecessor CSTP.

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4.1.4.4.2 The Agency's operating account shall be established as a zero-balance account with a corresponding interest bearing account or equivalent account structure approved by the Agency. If established as a zero balance account the Vendor will debit/credit the interest bearing account daily based on the monetary needs of the Agency's operating account or some other account structure recommended by the Vendor and approved by the Agency. The interest bearing account shall bear a variable interest rate based on such interest indices as shall be mutually agreed upon, including but not limited to, the current T-Bill rate, Fed Funds, or Standard Savings indices. The spread on this rate shall be part of the cost proposal to this RFQ. The Agency understands that there will be balance requirements attached to any account for which a rate is quoted. The vendor shall provide full disclosure with regard to the computation of any rate applied to the Agency's interest bearing account.

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#### 4.1.4.4.2 Zero Balance Operating Account

SMI will maintain the Agency's operating account at J.P.Morgan as a zero-balance account tied to a corresponding interest-bearing account. We will debit/credit the interest-bearing account daily based on the monetary needs of the Agency's operating account. The interest-bearing account will bear a variable interest rate based on interest indices mutually agreed upon, as indicated in our cost proposal. SMI will provide full disclosure regarding the computation of any rate applied to the Agency's interest-bearing account.

---

4.1.4.4.3 The Vendor shall not have the right to directly charge the Agency's operating account for any checks that have not been honored by the drawee bank and subsequently returned. Said checks, along with the debit advice, shall be forwarded to the Agency along with the daily attachments. Charges for dishonored checks shall be detailed on the Vendor's monthly invoice.

---

#### 4.1.4.4.3 Dishonored Checks

SMI will not directly charge the Agency's operating account for any checks that have not been honored by the drawee bank and subsequently returned. We will forward the checks, along with the debit advice, to the Agency with the daily attachments. We will detail charges for the dishonored checks on the monthly invoice we submit to the Agency, which will list the dollar



amount and the return reason for each item, and we will process the items per the Agency's handling instructions. The Agency's dishonored check handling instructions will be maintained within a comprehensive database at J.P.Morgan.

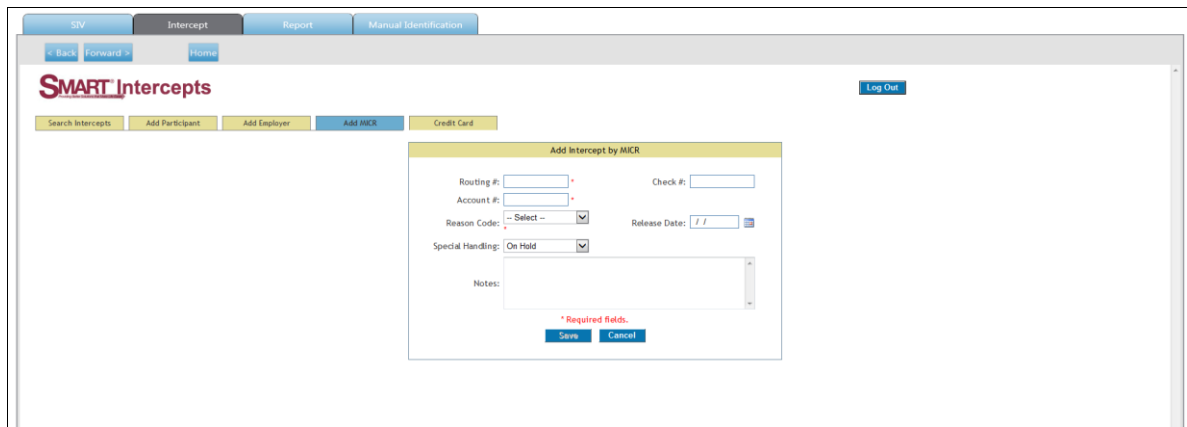
J.P.Morgan can provide a variety of optional services for handling return items:

- Return Item Advice Options
- Return Item Posting Options
- Automatic Redeposit
- Redeposit Posting/Notification
- Centralized Returns
- Maker Name
- Online Image Viewing via Check Deposit Return Images
- Fax Notification
- E-Mail Notification
- Telephone Notification
- Information Reporting
- Charge Alternate Account
- Alternate Mailing Address
- Expedited Delivery
- Duplicate Advice
- Duplicate Check Copy

J.P.Morgan adheres to the standards, rules, and regulations established by Uniform Commercial Code.

#### **4.1.4.4.3.1 *SMART Intercept***

If desired by the Agency, SMI offers **SMART** technology that provides an efficient and highly automated process to track and prevent the reoccurrence of NSF payments. If we record the bank's return data in **SMART**, the **SMART Intercept** queue will flag payors (participants) or bank account numbers, placing a hold that automatically prevents processing of subsequent non-guaranteed payment instruments from the same payor or account.

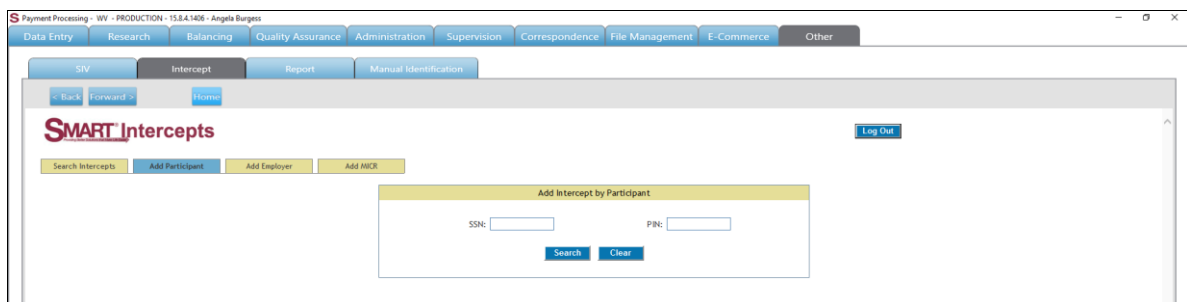


The screenshot shows the SMART Intercept web application interface. At the top, there are tabs for 'SIV', 'Intercept', 'Report', and 'Manual Identification'. Below these are navigation links: 'Back', 'Forward', and 'Home'. The main header area includes the 'SMART Intercepts' logo and a 'Log Out' button. A secondary navigation bar contains buttons for 'Search Intercepts', 'Add Participant', 'Add Employer', 'Add MICR', and 'Credit Card'. The central form is titled 'Add Intercept by MICR' and includes fields for 'Routing #', 'Check #', 'Account #', 'Reason Code' (a dropdown menu), 'Release Date', and 'Special Handling' (a dropdown menu with 'On Hold' selected). There is also a 'Notes' text area. At the bottom of the form are 'Save' and 'Cancel' buttons, with a red asterisk indicating required fields.

Figure 4-113: **SMART Intercept**. The **Intercept** queue allows for participant holds, MICR holds, check holds, employer EIN holds, and credit card holds.

When the bank provides daily electronic files of all payments that were returned for NSF and other reasons, SMI will use the return files to daily update **SMART Intercept** for those returned items, adding holds for the remitters. Accounts can be placed on hold either by the bank account number (MICR) for employers or by the participant ID for payors. All actions taken on holds can be viewed in **SMART Intercept** by Agency-authorized individuals.

**SMART Intercept** can flag and hold checks at multiple levels. If a payment received matches any of the flagged criteria, the check will be routed directly to the **SMART Returns** queue for review and return by SDU staff. The following figure illustrates manually adding an intercept at the participant (payor) level. After entry of the payor SSN for which the intercept is being added, **SMART** displays a screen for the user to select a reason code from the drop-down box to document why the payor's future checks will be placed on hold.



The screenshot shows the SMART Intercept web application interface with the 'Add Intercept by Participant' form. The top navigation bar is identical to the previous screenshot. The secondary navigation bar includes buttons for 'Search Intercepts', 'Add Participant', 'Add Employer', and 'Add MICR'. The central form is titled 'Add Intercept by Participant' and contains fields for 'SSN' and 'PIN'. Below these fields are 'Search' and 'Clear' buttons.

Figure 4-114: **SMART Intercept Participant Level**. If an item is flagged at the participant level, no check payment will be processed for the specific payor. The check will be routed directly to the **SMART Returns** queue for review and return.

The next screen illustrates manually adding an intercept at the employer level. After entry of the appropriate EIN, **SMART** displays a screen for the user to select a reason code from the drop-down box to document why the employer's future checks will be placed on hold.



The screenshot shows the SMART Intercepts web application interface. At the top, there is a navigation bar with tabs: Data Entry, Research, Balancing, Quality Assurance, Administration, Supervision, Correspondence, File Management, E-Commerce, Other, Recovery, and Disbursement. Below this, there is a sub-navigation bar with tabs: SIV, Intercept, Report, and Manual Identification. The main content area has a header with the SMART Intercepts logo and a Log Out button. Below the header, there are buttons for Search Intercepts, Add Participant, Add Employer, Add MICR, and Credit Card. The 'Add Intercept by Employer' form is displayed, featuring input fields for EIN and Employer Name (optional), and buttons for Search and Clear.

Figure 4-I 15: **SMART Intercept Employer**. If an item is flagged at the employer level, no check payment will be processed for the specific employer. The check will be routed directly to the **SMART Returns** queue for review and return.

The following screen illustrates manually adding an intercept for the full MICR, the bank account, and routing number. From this screen, a user can also place an intercept on a bank routing number only.

The screenshot shows the SMART Intercepts web application interface, similar to the previous one. The sub-navigation bar has tabs: SIV, Intercept, Report, and Manual Identification. The main content area has the SMART Intercepts logo and a Log Out button. Below the header, there are buttons for Search Intercepts, Add Participant, Add Employer, Add MICR, and Credit Card. The 'Add Intercept by MICR' form is displayed, featuring input fields for Routing #, Account #, Check #, Reason Code (a dropdown menu), Release Date, Special Handling (a dropdown menu), and a Notes text area. There are also buttons for Save and Cancel, and a red asterisk indicating required fields.

Figure 4-I 16: **SMART Intercept MICR**. If an item is flagged at the MICR or bank level, no check payment will be processed for the specific MICR or bank. The check will be routed directly to the **SMART Returns** queue for review and return.

Additionally, we can add a credit card payor hold to prevent the processing of payments via credit/debit card from a payor.





Figure 4-117: **SMART Intercept Credit Card Payor.** If an item is flagged at the credit card level, no credit/debit card payment will be processed for the payor flagged.

**SMART** provides automated tracking to identify when an intercept is placed and by whom, and any changes made to the intercept and by whom. This establishes a complete audit trail in the event there is any discrepancy on when a hold was placed or removed in **SMART** and by whom. The name of the user adding or updating the intercept is captured automatically at the time of the add/update and it is not modifiable.

Once an account is placed on hold, future non-guaranteed payment instruments will be returned to the remitter. Every check returned to the remitter will be accompanied by a letter explaining the reason for the return and each returned item will appear on the Returned Credit Instrument Report generated through **SMART Reports**.

The Document Log will maintain a record of all calls and correspondence generated to the remitter. When an intercepted check payment is routed directly to the **SMART Returns** queue, **SMART** will automatically generate the return letter to the remitter. The letter will include instructions for submitting future payments by guaranteed payment methods. The returned check image, return letter image, and Document Log are web-accessible for Agency staff to view.

*Intercept* reports will be accessible online by SMI and designated Agency staff. A report of all held accounts can be generated and printed or search criteria can produce a more specific report.

Figure 4-118: **SMART Intercept.** The Intercept tool allows multiple search options as illustrated in the above screenshot.



**SMART Intercept** search parameters support quick and easy access to NSF information, along with print capability.

Additionally, we produce multiple reports containing information about items intercepted after a hold was added. Following is an Intercepted Items Report listing checks received and placed on hold by **SMART Intercept**.

Full Name	Address Line 1	SSN	Issue Date	Intercept Reason	User Name
				nsp case is closed and payments are still coming in then nsp places kilopay on them	Virginia H8
				Looking for 500.00 money order. Please rescue and process thru [redacted] Also please notify us to remove hold	Nancy Light
V				conflicting father/mother cases. Force to OSCAR unidentified and process per state request	Ede Holey

Figure 4-119: **SMART Intercept Reports Intercepted Items Report**. Multiple reports are available for the **SMART Intercept** queue. This report lists checks intercepted and the reason for the intercept.

We can also generate reports of items intercepted due to a payor or MICR hold.

SMI's innovative solution for preventing the processing of subsequent NSF payments, as well as credit card transactions, is unique in the SDU industry. If the Agency prefers not to use **SMART Intercept** functionality to prevent processing subsequent non-guaranteed payment instruments from NSF remitters, we will continue to use this hold functionality for situations in which the Agency or payment remitter requests that we do not process a payment not yet received, such as a stop payment situation.

4.1.4.4.4 In those instances where the financial institution's processing center is physically located outside the Charleston, West Virginia area, rather than transporting the receipts to the processing center by a courier who might be delayed by inclement weather, the Vendor shall use imaged cash letters (ICL) prepared in Charleston where the receipts are received which reduce the receipt to digital images and electronically forward them to the operational center to process and make all deposits to the Agency's account, so that, pursuant to Federal mandate (45 CFR 302.32(a)(b)(I) & (2)(i) at <https://www.gop.gov/fds>), the daily receipts will be credited to the Agency's account on the same day they are received.

#### 4.1.4.4.4 ICLs

SMI deposits all payments on the day of receipt. We will continue to use ICL technology for the West Virginia SDU bank deposits and account reconciliation procedures. ICLs eliminate the need

to transport negotiable payment instruments to the bank. Our reconciliation procedures include bank acknowledgment of our ICLs.

**SMART Deposit** integrates the ICL function within our solution and provides the SDU with the most current technology, enabling efficient and effective processing of bank deposit functions. Our ICL functionality complies with Check Clearing for the 21st Century Act (Check 21). SMI was the first SDU Vendor to implement Check 21 and, since 2006, has successfully implemented it for 15 States, including West Virginia. **SMART Deposit** allows checks received at the West Virginia SDU to be truncated at the SDU, thereby eliminating the need to manually encode checks and transport checks to the bank.

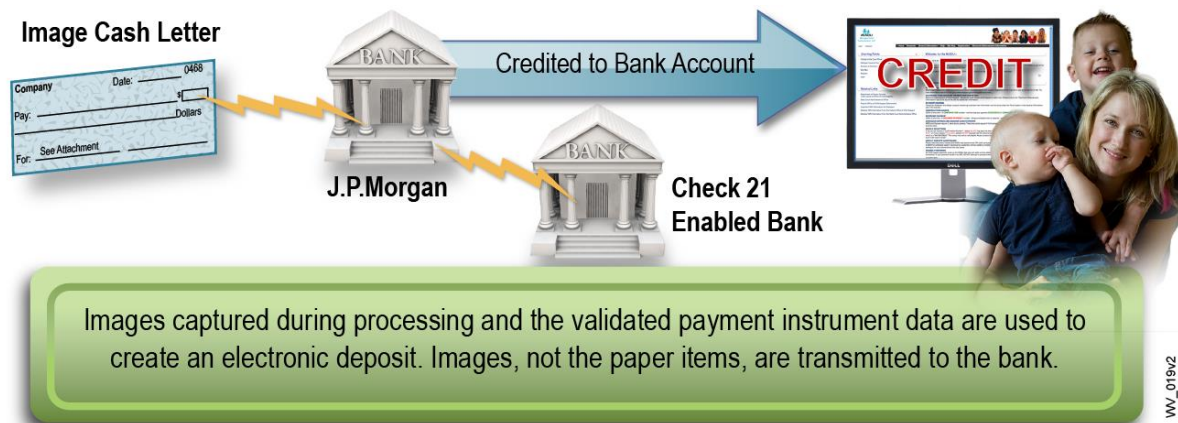


Figure 4-120: **SMART Deposit-ICLs**. With ICLs, we transmit images to the bank, eliminating the need to transport paper items to the bank.

**SMART** is designed to image the front and back of all payment instruments and allows us to forward an ICL to the bank for deposit. The ICL file allows the bank to easily print Image Replacement Documents (IRDs), if needed.

#### 4.1.4.4.1 Check 21 System Requirements

**SMART Deposit** provides the SDU with the ability to transmit check images and MICR line data to the bank via an ICL. The process uses an X9.37 file format that is the standard for electronic exchange of the check and image data.

Our process ensures the credit information forwarded to the bank balances with the data being transmitted on the Receipt File to OSCAR. To accomplish this balancing process, we verify that the day's credit amounts equal the amount sent on the day's Receipt File. The amount of the payment instrument is included on the ICL to the bank, which eliminates the need to physically encode the instruments.

An advantage of using electronic deposit is the speed at which returned items are received from the bank.



Some bank deposit items cannot be processed through an ICL. These include payments such as cash, foreign currency items, and payments that were rejected due to image quality in the ICL process. A bonded SMI employee transports the cash, foreign currency, and ICL rejected payments to the bank for physical deposit. These items are taken into consideration during the ICL creation process. **SMART** is configured to ensure these items are easily identified and properly handled. SMI's audit trail of payments out-sorted from the standard ICL deposit is documented on the ICL Reject Report and the Physical Deposits Report. The tracking information captured by **SMART Deposit** includes the deposit ID, the date the work item was originally submitted to the bank, and the work item information.

The Physical Deposits Report provides tracking of the ICL rejection. In the example below, the work items were rejected and physically deposited on the same day.

Payment Processing - WV - PRODUCTION - 15.8.4.1406 - Angela Burgess

Data Entry | Research | Balancing | Quality Assurance | Administration | Supervision | Correspondence | File Management | E-Commerce | Other

NAV | Intercept | Report | Manual Identification

Back | Forward | Home

Display Search Options

Physical Deposits

This report was generated 06/25/2018 at 10:19:24 by Angela Burgess using the following criteria:  
Start Date: 06/25/2018  
End Date: 06/25/2018

WI Date	WI Seq	Amount	Deposit ID	Deposit Status	Updated Time
06/23/18	394	\$ 157.38	16781161	Processed	6/25/2018 11:25:07 AM
06/23/18	406	\$ 71.54	16781161	Processed	6/25/2018 11:25:07 AM
06/23/18	746	\$ 170.19	16781161	Processed	6/25/2018 11:25:07 AM
06/23/18	825	\$ 246.93	16781161	Processed	6/25/2018 11:25:07 AM
Totals	4	\$ 646.04			
06/25/18	288	\$ 64.62	16781163	Processed	6/25/2018 12:10:33 PM
06/25/18	568	\$ 28.85	16781163	Processed	6/25/2018 12:10:33 PM
06/25/18	2752	\$ 90.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2753	\$ 100.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2754	\$ 223.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2755	\$ 25.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2756	\$ 100.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2757	\$ 1,000.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2758	\$ 415.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2759	\$ 1,000.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2760	\$ 200.00	16781162	Processed	6/25/2018 11:47:04 AM
06/25/18	2766	\$ 45.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2767	\$ 74.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2768	\$ 200.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2769	\$ 50.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2770	\$ 100.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2771	\$ 281.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2772	\$ 300.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2773	\$ 160.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2774	\$ 750.00	16781165	Processed	6/25/2018 1:54:49 PM
06/25/18	2775	\$ 300.00	16781165	Processed	6/25/2018 1:54:49 PM

Figure 4-121: **SMART Deposit** Physical Deposits Report. **SMART** tracks physical deposits, including cash, foreign currency items, and payments that were rejected in the ICL process.

As illustrated in the following figure, **SMART Deposit** identifies images that do not meet the banking standards for image quality and presents those work items to the Operations Supervisor for resolution or outsourcing for physical deposit.



West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001

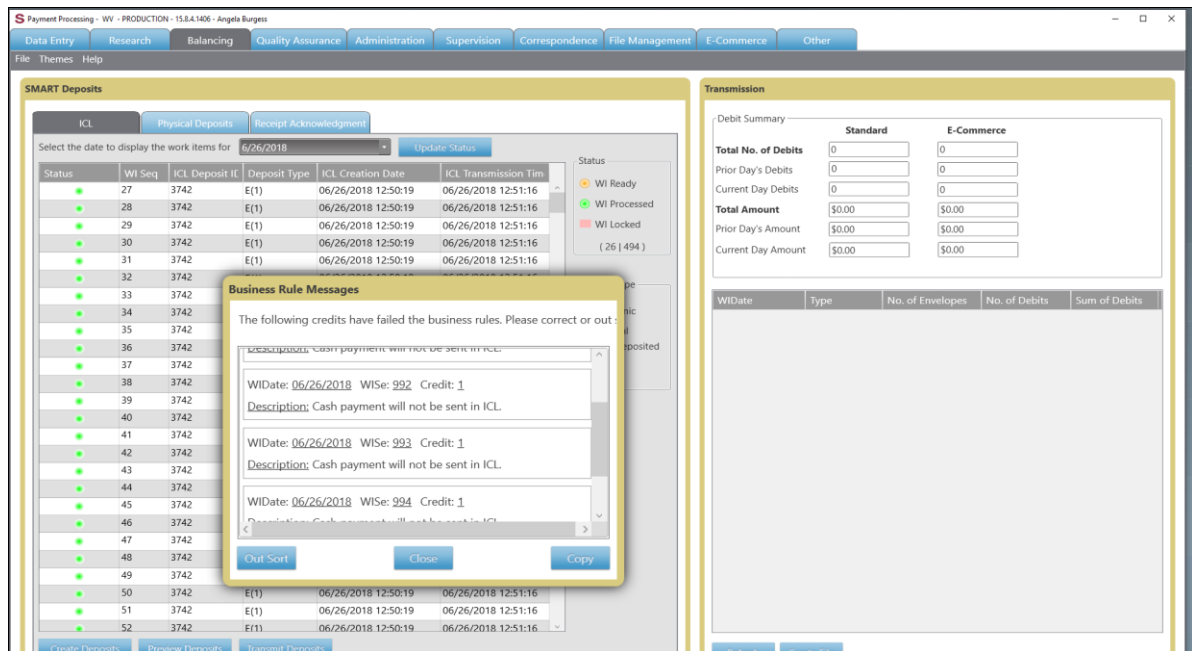


Figure 4-122: **SMART** Deposit ICL Reject. **SMART** is designed to identify work items that do not meet business rules/banking standards for electronic deposit through an ICL, allowing SMI to resolve the issue and ensure the funds are deposited on the day of receipt.

By outsourcing these images prior to ICL transmission and not waiting for the bank to reject the images, the funds are deposited on the day of receipt, preventing any delay in disbursing the payments.

Table 4-13: **SMART** Deposit Benefits. SMI's use of electronic deposits at the West Virginia SDU provides the following benefits to the Agency.

Benefit	Description
Increased Security	<p>The SDU does not routinely transport physical checks to the bank, greatly reducing the chance of the deposit not being credited to the SDU account due to an accident, traffic congestion, or other incident external to the SDU operation.</p> <p>Since payment instruments are transmitted as image files, the instruments are only handled one time for mail opening and scanning at the beginning of payment processing. It is not necessary to handle payment instruments a second time for deposit.</p> <p>Bank deposits will not be delayed in the event of a disaster recovery situation requiring SMI to use a hot site.</p>
Reduced Check Clearing Time	<p>Since most banks have adopted electronic deposit functionality, most payments can process electronically, providing for quicker clearing times.</p>
Faster Notification of Return Items	<p>Notice of returned items is much quicker for payments processed on an ICL.</p>

Our procedures include checks and balances to ensure accurate deposit amounts are transferred. **SMART** selects all appropriate negotiable payment instruments for inclusion in the ICL deposits.



The Operations Supervisor simply clicks on the Create Deposits button and then the Transmit Deposits button to create and transmit an ICL to the bank.

The screenshot displays the SMART Deposit Interface. The top navigation bar includes tabs for Data Entry, Research, Balancing, Quality Assurance, Administration, Supervision, Correspondence, File Management, E-Commerce, and Other. The main window is divided into two panes. The left pane, titled 'SMART Deposits', contains a sub-tabbed interface with 'ICL', 'Physical Deposits', and 'Receipt Acknowledgment'. The 'ICL' sub-tab is active, showing a table of deposit items. The table has columns for Status, WI Seq, ICL Deposit ID, Deposit Type, ICL Creation Date, and ICL Transmission Time. The data shows a series of deposits from WI Seq 27 to 52, all with a status of 'Ready' and a creation date of 06/26/2018 12:50:19. To the right of the table are status indicators: 'WI Ready' (orange circle), 'WI Processed' (green circle), and 'WI Locked' (red circle). Below these are deposit type indicators: 'E: Electronic', 'P: Physical', and 'N: Not Deposited'. The right pane, titled 'Transmission', contains a 'Debit Summary' table with columns for Standard and E-Commerce. The summary shows zero debits for all categories. Below the summary is a table with columns for WIDate, Type, No. of Envelopes, No. of Debits, and Sum of Debits.

Status	WI Seq	ICL Deposit ID	Deposit Type	ICL Creation Date	ICL Transmission Time
Ready	27	3742	E(1)	06/26/2018 12:50:19	
Ready	28	3742	E(1)	06/26/2018 12:50:19	
Ready	29	3742	E(1)	06/26/2018 12:50:19	
Ready	30	3742	E(1)	06/26/2018 12:50:19	
Ready	31	3742	E(1)	06/26/2018 12:50:19	
Ready	32	3742	E(1)	06/26/2018 12:50:19	
Ready	33	3742	E(1)	06/26/2018 12:50:19	
Ready	34	3742	E(1)	06/26/2018 12:50:19	
Ready	35	3742	E(1)	06/26/2018 12:50:19	
Ready	36	3742	E(1)	06/26/2018 12:50:19	
Ready	37	3742	E(1)	06/26/2018 12:50:19	
Ready	38	3742	E(1)	06/26/2018 12:50:19	
Ready	39	3742	E(1)	06/26/2018 12:50:19	
Ready	40	3742	E(1)	06/26/2018 12:50:19	
Ready	41	3742	E(1)	06/26/2018 12:50:19	
Ready	42	3742	E(1)	06/26/2018 12:50:19	
Ready	43	3742	E(1)	06/26/2018 12:50:19	
Ready	44	3742	E(1)	06/26/2018 12:50:19	
Ready	45	3742	E(1)	06/26/2018 12:50:19	
Ready	46	3742	E(1)	06/26/2018 12:50:19	
Ready	47	3742	E(1)	06/26/2018 12:50:19	
Ready	48	3742	E(1)	06/26/2018 12:50:19	
Ready	49	3742	E(1)	06/26/2018 12:50:19	
Ready	50	3742	E(1)	06/26/2018 12:50:19	
Ready	51	3742	E(1)	06/26/2018 12:50:19	
Ready	52	3742	E(1)	06/26/2018 12:50:19	

Debit Summary		
	Standard	E-Commerce
Total No. of Debits	0	0
Prior Day's Debits	0	0
Current Day Debits	0	0
Total Amount	\$0.00	\$0.00
Prior Day's Amount	\$0.00	\$0.00
Current Day Amount	\$0.00	\$0.00

WIDate	Type	No. of Envelopes	No. of Debits	Sum of Debits
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Figure 4-123: **SMART** Deposit Interface. With just a few clicks in **SMART** Deposit, the Operations Supervisor creates and transmits deposits to the bank.

After SMI transmits the ICL(s), the bank acknowledges that the ICL(s) have been accepted. **SMART** is then updated to show that the deposit was accepted. Occasionally, there is an item-level rejection where just one item is rejected from the deposit for various reasons (normally because the writing/printing on the original payment instrument was light). When this situation occurs, a physical deposit is made at the bank the same day. **SMART** Deposit tracks these physical deposits as well.



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Data Entry Research Balancing Quality Assurance Administration Supervision Correspondence File Management

File Themes Help

### SMART Deposits

ICL Physical Deposits Receipt Acknowledgment

Select the date to display the work items for 6/26/2018 Update Status

Status	WI Seq	ICL Deposit IC	Deposit Type	ICL Creation Date	ICL Transmission Tim
●	27	3742	E(1)	06/26/2018 12:50:19	
●	28	3742	E(1)	06/26/2018 12:50:19	
●	29	3742	E(1)	06/26/2018 12:50:19	
●	30	3742	E(1)	06/26/2018 12:50:19	
●	31	3742	E(1)	06/26/2018 12:50:19	
●	32	3742	E(1)	06/26/2018 12:50:19	
●	33	3742	E(1)	06/26/2018 12:50:19	
●	34	3742	E(1)	06/26/2018 12:50:19	
●	35	3742	E(1)	06/26/2018 12:50:19	
●	36	3742	E(1)	06/26/2018 12:50:19	
●	37	3742	E(1)	06/26/2018 12:50:19	
●	38	3742	E(1)	06/26/2018 12:50:19	
●	39	3742	E(1)	06/26/2018 12:50:19	
●	40	3742	E(1)	06/26/2018 12:50:19	
●	41	3742	E(1)	06/26/2018 12:50:19	
●	42	3742	E(1)	06/26/2018 12:50:19	
●	43	3742	E(1)	06/26/2018 12:50:19	
●	44	3742	E(1)	06/26/2018 12:50:19	
●	45	3742	E(1)	06/26/2018 12:50:19	
●	46	3742	E(1)	06/26/2018 12:50:19	
●	47	3742	E(1)	06/26/2018 12:50:19	
●	48	3742	E(1)	06/26/2018 12:50:19	
●	49	3742	E(1)	06/26/2018 12:50:19	
●	50	3742	E(1)	06/26/2018 12:50:19	
●	51	3742	E(1)	06/26/2018 12:50:19	
●	52	3742	E(1)	06/26/2018 12:50:19	

Create Deposits Preview Deposits Transmit Deposits

Status

- WI Ready
- WI Processed
- WI Locked

( 0 | 489 )

Deposit Type

- E: Electronic
- P: Physical
- N: Not Deposited

Figure 4-I-124: Updating the Deposit. **SMART Deposit** provides the ability to update the status of the deposit and the ability to create a physical deposit.

After all deposits have been made for the day, the Receipt File is prepared for transmission to OSCAR. The first step in this process is to compare the dollar amount deposited with the dollar amount that is ready to be sent on the Receipt File. Once the two amounts are in balance, the Receipt File is created and uploaded.

#### 4.1.4.5 Entry of Payment Information into OSCAR:

#### 4.1.4.5 Entry of Payment Information into OSCAR

SMI will continue to accurately capture each payment's information necessary for entry into OSCAR. Additionally, accompanying each payment on the Receipt File, SMI will continue to provide a URL the Agency can use to insert a hyperlink from OSCAR to payment images and data in





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**SMART** Image Viewer, allowing Agency staff to access payment images directly from a screen in OSCAR.

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#### 4.1.4.5.1 Payments shall be sorted into two categories for processing:

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##### 4.1.4.5.1 Payment Categories for Processing

**SMART** was built specifically to accurately identify child support payments throughout each step of processing to avoid having unidentified payments at the end of the processing day. **SMART** e-Pay's payor validation process for website payment submission prevents unidentified employer ACH debit payments altogether. The **SMART** e-Pay reconciliation tool further prevents unidentified EFT/EDI payments from employers.

SMI's **SMART** technology and West Virginia-specific procedures have been proven to efficiently process both categories of payments the SDU receives, those accompanied by complete/correct remittance documents and those not accompanied by complete/correct remittance documents. We will continually review our technology and processes to identify and incorporate improvements to achieve greater processing efficiency and accuracy for the State.

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4.1.4.5.1.1 Payments accompanied by remittance documents, whether generated by OSCAR or an employer, shall contain the necessary information such as case id, name of participant, social security number of participant for processing into the OSCAR system without further inquiry. Entry should be made based on information contained on the remittance. Remittance must be held for 60 business days before destroying.

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##### 4.1.4.5.1.1 Payments Accompanied by Remittance Documents

**SMART** technology automates the payment sorting process, distinguishing between payments with and without remittance documents, allowing us to transmit necessary information on the Receipt File for processing into the OSCAR system without further inquiry. SMI will continue to process payments based on information contained on the remittance. Sixty days after imaging, remittance documents will be destroyed securely on site by a certified document destruction Vendor in compliance with IRS Publication 1075. Images and electronic data for the payment instruments and documents will be retained and available online for Agency staff for the life of the contract.

In the **SMART** Debit queues, support payments are identified and validated using historical data from previous processing and data imported into the **SMART** Database from the OSCAR files. Also, in **SMART** Debit queues, the payment-identifying data are automatically or manually captured and associated in the **SMART** Database with the work item images, completing the receipting process.

Work items that include both a payment and correspondence are simultaneously routed through **SMART** Debit queues for payment identification and validation, and through the **SMART** Correspondence queue for an Operations Specialist to determine if action related to the correspondence is needed. Routing the item through multiple queues at the same time prevents





delays in both payment processing and correspondence processing. Upon the determination that a correspondence item requires action by child support staff, an email notification is sent directly to the appropriate Agency office. The email provides a secure link for Agency staff to view the work item images and data through the **SMART Image Viewer**.

### **SMART Transaction Manager and OCR/ICR Technology**

**SMART** contains an automated functionality that operates behind the scenes to provide an extra layer of identification, validation, and processing functionality. *Transaction Manager* processes in the background, polling work items throughout the payment processing workflow to identify payments for which data can be captured and processed automatically based on business rules or data captured through OCR/ICR technology. Those payments not meeting criteria for automated processing are routed to an Operations Specialist for data entry to ensure accurate identification and validation.

We have fully integrated OCR/ICR technology within **SMART** that automates the data capture keying process by easily extracting data. The OCR/ICR technology is used to read coupons received with payor payments. The cost of postage and printing continues to escalate while statistics indicate the percentage of payors using a coupon continues to decrease with the 24/7/365 accessibility of our online services for payors. With the automated features in **SMART Credit and Transaction Manager**, we can capture the data needed to accurately and timely post child support payments without the need for coupons. However, for those payors who want to send payments with a coupon, OCR/ICR assists with processing payments remitted with a coupon.

The OCR/ICR technology is also used to process the various types of remittance documents an employer may provide.

Despite the advances in technology built into **SMART**, there are remittance documents that require an Operations Specialist to capture the payment details manually. For these situations, **SMART** provides on-demand OCR that allows Specialists to keep track of their place on the remittance document. The on-demand OCR technology helps ensure the right amounts are associated with the correct identifiers and prevents processing errors that could occur when a Specialist experiences an interruption while inputting data from a remittance document.

### **SMART Debit Entry**

**SMART Debit Entry** has multiple components built on business rules for correct identification of payments from individuals, employers, and other entities. Payments that cannot be processed automatically by **SMART Transaction Manager** are routed by *Workflow Manager* to *Debit Entry* for manual capture of payment data from payment instruments. Our workflow design skills have grown through our years of process management, software development, and child support payment processing experience in 15 States. These skills are key for maintaining and improving a payment processing application capable of supporting manual identification and processing of small to extremely large payment remittances simultaneously.



On a single screen, *Debit Entry* provides several tools for Operations Specialists to use in identifying payments and reconciling individual receipts to the check or remittance total. The Specialist reviews images of remittance documents and payment instruments for Agency-approved payor identifying data. Regardless of the payor-identifying data element entered by the Specialist, **SMART** automatically associates other related identifiers with the record. For example, if the Specialist keys the case number, the associated payor name, SSN, case ID, and civil action number display automatically for verification purposes.

Operations Specialists in *Debit Entry* follow several steps in processing a payment. For each payment transaction, the *Debit Entry* queue presents images of both sides of the payment instrument, remittance documents, and correspondence (if any), along with thumbnails of all the documents in the work item. Only half of the screen is used for viewing images. The other half of the screen displays a payment entry data grid. The payment entry data grid is defined based on Agency required data elements for posting OSCAR. The Specialist reviews the work item images and enters a displayed identifier into one of the debit entry grid fields. The database search then returns and displays related payor data results for the Specialist to verify or search further. Following is a sample of the *Debit Entry* user interface screen for a payor payment.

Payer Name	SSN	PIN	Case ID	CASR	Amount	SRE
					\$253.00 DPR	\$0.00 DPR

Total Debit amount: 253.00      Total No. of Debits: 1

Document Log	

Figure 4-125: **SMART Debit Entry Payor Payment.** This screen allows for easy identification and validation of payments.

SMI validates with at least two identifiers prior to posting the payment to a payor SSN in **SMART** and transmitting the payment on the Receipt File to OSCAR. If a payment is received with only one identifier, a search for the second identifier is conducted using the history and OSCAR file data in the **SMART Database** to validate the information. At least two of the following data elements from remittance documents are used for matching information from OSCAR to ensure the payment is posted to the correct payor's SSN:



- Payor name
- Payor SSN
- Payor address
- Employer name
- Case number
- Case ID
- Civil action number
- Client ID

In the standard **SMART** posting procedures, the first identifier is entered in one of the above-referenced fields. The search provides results to be verified or searched further. When two identifiers result in positive payment identification, the results can be accepted. Only then is the payment transaction submitted, saved into the **SMART Database** as an identified payment, and ready for inclusion on the day's Receipt File to OSCAR.

Upon importing of all types of electronic payment files into the **SMART Database**, each individual payor payment on the files becomes a separate work item assigned a unique audit number, and the work items are released for automated processing by *Transaction Manager*. Any electronic processing exceptions are routed to the appropriate exceptions queue for resolution.

### Potential Holds in OSCAR Report

SMI will continue to generate and work the Potential Holds in OSCAR Report each day prior to transmission of the Receipt File to OSCAR. Without a requirement to do so, and at no cost to the Agency, SMI developed this report so we could identify and attempt to resolve identified payments that could potentially be placed on hold by OSCAR for reasons such as the remitting employer not being active for the payor or an incorrect employer ID. This report also lists all Workers Compensation receipts the SDU received that day so we can review case data in OSCAR to determine whether the Workers Compensation code is active. Following is a report example.



Potential Holds in OSCAR									
This report was generated 07/05/2018 at 10:14:37 by Angela Burgess using the following criteria: Start Date: 07/05/2018 End Date: 07/05/2018 Reason: All Status: Not Worked									
WI Date	WI Seq	Debit Seq	Amount	NCP Name	SSN	Employer Name	Employer ID	Reason	Status
07/05/18	1827	2	\$ 172.48					No Active IW for Employer EIN	Not Worked
07/05/18	1988	1	\$ 155.89					No Employer EIN Match	Not Worked
07/05/18	2074	1	\$ 1,100.00					No Employer EIN Match	Not Worked
07/05/18	2336	1	\$ 511.38					No Employer EIN Match	Not Worked
07/05/18	2381	2	\$ 68.33					No Employer EIN Match	Not Worked
07/05/18	2395	1	\$ 191.41					No Active IW for Employer EIN	Not Worked
07/05/18	2516	2	\$ 25.00					No Active IW for Employer EIN	Not Worked
07/05/18	2653	1	\$ 448.13					No Employer EIN Match	Not Worked
07/05/18	2654	1	\$ 294.03					No Employer EIN Match	Not Worked
07/05/18	2712	1	\$ 63.75					No Employer EIN Match	Not Worked
07/05/18	2714	1	\$ 188.46					No Employer EIN Match	Not Worked
07/05/18	2724	1	\$ 248.82					No Employer EIN Match	Not Worked
07/05/18	2728	1	\$ 69.23					No Employer EIN Match	Not Worked
07/05/18	2805	1	\$ 124.04					Workers Compensation	Not Worked
07/05/18	2807	1	\$ 84.85					Workers Compensation	Not Worked
07/05/18	2809	1	\$ 131.65					Workers Compensation	Not Worked
07/05/18	2843	1	\$ 87.22					No Employer EIN Match	Not Worked
Totals		17	\$ 3,044.67						

Figure 4-126: Potential Holds in OSCAR Report. This report lists identified payments OSCAR could potentially place on hold prior to payment distribution.

Although SMI staff cannot resolve all items on the Potential Holds in OSCAR Report, we process the report in a manner that communicates to Agency staff which items we could not resolve.

By providing this service to the Agency, we hope to continue resolving as many potential distribution issues as possible prior to entry of the payment information in OSCAR, thereby relieving Agency staff of some hold resolution work and preventing a delay in disbursements to families.

4.1.4.5.1.1.1 Payments not accompanied by remittance documents, or remittance documents that have been determined to contain incomplete or erroneous information, shall require the Vendor to inquire into the appropriate OSCAR data files in order to identify the appropriate and correct case related information. Every available related resource shall be utilized in an effort to identify the payment. If the payment is still unidentified after all resources have been exhausted, the Vendor shall enter the receipt as an "Unidentified Receipt" after three business days.

#### 4.1.4.5.1.1.1 No Remittance Documents or Incomplete/Erroneous Information

For payments not accompanied by remittance documents and payments accompanied by incomplete or erroneous information, SMI will continue to use every available resource to identify the payment on the day of receipt. As described previously for the **SMART Debit Entry** queue, we use at least two of the Agency-approved data elements from source documents for matching to OSCAR data file information stored in our database to ensure the payment is posted to the correct payor.



If SMI is unable to resolve an unidentified payment independently, we follow Agency procedures to perform inquiries in OSCAR and access internet resources for same-day research and resolution.

If a negotiable payment cannot be identified to a payor after research has been conducted on the day of receipt, we deposit the payment in the SDU account and continue our efforts to identify the payment for three business days.

If the payment is identified within three business days of receipt, we transmit the payment with identifying details on the Receipt File to OSCAR on the day we identify the payment.

For all unidentified payments, SMI attempts to contact the remitter by telephone if a telephone number is available. If telephone contact is not possible or successful, we send a letter to the remitter to request additional information for posting. After sending a letter, we continue our attempts to identify the payment through all available telephone numbers and other resources, until the payment is identified or three business days have elapsed since the day of receipt. On the fourth business day after receipt, we include the unidentified payment on the Receipt File to OSCAR.

The following table provides summary information on our software—specialty queues in **SMART**—that aids in tracking, processing, and reporting on unidentified payments both on and after the day of receipt.

Table 4-14: **SMART** Specialty Queues for Unidentified Collections. These **SMART** specialty queues are used to track unidentified collections for additional required actions and reporting.

SMART Specialty Queues	Description
<i>Unidentified Pending</i>	<p>A queue for collections that will require research in OSCAR and <b>SMART</b> because the payor is not identified or another exception situation prevents the receipt from posting to Agency-approved identifiers by the normal process in <b>SMART Debit Entry</b></p> <p>Used <b>on the day of receipt</b> to segregate payments for additional, same-day research in <b>SMART</b> and OSCAR until the payment is identified or routed to the <i>Unidentified Reviewed</i> queue for additional research after the day of receipt; this queue will not include payments recorded as unidentified in OSCAR</p>
<i>Unidentified Reviewed</i>	<p>A queue for payments that have been reviewed, for which remitter contact attempts have occurred and searches have been conducted in OSCAR and <b>SMART</b>, and which still cannot be identified</p> <p>Used <b>after the day of receipt</b> to segregate researched payments for continued remitter contact attempts until the payment is identified or recorded as unidentified in OSCAR</p>

SMI independently identifies and resolves the vast majority of payments received without two matching identifiers, through our industry-leading technology and experienced staff, on the same day the payment is received.



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## Unidentified Pending: Research on Day of Receipt

SMI uses data imported from the OSCAR files to validate payments received with identifying information and to identify payments received without valid information.

In addition to the data provided by OSCAR files, **SMART** builds a history of previous payments that is available to the Operations Specialists for use in identifying payments. For example, when staff contact a payor to obtain identifying information, the correct information is entered on the payment's Document Log. This information is then available in the future for identification if the payor continues to send payments without sufficient remittance information.

After a paper payment is imaged or an electronic collection is imported into **SMART**, *Transaction Manager* attempts to automatically identify the payment based on information scanned (e.g., MICR) or data imported. If *Transaction Manager* is unable to identify a payment automatically, *Workflow Manager* routes the payment to the *Debit Entry* queue for manual review.

Within the normal payment processing workflow, an Operations Specialist on the *Debit Entry* screen can conduct "in-stream" searches of data stored in **SMART** for a match with any piece of information showing on the imaged envelope, payment instrument, or other documentation received. Through this in-stream search, Specialists can usually match acceptable identifiers and identify the payment without leaving the *Debit Entry* queue.

The **SMART** *Debit Entry* search feature sets SMI apart from others in the industry in that we do not automatically defer payments not identified by a validation engine to another work queue or postpone research until later in the processing day. Instead, our Operations Specialists identify payments received without identifying numbers as early as possible in the processing workflow on the day of receipt. The figure below depicts our unique **SMART** *Debit Entry* search feature.

The screenshot displays the SMART Debit Entry Search Feature. The main window is titled 'Search' and contains several tabs: 'by NCP Details', 'by Employer Details', 'by MICR', and 'by CP Details'. The 'Parameters' section includes fields for Full Name, SSN, PIN, Depository #, FACC Case, Address, IVD Case, Zip Code, City, State, and URESA. There are buttons for 'Search', 'Clear', and checkboxes for 'Closed Cases', 'FACC Cases', and 'DOR Cases'. Below the search parameters is a table with columns: Name, SSN, PIN, Depository #, FACC Case, IVD Case, Closed, CaseType, Case Indicator, and Office T. The table is currently empty. To the right of the search window, there is a 'Direct Payee' section with a table showing 'Credits - Debits : 293.05' and a 'Total No. of Debits: 0'.

Figure 4-127: **SMART Debit Entry Search Feature.** Without leaving the *Debit Entry* workflow, Operations Specialists can complete a search for payment-identifying information. This feature eliminates the need to send the payment to an exception queue for later research and expedites payment processing.

After years of measuring and refining our payment processing workflow, we know that a Specialist's in-stream *Debit Entry* search improves the speed and integrity of our workflow.

Those payments that are not identified and processed in *Debit Entry* are sent to the *Unidentified Pending* queue for further research on the day of receipt. An Operations Specialist again researches the **SMART Database** for matching information, searching by Payor, by Employer, by MICR, or by Work Item. The **SMART Unidentified Pending** queue allows Specialists to search all the information in the **SMART Database**, including data imported from OSCAR, from one screen, as illustrated below.



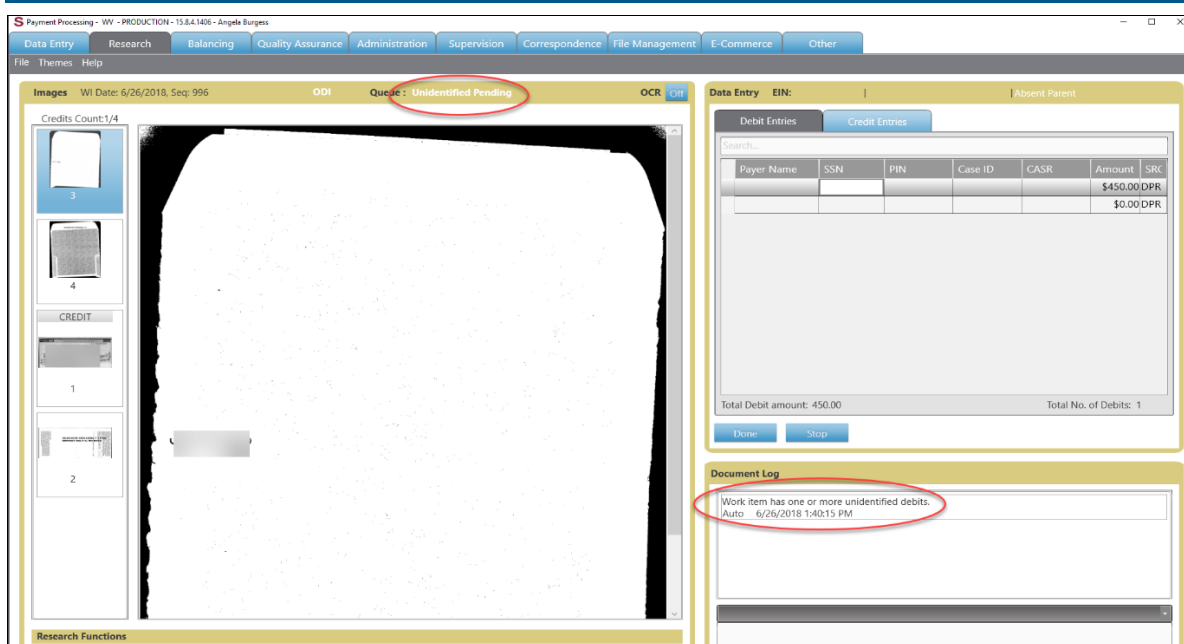


Figure 4-128: **SMART Unidentified Pending.** Operations Specialists use the unidentified queues to conduct research, update the Document Log, and process the payment if approved identifiers are matched.

If the Operations Specialist is unable to identify the payment through a **SMART** search, the Specialist searches OSCAR for data elements that match information on the payment instrument, envelope, or other remittance documents received.

The Specialist also accesses OSCAR to determine if a new case exists for which data has not yet been transmitted to the SDU or there is additional information that will allow for identification of the payment. If a new case was added to OSCAR since the last file from OSCAR to the SDU, **SMART** allows the Specialist to “force identify” the payment with the information matched with data found in OSCAR. That allows the payment to be sent as identified on that day’s Receipt File for posting to the new payor/case in OSCAR. This enhanced functionality prevents any delay in disbursing the money to the family.

If a telephone number is available with the payment, the Operations Specialist calls the number to obtain identifying information for the payment. Specialists call any phone number available. They call employers if there is an unidentified payor on a Wage Assignment Transmittal or EFT remittance. We use the calls as opportunities to educate remitters on suggested changes to future payments that will assist in faster and accurate identification of their payments. We also use the calls to provide information on submitting payments electronically.

If the Operations Specialist learns from contact with the remitter that the unidentified payment is associated with a case that has not yet been entered in OSCAR, the Specialist contacts and works with appropriate Agency staff on getting the OSCAR case established. If the OSCAR case can be added on the day the payment was received, the Specialist force identifies the payment in **SMART** so it can be sent as identified on that day’s Receipt File to OSCAR.





Upon a payment in the *Unidentified Pending* queue being deposited on the day of receipt, the payment information is routed to the *Unidentified Reviewed* queue for tracking and follow-up after the day of receipt.

## Unidentified Reviewed: Manage and Track After Day of Receipt

When a payment is sent to the **SMART** *Unidentified Reviewed* queue for follow-up the next business day, an Operations Specialist reviews all the payment images again. If source documents provide enough information to match acceptable OSCAR identifiers, the Specialist updates the work item to identify the payment so it will be included on the Receipt File to OSCAR that afternoon. This allows for disbursement within the federal two business-day timeframe.

If source document information does not allow for next-day payment identification, an Operations Specialist again tries to call any available remitter phone numbers, including phone numbers found through an internet search.

If the remitter cannot be reached by phone, the Specialist sends a letter to the remitter; however, the Specialist periodically reattempts contact by phone after sending a letter if a phone number is available. If a mailing address is not included with the payment or available through an OSCAR search, the Specialist uses internet resources to search for an address.

If a payment is identified within three business days of receipt, then on the day of identification, it is sent with payor information on the Receipt File to OSCAR.

If we do not resolve the unidentified payment within three business days of receipt, we transmit the payment on the Receipt File as unidentified on the fourth business day.

## Out-of-Balance Payments

If the total amount submitted by a remitter (credit) does not match the total of reported individual payor amounts (debits), *Workflow Manager* routes the work item to the **SMART** *Out of Balance* queue shown below. The *Out of Balance* queue segregates out-of-balance payments for research by an Operations Specialist.



West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001



Queue: Out of Balance

DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
BUREAU FOR CHILD SUPPORT ENFORCEMENT  
P.O. BOX 247  
CHARLESTON, WV 25321-0247

EMPLOYER ID: F461021452 FEIN: 461021452  
DATE: 06/09/2018  
PAY PERIOD FROM 6/1/18 TO 6/15/18  
AMOUNT ENCLOSED: 185.19 CHECK NUMBER: [redacted]

PLEASE RETURN WITH REMITTANCE

Please return this form with the payment you send to the Bureau for Child Support Enforcement. The form is provided one time per month. Please make sufficient copies to accommodate your pay cycle. We have listed all employees who are subject to an income withholding order. Please identify the remittance amounts in the blanks provided. You may submit a single check or money order for the total amount remitted. If you need support electronically or via a payroll provider, you do not need to return this form. However, we ask that you review it to ensure you are remitting payments for persons listed below.

Please be advised that per West Virginia Code 48-14-413, any errors in withholding or any errors in the completion or submission of this form are the sole responsibility of the employer/source of income.

\*\*\* IF YOU ARE PAYING BY CHECK, THE PAYMENT MUST BE MADE TO THE BUREAU FOR CHILD SUPPORT ENFORCEMENT, P.O. BOX 247, CHARLESTON, WV 25321-0247 THE SAME DAY THE SUPPORT IS WITHHELD FROM THE EMPLOYER'S WAGES. CREDIT CARD AND E-CHECK PAYMENTS MAY BE MADE AT [HTTP://WWW.DHS.WV.GOV/BCE](http://www.dhs.wv.gov/bce) AND BY TELEPHONE AT 1-800-368-7901 \*\*\*

SSN	CASE ID	EMPLOYEE NAME	AMOUNT WITHHELD
[redacted]	[redacted]	[redacted]	62.4
[redacted]	[redacted]	[redacted]	60.15
[redacted]	[redacted]	[redacted]	62.4

If employment is terminated, you are required by law to notify the Bureau for Child Support Enforcement, by completing the section below and mailing it to Bureau for Child Support Enforcement, 310 Capitol Street Room 147, Charleston, WV 25301. The information may also be faxed to 304-558-1487, placed in to 1-800-815-4683/304-558-1134 or reported on our employer website ([www.dhs.wv.gov/bce/en](http://www.dhs.wv.gov/bce/en)).

Debit Entries

Payer Name	SSN	PIN	Case ID	CASR	Amount	SRE
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	\$79.04 EMP	
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	\$60.15 EMP	
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	\$46.00 EMP	
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	\$0.00 EMP	

Total Debit amount: 185.19 Total No. of Debits: 3

Document Log

Work item is out of balance.  
Auto 6/26/2018 1:41:34 PM

Figure 4-129: **SMART** Debit Out of Balance. The Out of Balance queue is used to resolve and track payments that do not match the remittance documents.

If the payment work item is an under payment (the funds submitted are less than the total of all payor amounts provided on the remittance document), we contact appropriate Agency staff to determine their desired action and follow the Agency's directive.

If the payment work item is an over payment (the funds submitted are greater than the total of all payor amounts provided on the remittance document), we:

- Create an unidentified debit in **SMART** for the excess amount
- Update the work item's Document Log to include out-of-balance details, including a note that a third-party refund is needed for the excess amount and the employer's name, refund amount, and address to which the refund should be mailed
- Transmit the excess amount as an unidentified payment on the Receipt File so a refund to the remitter can be initiated through OSCAR

SMI will continue to resolve out-of-balance payments per the Agency's required procedures on the day of receipt.

## Payment Research Documentation

All payment research efforts are permanently maintained and available for review in the Document Log associated with the payment data and images. The following screen illustrates the online view for Agency staff after a search in *Image Viewer* returns a specific unidentified work item, including the Document Log.



West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001



The screenshot displays the SMART Image Viewer Unidentified interface. On the left, there is a list of work items for 6/26/2018. The central area shows a scanned check from the Bureau for Child Support Enforcement. The right-hand panel contains a 'VI Details' table, a 'Debits' table, and a 'Document Log' table.

Seq	Type	Amount	MICR
1	CHK	582.38	

Key	SSN	Case ID	Amount	Name
1			582.38	

Date	Notes	User
06/26/2018 10:21	Message ID: 117 Debit & forced unidentified (Debit Amount: 582.38)	Angela Burgess
06/26/2018 09:58	Work item has one or more unidentified debits.	Angela

Figure 4-130: **SMART Image Viewer Unidentified**. Agency staff can view unidentified payments via the web and see all actions taken by SDU staff to identify the payment.

**SMART** includes an extensive menu of reports, several of which are used to track unidentified payments. For example, the following Work Item Status Report identifies those work items that were sent to the *Unidentified Reviewed* queue for tracking and further research.

The screenshot displays the SMART Reports Work Item Status Report. The report is generated on 06/26/2018 at 01:56:02 by Angela Burgess. It shows a list of work items with their respective debit and credit amounts.

VI Date	VI Seq	MICR	Debit Amount	Credit Amount
06/26/18	1		\$ 68.94	\$ 68.94
	2		\$ 358.26	\$ 358.26
	3		\$ 79.77	\$ 79.77
	4		\$ 565.80	\$ 565.80
	5		\$ 51.97	\$ 51.97
	6		\$ 150.35	\$ 150.35
	7		\$ 269.40	\$ 269.40
	8		\$ 165.83	\$ 165.83
	9		\$ 218.74	\$ 218.74
	10		\$ 69.23	\$ 69.23
	11		\$ 204.87	\$ 204.87
	12		\$ 176.82	\$ 176.82
	13		\$ 52.38	\$ 52.38
	14		\$ 129.54	\$ 129.54
	15		\$ 486.60	\$ 486.60
	16		\$ 97.50	\$ 97.50
	17		\$ 135.00	\$ 135.00
	18		\$ 97.32	\$ 97.32
	19		\$ 556.16	\$ 556.16
	20		\$ 162.69	\$ 162.69
	21		\$ 208.85	\$ 208.85

Figure 4-131: **SMART Reports Work Item Status Report**. **SMART** provides extensive tracking for unidentified payments.



Our processes and procedures will ensure that the West Virginia SDU operation continues to maintain a high rate of same-day payment identification, allowing payments to be disbursed to families as quickly as possible.

4.1.4.5.2 Payment information, with the reconciliation record included, shall be entered into OSCAR by the receipts file created by the Vendor's mail extraction and scanning equipment.

#### 4.1.4.5.2 Receipt File

All the business day's paper and electronic processed payments, identified and unidentified, are gathered by **SMART Deposits' Receipt File Generator** component to create the Receipt Files for OSCAR. The files will continue to be edited, balanced, reconciled to the daily deposits, and transmitted to OSCAR using the State's required file layout.

**SMART Deposits' Receipt File Generator's** quality control automatically checks and validates several criteria. Errors will be resolved by SDU managers or IT staff before file creation. Some examples of the quality control checks include:

- Check for empty files and duplicate files
- Ensure the file meets its data format specifications and parses correctly
- Compare counts, sums, and dates in the file and section headers and trailers with each other and with the contents of the file or section, including row counts and total dollar amounts
- Compare header or trailer meta data to expected values from previous files or processing
- Check for duplicate entries between files (e.g., check for an entry on today's file that was also sent yesterday, when we do not expect entries to be repeated)
- Ensure each field goes through business rule checks for acceptable format and values (e.g., ensure each field is the right length for fixed-width files; ensure no fields are too long for the data type on variable-width files; ensure numeric fields do not have non-numeric characters; ensure date fields have valid data; ensure each field has data in a valid range or set of values)

These quality control measures have allowed for consistently accurate file transmissions to West Virginia and the 14 other States in which we operate SDUs. We provide specific organizational governance and verification and change control processes to ensure that we have the solid infrastructure in place to complete the transmission to OSCAR timely and accurately.

Our self-imposed deadline is to transmit the Receipt Files to OSCAR by 5:00 p.m. ET. By setting an earlier deadline than the State imposes, we allow time to address any transmission issues that may arise. We have in place a proven end-of-day process that ensures the Receipt Files transmission by 6:00 p.m. ET so contractual timeframes are met and posting and distribution of payments can occur overnight in OSCAR. At the beginning and end of each month, when the State's deadline for file transmission is 5:00 p.m., SMI's self-imposed deadline is to transmit the Receipt Files to OSCAR by 3:00 p.m.



SMI's SDU managers receive an email confirmation when the file transmission is completed. SMI's IT staff are available to assist if any transmission issue arises.

Transmitting the Receipt Files to OSCAR is the culmination of the entire day's payment processing efforts. SMI understands how critical this step is for the State's business. File transfers are a cornerstone of our SDU operations. Our extensive experience providing secure connectivity and processing thousands of files month after month, allows SMI to offer safe, reliable, and extremely efficient file transfers.

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#### 4.1.4.6 Balancing Batch Entries to the Daily Deposit:

4.1.4.6.1 All payments entered into OSCAR on any given day must balance to the total amount deposited to the Agency's account for that day. Once the day's receipts have been entered and balanced to the deposit, the Vendor shall reconcile the batch as being complete. The batch will then be processed and the payments allocated by a nightly programming job in the OSCAR system which is controlled by the Agency. Each day's receipts shall be processed and included in an approved batch on the same day they are received.

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#### 4.1.4.6 Balancing Batch Entries to the Daily Deposit

Before transmitting Receipt Files to OSCAR, SMI balances processed payments to the total amount deposited to the Agency's account for that day. We will continue to ensure that each day's identified receipts are processed and included in an approved batch for OSCAR on the same day the receipts are received.

During the business day as payment work items are prepared for deposit and the Receipt Files are readied for transmission to OSCAR, SDU staff conduct a pre-release reconciliation of the day's deposit totals and Receipt Files transaction totals to ensure the bank deposit and Receipt Files amounts are in balance.

Multiple reports are generated to aid in the balancing of processed receipts to the deposits prior to generating the day's Receipt Files. These reports are saved as backup documentation to our West Virginia SDU Project Management Portal and can be viewed any time by Agency-designated staff. The portal is a secure, restricted intranet site that is accessible to all members of the SMI operations team and Agency-designated staff. The portal functions as a point of access to information such as Balancing and Reconciliation Spreadsheets, the RFQ, SMI's proposals, deliverables, project planning documents, Action Item Log, status and other reports, meeting minutes, design documents, and more.

Our storage of Balancing Spreadsheet backup documentation on the portal is illustrated in the following figure. The navigation pane on the left side of the portal displays documentation libraries maintained for the West Virginia operation. Individual user permissions determine which libraries display and can be accessed.



The screenshot shows a SharePoint site for the SMI (Systems & Methods, Inc.) project. The page is titled "06 June 6-29 Supporting Documentation". It features a left-hand navigation pane with categories like "Business Continuity", "Cisco Documents", "Communications", "Conferences", "Contractual Documentation", "Presentations", "Reconciliation", "Spreadsheets", "Reports", "Requirements & GSD", "Staff", "Templates", "Training Matrices", "Transition Documents", and "User Documentation". The "Balancing Spreadsheets" category is selected. The main content area displays a table of documents, including "Account\_Hold\_For\_Review 062918", "Checks\_In\_Safe 062918", "Checks\_Ready\_for\_Deposit 062918", "Credit\_Summary 062918", "Credits\_Not\_Deposited 062919", "Duplicates 062918", "For\_Repayment\_Only\_Items 062918", "icl acknowledgment 3749 062918", "icl acknowledgment 3748 062918", "ICL\_Summary 062918", "PaymentReconciliation 062918", "Physical\_Deposits 062918", "Possible\_Duplicate\_Checks daily 062918", "Possible\_Duplicate\_Checks mthly 062918", "Prior\_Day\_Debit\_Sent\_Today 062918", "Receipt\_File 062918", "Unsent\_Debits 062918", "Work\_Item\_Status obec 062918", "Work\_Item\_Status obr 062918", "Work\_Item\_Status oob 062918", and "WV Receipt File Created 062918". Each document entry includes a checkbox, a file icon, the name, a "Modified" column showing "4 days ago", and a "Modified By" column listing the user (e.g., Tammi Bostic, Angela Burgess). The page also includes a "Find a file" search bar and a "Drag files here to upload" prompt at the bottom.

✓	Name	Modified	Modified By
<input type="checkbox"/>	Account_Hold_For_Review 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Checks_In_Safe 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Checks_Ready_for_Deposit 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Credit_Summary 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Credits_Not_Deposited 062919	4 days ago	Tammi Bostic
<input type="checkbox"/>	Duplicates 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	For_Repayment_Only_Items 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	icl acknowledgment 3749 062918	4 days ago	Angela Burgess
<input type="checkbox"/>	icl acknowledgment 3748 062918	4 days ago	Angela Burgess
<input type="checkbox"/>	ICL_Summary 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	PaymentReconciliation 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Physical_Deposits 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Possible_Duplicate_Checks daily 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Possible_Duplicate_Checks mthly 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Prior_Day_Debit_Sent_Today 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Receipt_File 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Unsent_Debits 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Work_Item_Status obec 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Work_Item_Status obr 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	Work_Item_Status oob 062918	4 days ago	Tammi Bostic
<input type="checkbox"/>	WV Receipt File Created 062918	4 days ago	Angela Burgess

Figure 4-132: West Virginia SDU Project Management Portal Balancing Documentation. This figure illustrates the SDU backup documentation for daily Balancing Spreadsheets maintained on the SDU project portal for easy access by Agency and SDU staff.

Along with the comprehensive backup documentation, daily Balancing Spreadsheets are also available on the portal at any time for designated Agency staff and for audit purposes.

Information on the reports is entered into an Excel file that is used to ensure the deposits reconcile to the Receipt File transactions, as shown in the following Balancing Spreadsheet example.



Balancing Spreadsheet			
Deposits (CR)			
	ICL Daily Deposit Summary Report	226,123.63	
Plus (+)	Item Level Reject Deposits	-	
Plus (+)	Foreign Currency Deposits	-	
Plus (+)	Cash Deposits	2,607.00	
Plus (+)	Image Threshold Outsort Deposits	966.24	
Plus (+)	Misapplied Payment Reimbursement	-	
Minus (-)	Bank Adjustments (Item Level Rejects)	-	
	<b>Sub Total</b>	229,696.87	
Plus (+)	ACH Credit	585,916.01	
Plus (+)	Pay Connexion ACH Debit Direct	2,275.00	
Plus (+)	Pay Connexion Credit/ Debit Card	27,721.90	
Plus (+)	State Auditor's ACH Credit	-	
Plus (+)	WV Interactive	13,516.23	
Plus (+)	ACH Debit Employer	12,584.13	
	<b>Sub Total</b>	642,013.27	
	<b>Grand Total</b>	871,710.14	

Figure 4-133: Deposit Balancing. Information from **SMART Reports** is entered in the Balancing Spreadsheet to ensure the deposits reconcile to the Receipt File transactions.

The Deposits (CR) section of the file tracks all deposits. After reports are generated and the above section completed, the Operations Supervisor is ready to balance the deposits to the Receipt File summary information.

On the **SMART** Balancing tab, the Supervisor refreshes the transmission screen. The number and amount of processed debits (individual payment transactions) are populated and displayed for the Supervisor, as shown in the following example.



West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001



The screenshot shows the SMART Deposit interface. On the left, there is a table of deposits with columns: Status, Deposit ID, Items, Total Amount, Creation Time, Transmission Time, and Action. A single row is visible with Deposit ID 3742, 489 items, a total amount of \$89,126.82, and a transmission time of 06/26/2018 12:51:16. The status is 'Accepted'. On the right, there is a 'Transmission' section with a 'Debit Summary' table. This table has columns for 'Standard' and 'E-Commerce' and rows for 'Total No. of Debits', 'Prior Day's Debits', 'Current Day Debits', 'Total Amount', 'Prior Day's Amount', and 'Current Day Amount'. All values are currently zero. Below this is another table with columns: W/Date, Type, No. of Envelopes, No. of Debits, and Sum of Debits.

Figure 4-134: **SMART Deposit**. When the Balancing tab in **SMART Deposit** is refreshed, the number and amount of processed debits are updated and displayed for the Supervisor.

Data from **SMART Deposit** provides information on all debits for the processing day. The information on the Receipt Files is entered in the Receipt File (DR) section of the Balancing Spreadsheet. Following is an example of the Receipt File (DR) portion of the Balancing Spreadsheet.





Receipt File (DR)			
	Paper Summary	229,203.93	
Plus (+)	E-commerce	641,353.36	
	<b>Grand Total</b>	<b>870,557.29</b>	
<b>Difference</b>		<b>1,152.85</b>	
<b>Adjustments:</b>			
	Unsent Debits	5,623.03	Total on Unsent Debits Report
Minus (-)	Prior Day Unsent Debits	(4,470.18)	From Prior Day Reconciliation
Plus (+)	Returned Unsent Debits (Held for Review)	-	
Plus (+)	Unreconciled Difference-Explain	-	
Minus (-)	Unreconciled Difference-Explain	-	
Minus (-)	Prior Day Unreconciled Difference	-	
Plus (+)	Prior Day Unreconciled Difference	-	
Plus (+)	Prior Day Credits Deposited	-	
Minus (-)	Credits Not Deposited	-	
Plus (+)	Misapplied Payment Reimbursement	-	
	<b>Total Adjustments</b>	<b>1,152.85</b>	
		(0.00)	<b>This Field Must Be Zero</b>
	Checks in the Safe	-	
Minus (-)	B Envelope Status Flag Report	-	
	<b>Difference</b>	<b>-</b>	
	Deposit Only Items	-	
	Repayment Items	1,349.00	cash \$250.

Figure 4-135: Receipts Balancing. Information from **SMART** Reports is entered into the Balancing Spreadsheet to ensure the deposits reconcile to the Receipt Files transactions.

If the deposits do not reconcile to the Receipt Files, SDU staff must determine the difference and resolve the discrepancy prior to transmission of the Receipt Files.

Once the deposits are reconciled to the Receipt Files, **SMART** transmits the Receipt Files to OSCAR. The final step at this point is for the Operations Supervisor who verified the reports and the Balancing Spreadsheet to notate their name and the date and time of Receipt Files transmission.

#### 4.1.4.7 Error Rate:

#### 4.1.4.7 Error Rate

SMI employs a comprehensive quality assurance (QA) and quality control (QC) program designed specifically for the West Virginia SDU. QA consists of the activities intended to establish confidence that quality requirements will be met—in other words, what we do on the front end. QC is a set of activities intended to ensure quality requirements are actually being met—what we do on the back end to prove that requirements are met. Both processes ensure the integrity, compliance, and continuous improvement of our SDU operations.



SMI's QA/QC Program at a high level is very simple—our people, our technology, our processes. The components of our program for monitoring and measuring performance are summarized in the following table.

Table 4-15: Program for Measuring Performance. This table summarizes components of SMI's program for monitoring and measuring performance.

Program Component	Component Description
<b>SMART</b> Processes	Software for SDU workflow queues, designed to assist staff in performing quality management functions; includes edits in place to ensure the quality of data transmitted to and entered in OSCAR; provides for controlled access to different queues through a Security Administration queue to ensure users are given access to queues on an as-needed basis
<b>SMART</b> Reports	Secure, web-based collection of reports that track the types, quantity, and quality of work performed by the SDU and by individual employees of the SDU
<b>SMART</b> Image Viewer	Secure, web-based application that provides real-time access to images of payment instruments, remittance documents, and correspondence
Mail Log	Available through <b>SMART</b> Reports, audit trail for mail pickup and delivery to the SDU for scanning
<b>SMART</b> Audit History	Complete, electronic audit trail of every type of payment and correspondence work item received by the SDU, including the envelope
Document Log	Notes associated with a specific work item, created automatically by <b>SMART</b> or manually by Operations Specialists during processing
<b>SMART</b> QA	Queue that systematically produces random and targeted audit samples for review by SDU managers
High Risk Work Items Report	Available through <b>SMART</b> Reports, tool that systematically identifies payments identified as high risk for processing errors based on SDU management-defined business rules; used by SDU managers for targeted audits prior to Receipt File transmission
Error Report and Operator Corrective Action	Available through <b>SMART</b> QA, error details report that automatically generates for the Operations Specialist's Supervisor when a QA reviewer documents an error in the system; used for immediate review and discussion of the error with the Specialist to prevent reoccurrence of the error
Project Management Portal	Secure, West Virginia-specific intranet site where SMI stores SDU project-related documentation not



Program Component	Component Description
	available through <b>SMART Reports</b> or <b>SMART Image Viewer</b>
Performance Management Plan	Individualized, annual performance plan provided to every SDU employee; includes performance and quality goals specific to the employee's job functions
Performance Reviews	Regular Supervisor/employee meetings to review performance and identify training needs

We will update our plan to include any new tracking mechanism we design to measure performance for any aspect of SDU operations. We are committed to the highest level of accuracy, efficiency, and timeliness of services in West Virginia and all our SDU operations.

4.1.4.7.1 The Vendor shall not exceed a processing error rate of two one hundredths of one percent (.02%). This error rate shall be calculated by dividing the number of errors by the total number of manual receipts processed in any one month; i.e., 100 errors/80,000 receipts= .00125% error rate. Failure to meet the established error rate will result in a credit of 1 % of the Agency's monthly invoice amount. Payments may be defined as all those payments received that are to be credited to a non-custodial parent's account, whether single or multiple accounts, and those that are ultimately credited to the operating account as unidentified. An error exists if there is a failure to process a receipt within the payment processing standard (Code of Federal Regulations, Chapter 45; WV Code, Title 48), a failure to credit the correct amount to the appropriate case or unidentified category, or failure to identify or credit the correct OSCAR case to which a payment should be processed given the identifying information provided. Failure to process a payment entirely from receipt through credit to an OSCAR case shall be counted as an error for inclusion in the error rate calculation.

#### 4.1.4.7.1 Error Rate Calculation

SMI will not exceed a processing error rate of two one hundredths of one percent (.02%). Because of our West Virginia SDU team's focus under the leadership of Angela Burgess, our error rate for 2017 was .007 percent, which substantially exceeds the State's requirement.

SMI understands:

- The Agency's formula for calculating the error rate, as stated in the RFQ
- Failure to meet the established error rate will result in a credit of 1% of the Agency's monthly invoice
- Payments as defined in the RFQ
- An error exists if there is a failure to process a receipt within the federal payment processing standard, a failure to credit the correct amount to the appropriate case or unidentified category, or failure to identify or credit the correct OSCAR case to which a payment should be processed given the identifying information provided
- Failure to process a payment entirely from receipt through credit to an OSCAR case will be counted as an error



We are confident our experienced West Virginia SDU team and QA/QC processes will continue to result in an error rate significantly less than two one hundredths of one percent (.02%).

The subsections that follow describe two **SMART** components of our QA/QC Program that enable us to perform both random and targeted reviews of West Virginia SDU payment processing.

#### 4.1.4.7.1.1 **SMART** Audit History

**SMART** Audit History provides SMI and Agency-designated users with a complete audit trail of every work item received by the SDU. **SMART** assigns a unique number to each payment instrument upon imaging and to each electronic payment imported into **SMART**. Unique work item numbers are also assigned to imaged correspondence received without a payment instrument. The unique number is used to track the work item throughout every step of processing in **SMART**.

*Audit History* includes an audit trail for each work item, each credit, each debit, and each scanned page. We know the date and time every action is taken on a work item—from the time an imaged work item or electronic payment file is imported into **SMART** until a payment is transmitted on the Receipt File or correspondence processing is complete. The following figure illustrates the detail that we track at the work-item level.

The screenshot displays the 'SMART Audit History' interface. At the top, there's a 'Workflow Dashboard' with tabs for 'Workflow Status', 'Manage Workflow', 'Audit History' (selected), and 'MCCR Management'. Below this is a 'Parameters' section with fields for 'WI/Batch Date' (6/26/2018), 'WI Sequence' (699), and radio buttons for 'Single', 'Range', and 'All'. There are also checkboxes for 'Object Audit Data' and 'Employee Audit Data', and buttons for 'Search', 'Clear', 'Options', and 'Print'. On the left, a tree view shows the hierarchy: 'WorkItem' > '06/26/2018 - 699' > 'Workflow' > '06/26/2018 - 699 - PMT' > 'Work Item Detail' > '06/26/2018 - 699 - 1' > '06/26/2018 - 699 - 2' (selected). The main area contains a table with the following data:

WI Date	WI Sequence	WI Detail Sequence	Transaction Time	User Name	Application Name	Computer	Transaction Flag	WI Detail Type
06/26/2018	699	2	6/26/2018 8:32:49 AM	Auto	PMT Initial State	WVSDU3TDD0R1	Add	CUP
06/26/2018	699	2	6/26/2018 8:37:13 AM	Auto	Payment Processing Windows Service	vESTApp03	Update	CUP

Figure 4-136: **SMART** Audit History. **SMART** provides an audit trail that includes every person and every action associated with each step of processing.

Our SDU managers use the information in *Audit History* to review payment and correspondence transactions for processing accuracy. We also use *Audit History* to generate numerous productivity reports for SDU management. **SMART** provides for the most extensive audit features available in child support payment processing.



Authorized individuals performing research or audits simply access *Audit History* through the **SMART QA** module and select the item for which they would like the history to display. The reviewer is provided with detailed information, including:

- Date and time each process began
- Time that each process was completed
- Transaction flag that depicts the process activity that occurred in the system
- User name for the employee who performed a step of payment processing within that work item
- Queue in which the employee was active when the payment processing step was performed
- Identification of the workstation the employee used to perform the step

*Audit History* provides a record of each transaction and, for payment work items, the data elements essential to the Receipt File. The identities of system users who processed various stages of the work are captured and maintained as part of the record for each transaction.

**SMART** will not allow changes to a payment transaction once payment information is transmitted to OSCAR on a Receipt File.

Our internal controls combined with our *Audit History* capabilities allow SMI to maintain security and control over each area of payment and correspondence processing and support functions.

#### 4.1.4.7.1.2 **SMART QA**

**SMART QA** was designed to systematically verify payments processed, presenting those meeting certain requirements to management staff for thorough review and validation of accuracy. SMI's approach is to deliver virtually error-free posting by conducting reviews and validating accuracy throughout the processing day. Our targeted audits review processing for payments that are categorized as high-risk within our system. These targeted reviews are in addition to the random sampling we conduct to review work, identify training needs, and calculate our error rate per the Agency's requirements.

Our targeted high-risk audits and random sampling are completed within the framework of the payment processing day and prior to transmitting the Receipt Files to OSCAR. This allows us to further validate payments and resolve any discrepancies prior to entry of payments into OSCAR for distribution, thereby avoiding harm to families and the need for adjustments in OSCAR.

Within each of our SDU operations, we customize the business rules that determine if a payment transaction is a high-risk transaction requiring review. The following table includes high-risk rules customized for the West Virginia SDU.



Table 4-16: High-Risk Payment Business Rules. **SMART** is programmed to send transactions identified as high-risk to the **SMART QA** queue. This practice, paired with random selection for QA, help assure the lowest error rate for West Virginia. The following table provides some examples of high risk business rules currently used for the West Virginia SDU.

Transaction Type	High-Risk Definition
Employer with a High Single Debit Amount	Definition of high is configurable; we use \$1,000 or greater for some operations
Direct Payor Over Threshold	Definition of high is configurable
MICR-Payor-Amount Combination Seen First Time	Payment source is direct payor, credit type is check, and the MICR/payor/amount combination not previously seen
New MICR-Payor Combination	First time MICR and payor combination seen
Auto Processed Multiple Debits	MICR and payor combination for at least two of the debits was seen more than three times and the work item was processed by <i>Transaction Manager</i>
Auto Processed Single MICR and High Amount	MICR and amount combination seen 4-10 times and the work item was processed by <i>Transaction Manager</i>
Auto Processed Single MICR and Low Amount	MICR and amount combination seen more than 10 times and the work item was processed by <i>Transaction Manager</i>
Auto Processed Single MICR and Primary ID High	MICR and payor combination seen 4-10 times and the work item was processed by <i>Transaction Manager</i>
Auto Processed Single MICR and Primary ID Low	MICR and payor combination seen more than 10 times and the work item was processed by <i>Transaction Manager</i>
Multiple Debit by Operator	Payment source of employer, work item contains 10 or more debits, payor/amount combination for five of the debits not previously seen, debits posted by an Operations Specialist
Same User in CE and DE	Same Operations Specialist processed work item in <i>Credit Entry</i> two or more times and in <i>Debit Entry</i>
Operator Under Training	ID indicates processing by new Operations Specialist

SMI's West Virginia management team will regularly review the SDU's high-risk business rules to ensure that rules are updated as additional payment types are received by the operation or as other operational changes are made.

Each payment received that meets a high-risk category is identified by **SMART** and presented to the QA reviewer. By building rules into the system to identify transactions that could be in error, we can reduce the number of errors made in payment processing.



Because we review payment transactions before transmission to OSCAR, any error found can be corrected within **SMART** prior to payment distribution and disbursement. When an error occurs, we work with the Operations Specialist who made the error to avoid repeated errors. We also provide remedial and refresher training, as appropriate. SMI makes every effort to help our employees succeed.

The following figure shows the user interface for **SMART** QA and how the targeted work items are presented for review. The reviewer can view all documents by clicking on the thumbnails, and the system requires that each document be reviewed before confirming that the work item has been audited.

The screenshot displays the SMART QA interface for reviewing a MICR transaction. The main window is titled "Payment Processing - WV - PRODUCTION - 15.8.1406 - Angela Burgess". The interface includes a top navigation bar with tabs: Data Entry, Research, Balancing, Quality Assurance (selected), Administration, Supervision, Correspondence, File Management, E-Commerce, and Other. Below this is a sub-navigation bar with tabs: PMT, File, Themes, and Help. The main content area is divided into three sections:

- Images:** A vertical list of thumbnails on the left, with "Credits Count: 1/6" and "CREDIT" labels. The selected image shows a MICR transaction document with the following details:
 

Case No.	Debtor Name(s)	SSN 1	SSN 2	Account #	Payment Amount	Interest Payment	Principal Balance
2076597	CHARLESTON, WV 25301			7583	775.00	0.00	8,591.98
<b>TOTALS</b>					<b>775.00</b>	<b>0.00</b>	<b>8,591.98</b>
- Data Entry:** A section on the right with tabs for "Debit Entries" and "Credit Entries". It contains a table with columns: Payer Name, SSN, PIN, Case ID, CASR, Amount, and SRC. The table shows two entries:
 

Payer Name	SSN	PIN	Case ID	CASR	Amount	SRC
					\$775.00/DPR	
					\$0.00/DPR	

 Below the table, it shows "Total Debit amount: 775.00" and "Total No. of Debits: 1". Buttons for "Hold For Review", "Done", and "Stop" are at the bottom.
- Document Log:** A section at the bottom right showing a log of actions:
  - Identified automatically: Single MICR transaction manager rule satisfied. Auto - 6/26/2018 1:43:45 PM
  - TM Identified automatically: Single MICR transaction manager rule satisfied. Auto - 6/26/2018 1:43:45 PM

Figure 4-137: **SMART** QA. This queue is just one function we use to ensure our performance ratings and quality are the industry's best.

In addition to auditing the high-risk transactions, **SMART** QA allows authorized users to conduct random audits and provides the ability to "jump to" a specific work item. The "jump to" feature is used to ensure transactions that required special handling were posted correctly. The following screen shows how authorized users can jump to a specific work item through a search for that item.





Figure 4-138: **SMART** QA Search Work Items Screen. This screen allows managers to locate specific payments using search criteria.

**SMART** QA provides SDU management with the tools to locate specific payments and other work items for audit purposes.

While reviewing payments each work day, the Supervisor ensures accurate processing is taking place. Any error found during an audit is immediately corrected in **SMART**. The reason for the error is evaluated and the error is documented in the system, which automatically updates the work item's Document Log with error details and generates an Error Report for the Supervisor to review with the Operations Specialist. The Error Report allows for immediate notification to the Specialist before similar errors are made.

The Supervisor provides additional training and information regarding errors to all employees to prevent future occurrences. Our management staff continually perform needs analysis for training activities to enhance our employees' abilities and proficiencies but especially to eliminate errors. If errors continue after re-training activities, progressive discipline begins, up to and including termination.

Additionally, every employee is provided an annual Performance Management Plan that includes performance and quality goals specific to the employee's job functions. Managers meet with employees regularly to review their performance.

**SMART Reports** provides comprehensive performance monitoring and reporting for specific SDU functions, tracking the quantity and quality of the work performed by each employee of the SDU.





SMI takes accuracy of child support payment processing very seriously, and we have proven processes in place to reduce the occurrence of errors. If an error occurs, we flag the related account in **SMART** to help our staff avoid making the same error on future payments received for that payor. Our number-one concern is getting the right amount of money to the right family as quickly as possible. We understand that payment processing errors create extra work for all and delay payments to families.

4.1.4.7.2 Each month the Vendor shall take a sampling of the payment transactions from the previous month using standard statistical sampling techniques that shall allow disclosure of an accuracy rate of 99.8% or an error rate of no more than .2%, with a 95% confidence level and a standard deviation of no more than .1 %. The Vendor shall perform the sampling monthly, including in the universe all those receipts received in the previous month. All the work papers and sample transactions shall be retained by the Vendor from audit period to audit period and may then be discarded. A summary of this sampling, including the error rate calculation, will be provided to the Agency each month first business day of the preceding month.

**ADDENDUM No. 2:** Question 8: SECTION 4.1.1.12, 4.1.4.7.2, 4.1.5.1.5, 4.1.5.2.1.25, 4.1.5.2.4.2: Each of these sections requires a report for the prior month due on the first day of the "preceding" month. Should each instance of "preceding" be changed to "following"?

Answer 8: Yes, it should read the first day of the following month for the preceding month.

#### 4.1.4.7.2 Sampling of Payment Transactions

SMI will continue to perform a monthly sampling of payment transactions using standard statistical sampling techniques per our Agency-approved *Quality Metrics Plan*. The universe of the monthly sampling is all receipts received in the prior month. Our sampling methodology uses a 95 percent confidence level with a standard deviation of no more than 0.1 percent. The confidence level is for both the upper and lower limit of the confidence interval. Using the Random QA workflow of the **SMART** QA module, our West Virginia SDU managers typically review 100 percent of the work items in the queue each day, exceeding the State's requirement.

The figure below is an example of our monthly Error Report that provides details for errors identified as well as a monthly summary.

[illegible]

Figure 4-139: Monthly Sampling of Payment Transactions. SMI will continue to provide the Agency with a monthly Error Report to disclose processing errors identified through our statistically valid sampling of all payment transactions for the prior month.

We will continue to provide the prior month's sampling summary and error rate calculation via email to the Agency on the required submission schedule. All our work papers and sample transactions will be maintained and available for inspection by Agency staff from audit period to audit period. The Error Reports are maintained on the West Virginia SDU Project Management Portal for access by SMI managers and designated Agency staff anytime for the duration of the contract. Our Weekly Quality Assurance Report for the West Virginia SDU, illustrated in the following figure, is also maintained on the portal.



WV SDU		Weekly Quality Assurance Report						
Report Date:		Friday, June 15, 2018						
Report Date:	Scanning Errors	Credit Entry Errors	Corrected Misapplied Transactions	Corrected Misapplied Dollars	Uncorrected Misapplied Transactions	Uncorrected Misapplied Dollars	Total Number of Other Errors	QM Errors
July 6, 2018								
July 13, 2018								
July 20, 2018								
July 27, 2018								
July Totals	0	0	0	\$ -	0	\$ -	0	0
August 3, 2018								
August 10, 2018								
August 17, 2018								
August 24, 2018								
August 31, 2018								
August Totals	0	0	0	\$ -	0	\$ -	0	0
September 7, 2018								
September 14, 2018								
September 21, 2018								
September 28, 2018								
September Totals	0	0	0	\$ -	0	\$ -	0	0
October 5, 2018								
October 12, 2018								
October 19, 2018								
October 26, 2018								
Summary	SCN	CE	DE-All	QM	Scanning Legend	CE Legend	DM Legend	+

Figure 4-140: Weekly Quality Assurance Report. SMI compiles a Weekly Quality Assurance Report in addition to the monthly Error Report, and we maintain both reports on the West Virginia SDU Project Management Portal for easy access to quality data anytime.

Additionally, SMI documents processing errors—whether identified through the monthly transaction sampling or a targeted QA review—in the Document Log associated with the specific work item. This allows Agency staff viewing payment images and data through **SMART Image Viewer** to have access to related error identification and resolution information. We will continue to provide transparency in all aspects of West Virginia SDU payment processing.

4.1.4.7.3 The monthly analysis of the payment processing error rate shall be conducted by the Vendor and verified by the Agency. The Agency, at its option, may conduct its own analysis, which will take precedence over the Vendor's analysis.

#### 4.1.4.7.3 Analysis of Payment Processing Error Rate

SMI understands and agrees that our monthly analysis of the payment processing error rate will be verified by the Agency and the Agency may conduct its own analysis, which will take precedence over our analysis.

#### 4.1.4.8 Project Management

#### 4.1.4.8 Project Management

As a leading SDU service provider to the child support community, we know a successful project is one where clearly delineated objectives are agreed upon by all stakeholders and undergirded by a common vision and set of principles. SMI has successfully transitioned SDU operations to our **SMART** solution for 15 states. Eleven of these transitions have been from other Vendors, and four have been from State/local/court processing systems.



Being the current SDU service provider with six years' experience providing collecting, tracking, and disbursement services has significant advantages in terms of ensuring the uninterrupted delivery of services while eliminating the risks associated with the transition to a new Vendor. Selecting J.P.Morgan as our banking partner to continue providing depository and disbursement banking further reduces risks associated with transition.

Our three main objectives for the West Virginia transition are to:

- Continue a professional and flexible partnership with all the project's stakeholders
- Provide an orderly and controlled transition for debit card services and reimplementation of SDU services with no interruption of services
- Manage an efficient and effective operation that complies with all contractual requirements and applicable federal and State laws and regulations

Our ability to successfully accomplish these objectives is tied directly to our staff; a unique group of individuals whose professional lives have been dedicated to serving society's most vulnerable citizens. Our staff's perceptive understanding of the unique requirements of the Child Support Program together with their operational and technical expertise and dedication to customer service excellence is the hallmark of our success.

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4.1.4.8.1 The Vendor shall provide a work plan which demonstrates the Vendor can provide the products and services which are the subject of this RFQ. The work plan guide is as follows:

4.1.4.8.1.1 Predesign Phase that must include Contracting, Kick-off Meeting, Weekly Progress Reports, Facility, and Bonded Courier Service.

4.1.4.8.1.2 Design Phase (Technical documentation) that must include functional design document, detailed design document, system integration test plan, user acceptance test plan, operations manual, security plan, quality assurance plan, backup and disaster recovery plan.

4.1.4.8.1.3 Development Phase must include setup disbursement processes, setup balance reporting system, setup ACH funds transfer, check services, check stock, software development cycle, telecommunication infrastructure, payment processing system hardware, debit card vendor interface, develop debit card usage materials, develop notification materials, notify existing debit card holders, and Agency certification (acceptance) testing.

4.1.4.8.1.4 Transition Phase must include files and data transfer schedule, authorizer transition, activate debit card customer service components, and begin daily settlement process

4.1.4.8.1.5 Operations Phase must include monthly status meetings, update detail design documents, Agency maintenance, initiate daily file transfers, and administration support.

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#### 4.1.4.8.1 Work Plan

SMI welcomes the opportunity to present a work plan that includes all necessary activities, deliverables, and milestones to be completed within six months of contract award. The West Virginia SDU operation is fully functional with experienced and trained staff. Our work plan is simpler and has fewer tasks than other bidders since we currently perform most of the requirements of the RFQ. Building on our transition experience, we've developed a well thought



out work plan to ensure a successful transition for debit card services and reimplementation of SDU services.

SMI understands the activities needed to maintain successful ongoing operations while implementing new requirements and services. In addition to successfully transitioning child support payment processing, disbursement, and customer service operations from other Vendors in 11 states, we have also been awarded four SDU contracts in North Carolina; three contracts in Missouri and the District of Columbia; and two contracts in Colorado, Connecticut, Georgia, Massachusetts, and Tennessee. With each additional contract award, we successfully implemented new requirements with all implementation tasks completed in accordance with contract requirements while maintaining ongoing operations.

Upon contract award, our Transition Manager Jackie Scharping will contact BCSE's point of contact to begin transition planning. She will work with the BCSE's designated liaison prior to the kick-off meeting to complete updates to the draft *Project Schedule* for review during the kick-off meeting. SMI will work collaboratively with BCSE's current prime Vendor and all stakeholders to ensure a smooth and seamless transition. We are fully aware of the tasks that must be completed and the communication that must take place for a successful transition. We will apply our proven transition methodologies, as described in the following sections, to ensure an orderly transition with no disruption in services.

SMI will deliver the *Project Schedule* to designated Agency personnel within the agreed upon timeframe. As required by this section of the RFQ, the work breakdown structure (WBS) within our *Project Schedule* is broken down into the phases shown in the following figure.

	Task Mode	Task Name	Duration	Start	Finish	Predecessors
1		[-] West Virginia SDU/Debit Card Implementation	166 days	Mon 9/3/18	Mon 4/22/19	
2		[+] Pre-design Phase (4.1.4.8.1.1)	110 days	Mon 9/3/18	Fri 2/1/19	
56		M-Pre-design Phase Complete	0 days	Tue 10/2/18	Tue 10/2/18	24,28,55
57		[+] Design Phase (4.1.4.8.1.2)	35 days	Wed 10/3/18	Tue 11/20/18	
99		M-Design Phase Complete	0 days	Tue 11/20/18	Tue 11/20/18	63,68,73,78,83,88,93
100		[+] Development Phase (4.1.4.8.1.3)	108 days	Mon 9/10/18	Wed 2/6/19	
285		[+] Transition Phase (4.1.4.8.1.4)	85 days	Tue 9/25/18	Mon 1/21/19	
323		[+] Operations Phase (4.1.4.8.1.5)	57 days	Fri 2/1/19	Mon 4/22/19	
360		[+] Closeout Phase	4 days	Fri 2/8/19	Wed 2/13/19	

Figure 4-141: Project Phases. Based on our transition methodology and the Agency's work plan requirements, we have developed a proven process that describes the activities for each phase of the project.

Our full draft *Project Schedule* is provided in Appendix A. of our proposal and outlines the necessary tasks and activities critical to meeting milestone and deliverable deadlines. For reference in our response, we have estimated a contract award date of September 3, 2018, and a go-live date of February 1, 2019. The RFQ indicates in Section 4.2.2.6.12.2 that there will be a maximum six-month transition period. Our team has experience transitioning a new SDU in as little as 90 days. The six-month transition timeline set forth in the RFQ will allow more than adequate time for



updating and delivering required deliverables and transitioning debit card services. The dates within the *Project Schedule* will be adjusted accordingly upon contract award.

4.1.4.8.2 The Vendor shall use a formal and documented project management approach based on Project Management Institute (PMI) industry standards and guidelines (<http://www.pmi.org>). Microsoft Project or equal software tools must be used to develop the work plan that includes tasks, milestones, and deliverables. The Vendor shall accomplish the work plan milestones and deliverables as scheduled. The Vendor shall designate a full-time project manager.

#### 4.1.4.8.2 Project Management Approach

SMI will work collaboratively with the Agency, J.P.Morgan, KeyBank, and all stakeholders to ensure a smooth and seamless transition. SMI has successfully transitioned SDU and debit card operations from various Vendors. We are fully aware of the tasks that must be completed and the communication that must take place for a successful transition. We will apply our proven transition methodologies to ensure an orderly transition with no disruption in services.

The SMI Transition Team uses standardized project management tools across the organization to effectively guide the design, development, implementation, and ongoing support of our SDU projects. We know that a mature and proven project management methodology is the key to success in any transition. Our enterprise-wide Project Management Methodology (PMM) is based on the Project Management Institute's Project Management Body of Knowledge (PMBOK) framework.

Our project management activities will begin immediately upon contract award and will continue through to the operational and closeout phases of the contract. We have intentionally segmented the project lifecycle stages of our solution and process components to both streamline delivery and minimize project risk.

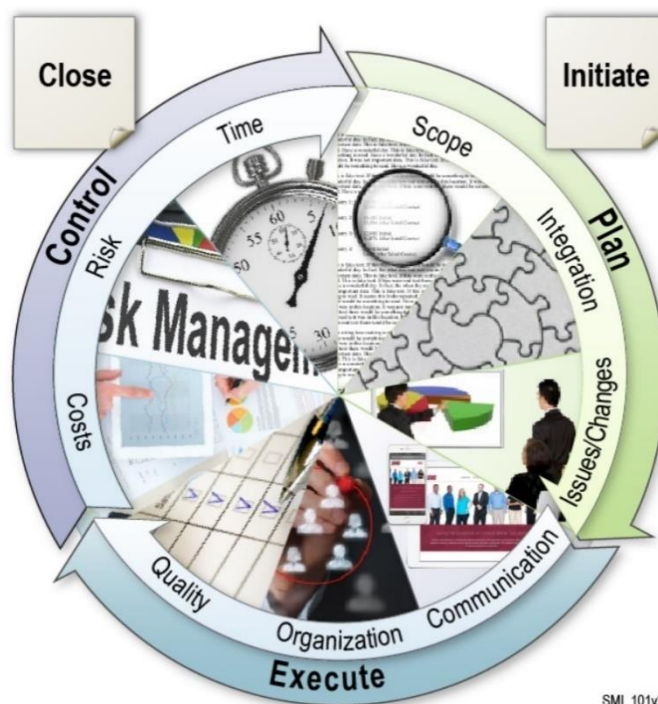


Figure 4-142: SMI's PMM. SMI's PMM is based on the PMBOK.

The figure above provides an overview of the PMM SMI will follow during all phases of the contract. Project management subject areas (e.g., communications, quality, and risk) will be implemented as appropriate in one or more of the project management workflow groups:

- Initiate
- Plan
- Execute
- Monitor and Control
- Close

Represented inside the PMM ring are the nine elements embedded in every aspect of our project management approach. These elements provide us with detailed approaches and key considerations to help our Transition Manager administer the project in a way that:

- Eliminates duplication of effort
- Assures consistency among parallel work streams
- Maximizes the efficient use of resources
- Resolves issues expeditiously
- Produces high-quality deliverables on time

Our PMM builds in ongoing iterative activity throughout the life of the project. Project management processes guide all aspects of the transition and the overall direction of the project. Our PMM





facilitates consistent and effective communication, coordination of activities across teams to help realize integration, and management of risk and quality throughout the entire implementation lifecycle.

#### **4.1.4.8.2.1 Microsoft Project**

SMI will use Microsoft Project or equal software to develop the work plan. The draft *Project Schedule* provided in Appendix A. was completed in Microsoft Project and includes tasks, milestones, and deliverables. Our schedule outlines such items in a manner that provides a clearly understandable reference point for all stakeholders during all phases of the project. Deliverables are clearly identified, and each milestone is denoted within the schedule with an “M” (milestone) preceding its task name. SMI will accomplish the work plan milestones and deliverables as scheduled.

SMI uses six project metrics to measure the progress of our projects. Each of these measures is monitored by the Transition Manager to ensure that the project is making progress as planned:

- Time (How are we in relation to schedule)
- Cost (How is our cost compared to budget)
- Resources (How much time are we spending on the project)
- Scope (Is the scope creep in line with expectations)
- Quality (Are we reviewing and fixing quality problems)
- Actions (Do we have action items outstanding)

The *Project Schedule* included in Appendix A. will be one tool used to collect and obtain project metrics to measure, monitor, and report on the progress of the project by task level. Our *Project Schedule* includes detailed tasks with the timeline for the duration of the task. By measuring and monitoring the time for each task, we can adjust when needed to ensure the project stays on track.

#### **4.1.4.8.2.2 Full-Time Project Manager**

Providing leadership for our Transition Team will be SMI’s Assistant Vice President, Jackie Scharping. Jackie will serve full-time as the project’s Transition Manager managing, controlling, and supervising the transition. Jackie brings more than 24 years of progressively responsible experience with the Wisconsin child support program. Her experience includes serving as the State IV-D Director for four years, managing one of the largest county child support agencies in Wisconsin for more than three years, and serving as Program Coordinator for the automated system for seven years. Jackie’s program and system knowledge and experience will be a tremendous asset in ensuring a smooth transition for West Virginia.

Since joining the SMI team in May of 2016, Jackie has provided leadership for SMI’s SDU operations in Colorado, Idaho, Missouri, Oklahoma, and Tennessee. In February of this year, Jackie was tapped to take over responsibility for leading SMI’s transitions of new operations as well as reimplementation for existing projects. Jackie brings outstanding organization, management, and





communications skills that are critical for success in this position. She has spent the last two years learning all aspects of our SDU operations, and she is ready to put her knowledge and experience to work for West Virginia.

Angela Burgess will continue to serve as SMI's full-time Project Manager for the West Virginia SDU. While Jackie is managing the transition activities, Angela will continue to focus her attention on ensuring the uninterrupted delivery of current SDU services.

A key component to a successful transition is open and effective communications with the State. During the first meeting after contract award, SMI will ensure BCSE has cell phone numbers for Jackie Scharping, Lou Hall our Chief Operating Officer, and all members of our Transition Team. Should BCSE need to contact our management personnel, they will be available.

---

4.1.4.8.3 The Vendor shall provide a list of all deliverables and the due date of those deliverables by task. The Vendor shall provide a ten (10) business day review period by the State, a five (5) business day revision time by the Vendor and an additional five (5) business day re-review period by the State.

---

#### 4.1.4.8.3 Deliverables

The deliverables initially identified based upon our understanding of the RFQ requirements are shown in our draft *Project Schedule* within Appendix A. The *Project Schedule* lists all deliverable by task and includes the due date for each deliverable.

We will work with the Agency to finalize the deliverables and associated due dates. As shown in our draft *Project Schedule* in Appendix A., we have provided for a 10-business-day review period by the State, a five-day revision period for SMI, and an additional five-day re-review period for the State.

SMI will work with BCSE to establish protocol for the deliverable acceptance process. SMI's Transition Team has extensive experience in developing and providing project deliverables like those identified in the RFQ.

The Transition Manager and members of the Transition Team will meet with BCSE staff to confirm the deliverable process and timeframes for each deliverable. The deliverables will be reviewed and approved first through SMI's Transition Team with the Transition Manager having final approval and then will be submitted to the Agency for review and approval. Through our status meetings and reports, the Agency will be familiar with each deliverable's progress throughout design and development making the review process easier and ensuring a smooth and timely final review.

Should the Agency require changes to a deliverable, SMI will work with BCSE to quickly correct any deficiencies and resubmit the revised deliverable within the five-business-day timeframe.

In addition to providing each deliverable by email or other format requested by the Agency, SMI will also maintain deliverables on the West Virginia SDU Project Management Portal to which



designated State staff will have access. The following figure provides an example from our maintenance of the transition deliverables on the Project Management Portal for the West Virginia SDU.

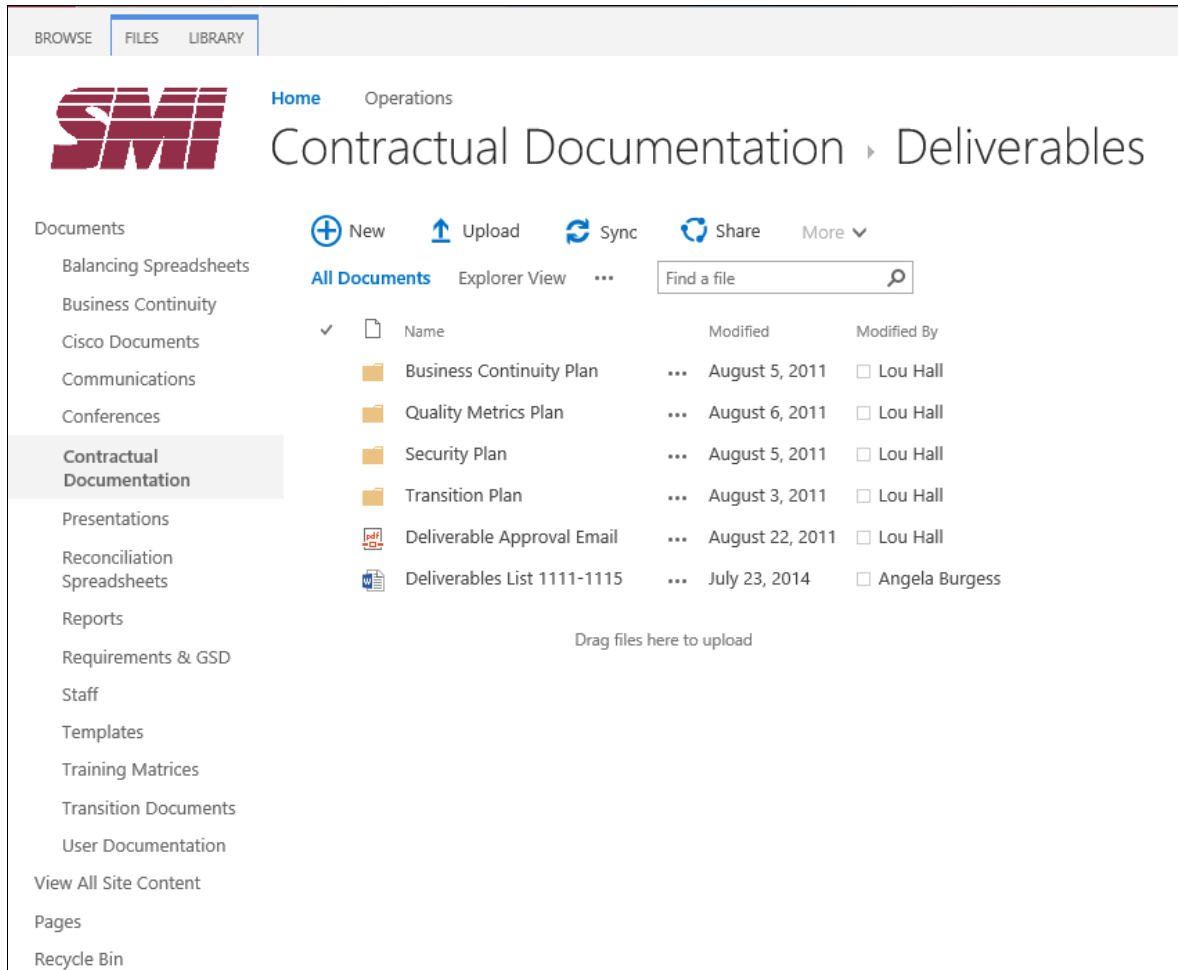


Figure 4-143: Deliverable Maintenance on Project Management Portal. SMI will also maintain deliverables on the West Virginia SDU Project Management Portal to which designated Agency personnel will have access.

The West Virginia site will include all approved deliverables as well as the draft history, any BCSE feedback/draft comments, and approval documentation. SMI will work diligently to prepare deliverables that meet all contract requirements.

#### 4.1.4.9 Disbursement Process:

#### 4.1.4.9 Disbursement Process

SMI has provided disbursement services for SDUs since 1999. During calendar year 2017, SMI was responsible for more than 32.9 million disbursement transactions totaling more than \$5.8 billion for SMI-operated SDUs. Our disbursement efforts began with issuance of paper checks and have



evolved over the years to include direct deposit, EFT/EDI, and debit card disbursements. Today, 96 percent of all disbursements we process in our SDU operations are electronic.

We have extensive experience with electronic and paper disbursements and a strong record of success in providing highly efficient and accurate disbursement services to child support payees.

We understand that there will always be a need for some paper disbursements, and we bring our experience in check production to meet this requirement. In addition to West Virginia, we issue paper check disbursements in Missouri, Connecticut, the District of Columbia, and Florida. We handle the mailing of State-written checks and all related follow-up for the Texas SDU.

---

4.1.4.9.1 Each business day, the Agency shall transmit to the Vendor data files containing information for payees to whom disbursements are to be effectuated. The Vendor's responsibilities will include:

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#### 4.1.4.9.1 Disbursement Data Files

For transmitting and receiving files with BCSE, SMI will use our **SMART File Management** system (powered by GoAnywhere™). This application utilizes file and database processing actions, managed through scheduled workflows. The system will respond to control-verification processes immediately and accept file transfers in support of SDU processing. File processing schedules will be set in accordance with the State's schedule and can also be adjusted for temporary schedule changes for holiday and special processing days as requested by the State.

**SMART File Management** tracks and manages all incoming and outgoing files and integrates the files into the **SMART Database**. This application is a highly customizable, secure, and reliable system capable of managing many file transfers through a single interface. File workflow is visualized and managed in the intuitive user interface of the **SMART File Management** application.

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4.1.4.9.2 Check stock: The Vendor shall maintain on hand sufficient supplies of checks to allow for the generation of checks for at least two months. Checks shall be used for those disbursements not made by ACH to a Debit Card, a direct deposit account, or out of state agency.

---

#### 4.1.4.9.2 Check Stock

Angela Burgess, SMI's West Virginia SDU Project Manager, has the lead responsibility for the check production process. SMI maintains a three-month supply of check stock to ensure we meet the requirement to have sufficient supplies for two months' worth of check generation. The blank check stock is securely stored in the SDU's safe. Authorized personnel retrieve enough stock each business day to print the required checks.

---

4.1.4.9.3 The Vendor shall be required to maintain a log of dates, time and check numbers provided to the Agency daily.

---

#### 4.1.4.9.3 Maintain Log of Dates, Time, and Check Numbers

SMI maintains a log of dates and check numbers from each day's check production activity and provides this daily to the Agency. The Checks Log includes the:

- Number of check disbursements and total dollar amount
- Beginning and ending check numbers for each day's production
- Number of checks pulled
- Number of checks mailed and postage for each category

A sample Checks Log is shown in the following figure.

Checks						West Virginia Bureau of Child Support Enforcement						
	Checks Printed				Checks Pulled	US Disbursements			Foreign Disbursements			Check Stock
	Date	Count	Amount	Beginning Check Number		Ending Check Number	Count	Rate	Amount	Count	Rate	
07/02/18	133	\$ 68,265.13	13,585,147	13,585,279	0	133	\$ 0.47	\$ 62.51	0	\$ 1.15	\$ 0.00	
07/03/18	176	\$ 39,509.89	13,585,280	13,585,455	1	170	\$ 0.47	\$ 79.90	5	\$ 1.15	\$ 5.75	
							\$ 0.47	\$ 0.00		\$ 1.15	\$ 0.00	
							\$ 0.47	\$ 0.00		\$ 1.15	\$ 0.00	
							\$ 0.47	\$ 0.00		\$ 1.15	\$ 0.00	
							\$ 0.47	\$ 0.00		\$ 1.15	\$ 0.00	
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							\$ 0.47	\$ 0.00		\$ 1.15	\$ 0.00	
							\$ 0.47	\$ 0.00				

Figure 4-144: West Virginia SDU Checks Log. This log serves as the log of dates and check numbers as required by the RFQ along with additional information about the check production process.

We will update the Checks Log to include the time as required by the RFQ. Angela or members of her staff will continue to complete the Checks Log and provide it to the Agency to meet this requirement and manage the check production process. All information about checks printed, pulled, sealed, and mailed is included in one log to provide documentation that the correct number of checks is issued each day.

#### 4.1.4.10 Receipt of Disbursement Information:

4.1.4.10.I The computer data files containing disbursement information to be used in printing child support checks, effectuating ACH disbursements, or uploading Debit Card information shall be



electronically transmitted to the Vendor by the Agency's computer center, Management Information Services (MIS), as follows:

4.1.4.10.1.1 The check files and debit card files shall be transmitted at 6:00 a.m.

4.1.4.10.1.2 The ACH files shall be transmitted at 6:00 p.m., unless the next day is a legal holiday, in which case the files will be transmitted at 5:00 p.m.

---

#### **4.1.4.10 Receipt of Disbursement Information**

SMI will continue to receive the check issuance and void files from BCSE each business day. In a new contract term, we will begin receiving the debit card enrollment file and the outgoing ACH disbursements file from the State also via Secure File Transfer Protocol (SFTP).

We understand the check and debit card enrollment files will be transmitted by 6:00 a.m. each business day.

We understand the outgoing ACH disbursements file will be transmitted by 6:00 p.m. or on days before a legal holiday, at an earlier time as specified by the State.

---

4.1.5 The Vendor shall maintain a log which records the date and time the disbursement data files were received from the Agency and the respective disbursement dates the data files represent.

---

#### **4.1.5 Log for Disbursement Data Files**

The Checks Log demonstrated in Section 4.1.4.9.3 will be used to meet this requirement for check issuance. It includes the date the check disbursement files were received and the date the files represent. We will update the log to include the time the disbursement files were received to meet this RFQ requirement.

Our system logs for our SFTP file transfers for debit card enrollment and ACH disbursements include the same information. We will develop a report with the required information and make it available to the Agency to meet this requirement.

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##### **4.1.5.1 Check Printing and Mailing:**

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#### **4.1.5.1 Checking Printing and Mailing**

SMI uses tried and true processes and experienced and qualified staff to print and mail disbursement checks for BCSE. Our technology and processes are clearly documented in our Processing Parameters Guide available to SDU staff and are outlined in the following sections.

---

4.1.5.1.1 Each day, the Vendor shall print all of the checks required as a result of the previous business day's OSCAR nightly account processing which appears on the daily OSCAR disbursement data file. These checks shall meet the definition of negotiability as set forth in West Virginia Code §46-3-104.

---



#### 4.1.5.1.1 Print All Required Checks

We have controls and processes in place to ensure that all checks required each day are actually printed. In addition, we review each file received to ensure that it is not a duplicate of a previously received file before processing. The checks we print for BCSE from the OSCAR disbursement data file meet the definition of negotiability as set forth in West Virginia Code §46-3-104. We will make any updates necessary due to changes in the code during the contract term. Our controls and processes are outlined in this section.

Each business day, we receive the check issuance and void file from the State by 6:00 a.m.

Once the file is downloaded, Angela prints the screen with the list of checks to be printed and total number of checks and dollar amount. By 8:00 a.m., BCSE emails the SDU to verify the day's number and total of checks. The Project Manager compares that information with the list, and if the number and totals match, she continues with the process. If they do not match, the Project Manager works with BCSE to resolve the discrepancy before proceeding.

SMI uses a printer with a MICR toner cartridge to print all necessary information, including routing, account, and check numbers, on blank check stock.

SMI uses the latest and most effective check stock security features available today. Blank security check stock is used to ensure our solution has the flexibility to easily incorporate the latest security features to protect against fraud. The following table describes our check security features.

Table 4-17: Check Security Features. This table describes security features of our check-printing process.

Feature	Security Impact
Blank Check Stock	Check information—including the heading, MICR line, payee, amount, check number, and account signer—is printed on blank check stock, removing any opportunity for pre-printed checks to be used fraudulently
Void Pantograph	The check background prominently displays VOID when a check is copied or imaged
Prismatic Printing	The background is printed in multiple colors; the different ink colors merge where they meet to form a blend of background colors
Coin Reactive Artificial Watermark on Backer	A watermark can be seen when the check is viewed at an angle; the mark cannot be copied or scanned
Warning Bands	Bands placed on the edges of the check describe the security features of the check
Microprinting	Very small text size is used to make accurate reproduction difficult; when a microprinted check is placed on a copier or scanner, the micro print



Feature	Security Impact
	appears to the copier/scanner as a dotted line, serving as an anti-counterfeiting measure
Padlock Icon Face and Back	The padlock icon indicates the use of two or more security features
Thermochromatic Ink	The check paper turns brown when bleach or other solvents are used on it in an attempt to wash the ink from its surface

These security features are essential in avoiding check fraud.

The Project Manager retrieves enough blank check stock from the safe to print the day's checks and loads the printer. She ensures that the printer is set to the correct check number, based on the prior day's log and prints the checks. The printed checks are then held awaiting the Agency's review and instructions for any checks that should be pulled.

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4.1.5.1.2 The Vendor shall hold the checks until 12:00 p.m. in order to allow the Agency time to review the disbursements file and, as may be necessary, request checks to be pulled and not disbursed.

---

#### 4.1.5.1.2 Hold Checks for Agency Review and Check Pull Request

Each business day, the SDU expects an email from the Agency by 12:00 p.m. with check pull instructions. The Agency sends the email even if there are no checks to be pulled. If the SDU has not received the email by noon, SDU staff calls the Agency to obtain instructions.

The Project Manager, assisted by one of the Operations Specialists, uses the list provided by the Agency to pull any checks as directed. To ensure the correct checks are pulled, the Operations Specialist verifies that each check pulled by the Project Manager is the correct one based on the Agency's list. When all required checks have been pulled, they are stored in the safe awaiting transfer to the Agency. To further track the check-pull process, SDU staff complete the Checks Pulled Log shown in the following figure.





Checks Pulled Log					
West Virginia Bureau of Child Support Enforcement					
General Information					
Date:					
Prepared By:					
Time E-mail Received:					
Checks Pulled					
Check Number	Check Amount	Payee Name	Pulled By	Verified By	Picked Up By

Figure 4-145: Checks Pulled Log. SDU staff completes this log daily to document the checks pulled and verified.

Check pull information is also documented on the Checks Log.

4.1.5.1.3 All checks printed each day shall be prepared for mailing and delivered by the vendor to the US Postal Service no later than 3 :00 p.m. that day. (The per check fee to be quoted by the prospective Vendors in their cost proposals must include the cost of postage, envelope and check.) The envelopes used for mailing shall clearly display the Agency's return address so that undeliverable checks will be returned to the Agency and not the Vendor.

#### 4.1.5.1.3 Checks Delivered for Mailing by 3:00 p.m. Same Day

The Project Manager next prepares the remaining checks for mailing to ensure they are delivered to the US Postal Service by 3:00 p.m. We understand that our per check fee must include the cost of postage, envelopes, and checks. We will continue to use the Agency's return address so that undeliverable checks will be returned to the Agency.

The Project Manager firsts uses the folder and sealer to prepare the checks. The equipment tri-folds and seals the checks printed on our heat-sealing check stock, which eliminates the need for envelopes. After folding and sealing, the Project Manager runs all checks through the postage meter, affixing proper postage to each item. She completes the Postage Meter Log to document the number of checks and the amount of postage required. Information from this log is also transferred to the Checks Log, providing one log to track the entire check printing process.

When checks are fully prepared for mailing, SDU staff deposits the checks in the United States Postal Service (USPS) box located in the SDU building by 3:00 p.m. for USPS pickup that same day. The Project Manager then generates the State Return File to the Agency and the Positive Pay File to J.P.Morgan.





4.1.5.1.4 The Vendor shall be required to include envelope stuffers with the disbursement checks as needed. Stuffers are defined as client notification information prepared by the Agency. These stuffers must be tri-folded letter sized.

#### **ADDENDUM No. 2**

Question 52: SECTION 4.1.5.1.4: Will the envelope stuffers be charged separately upon occurrence?

a. If not, will the State provide information on any historical stuffers, including frequency, volumes and other specifications that would be relevant to determining costs?

Answer 52: To this date we have not had an envelope stuffer to go out with disbursements nor do we anticipate such. Therefore this section will be removed from Specs.

a. N/A

#### **4.1.5.1.4 Envelope Stuffers Included with Disbursement Checks as Needed**

This requirement was removed per Addendum No. 2.

4.1.5.1.5 The Vendor shall provide the Agency with a monthly statement of all checks written, ACH transactions initiated, and Debit Card uploads from the collection/disbursement operations account on the first business day of the preceding month. The Agency prefers this statement be provided in secure electronic format. The Vendor shall return a file to the Agency containing the check number and check date for every disbursement record sent in the initial check file. Furthermore, the report shall be in a format that can be converted to a compact disc (CD) and the Vendor must provide the Agency with a minimum of three CD copies of this report. This report shall provide the following information and features:

#### **ADDENDUM No. 2**

Question 8: SECTION 4.1.1.12, 4.1.4.7.2, 4.1.5.1.5, 4.1.5.2.1.25, 4.1.5.2.4.2: Each of these sections requires a report for the prior month due on the first day of the "preceding" month. Should each instance of "preceding" be changed to "following"?

Answer 8: Yes, it should read the first day of the following month for the preceding month.

#### **4.1.5.1.5 Monthly Statement of Checks Written, ACH Transactions, and Debit Card Uploads**

The SMI team will continue to provide the Agency with bank account statements for each account each month for the preceding month, in the timeframe prescribed by the Agency. These reports provide a summary of credit, debit, and paid check activity for the statement period and balances at the start and end of the period. The statement also provides a detailed chronological listing of all credit and debit transactions. For each transaction, the entry provides the ledger and value dates, the dollar value of the transaction, and detailed transaction description. The statement also provides closing ledger balances. Bank statements are available electronically via online delivery or transmission.

J.P.Morgan's bank statements are available via secure internet delivery with Access Online. This provides the Agency with comprehensive reporting in a timely and efficient manner. The electronic



bank statements are identical to the paper statements mailed to clients and are available more quickly than mailed statements.

The bank statements include all transactions posted to the account including all checks paid by check number with paid amount. Online bank statements also include images of checks paid during the statement cycle. Correction entries made by the bank will be included on the statement, as well.

J.P.Morgan's online bank statements provide the Agency with the following benefits:

- Email alerts are sent to notify authorized Agency users when the account bank statements are available for download
- The Agency can print and view a statement as it would be presented in its original paper form
- The Agency can search for transactions by opening the statement, as well as clicking on the image icon next to the statement name to see an image of the front and back of the cancelled check
- The Agency can save and print the statement in PDF format, as well as export data to a Microsoft Excel spreadsheet or in CSV format

We will continue to provide electronic access to the bank statement. J.P.Morgan will also provide a CD/DVD of checks paid within the previous month. As an alternative, J.P.Morgan can provide the Agency an image transmission of check images.

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4.1.5.1.5.1 Shall show all returns and exceptions, including checks and ACH transactions. This shall include not only items that have been sent to the Agency for payment of court-ordered child support, but also outgoing child support payments which are returned to the Agency due to "no account," "closed account," etc.

---

#### **4.1.5.1.5.1 All Returns and Exceptions**

The monthly statement will show all returns and exceptions, including checks and ACH transactions. This will include not only items that have been sent to the Agency for payment of court-ordered child support, but also outgoing child support payments that are returned to the Agency due to "no account," "account closed," etc.

---

4.1.5.1.5.2 Shall show checks paid in descending order by check amount as well as showing checks paid in ascending order by check number;

---

#### **4.1.5.1.5.2 Checks Paid Shown in Descending Order by Check Amount and Ascending Order by Check Number**

The monthly statement will show checks paid in descending order by check amount, as well as checks paid in ascending order by check number.

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4.1.5.1.5.3 Shall show account balance;

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#### 4.1.5.1.5.3 Account Balance Shown

The monthly statement will show account balance and transaction detail.

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4.1.5.1.5.4 Shall contain a one-page account summary, including:

4.1.5.1.5.5 Opening ledger;

4.1.5.1.5.6 Credits;

4.1.5.1.5.7 Debits;

4.1.5.1.5.8 Closing ledger;

4.1.5.1.5.9 Total float;

4.1.5.1.5.10 Float adjustment;

4.1.5.1.5.11 Total monthly credits;

4.1.5.1.5.12 Total monthly debits;

4.1.5.1.5.13 Average debits and credits, both monthly and yearly to date;

4.1.5.1.5.14 Total ach credits;

4.1.5.1.5.15 Total ACH settlement debits;

4.1.5.1.5.16 Total checks paid; and

4.1.5.1.5.17 Total deposited items returned.

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#### 4.1.5.1.5.4 One-Page Account Summary

The monthly statement contains a one-page account summary, including all the data elements listed in RFQ Sections 4.1.5.1.5.5 through 4.1.5.1.5.17.

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4.1.5.1.6 Shall show opening ledger, closing ledger, closing available, one day float and 2+ days float.

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#### 4.1.5.1.6 Opening Ledger, Closing Ledger, Closing Available, and One-Day and 2+-Days Float

The monthly statement shows opening ledger, closing ledger, closing available, one-day float and 2+ days float.

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4.1.5.2 Debit Card:

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#### 4.1.5.2 Debit Card

SMI proposes its Platinum smiONE Card with EMV chip to provide debit card services for the State of West Virginia.

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4.1.5.2.1 Vendor's responsibility:

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#### 4.1.5.2.1 Vendor's Responsibility

We propose the Platinum smiONE Card to meet and exceed the State's child support debit card needs. The smiONE platform, including the management and corporate oversight, is the same platform that successfully provides debit card services to child support and other programs for seven States and seven tribes. In calendar year 2017, our smiONE Cards received 24.2 million deposits valued at \$3.9 billion and managed 118.2 million transactions totaling \$3.6 billion.

The smiONE Card platform includes our card partners:

- The Bancorp Bank, for card-issuing and depository banking
- Galileo Processing, Inc., for setting up accounts and processing all card transactions, including loads and expenditure settlement
- Arroweye Solutions, Inc., for card and collateral production and mailing
- Coleman & Associates, for monthly statement production and mailing

The following graphic illustrates the smiONE Card process flow, which is described throughout this section. Our process gets the smiONE Card into the hands of payees quickly and provides access to the funds on the effective date of the payment.

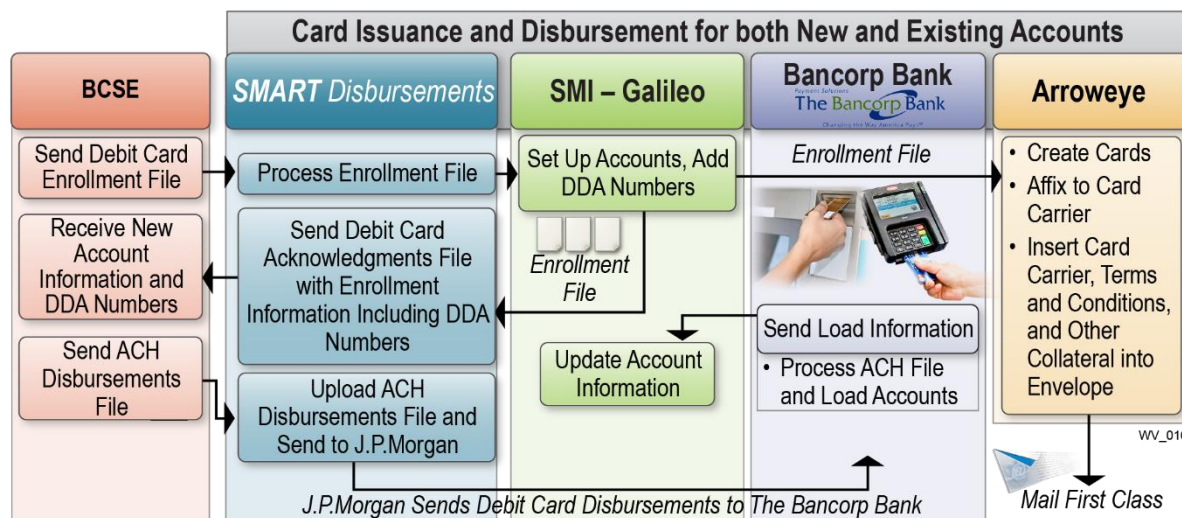


Figure 4-146: smiONE Card process flow. SMI's proven workflow allows for card issuance, Child Support Program deposits, successful ATM withdrawals, and purchases.

The smiONE Card provides the most up-to-date technology while ensuring cardholders' money is secure, accessible in millions of locations, and available wherever the Visa logo is displayed.

Transactions are authorized through the smiONE platform within seconds of the card being swiped or inserted. The authorizing engine ensures the card is valid, the PIN is correct for PIN-based transactions, and the funds are available for the purchase. The smiONE authorizing engine is designed to verify that the balance in the account is sufficient to cover the amount of the purchase or withdrawal including any fees or surcharges that apply. Any transaction that causes the account

to go negative will be declined. Cardholders can be notified via alerts within seconds of the transaction, including the amount of the expenditure and the balance remaining in their account. The authorizing engine process is shown in the following figure.

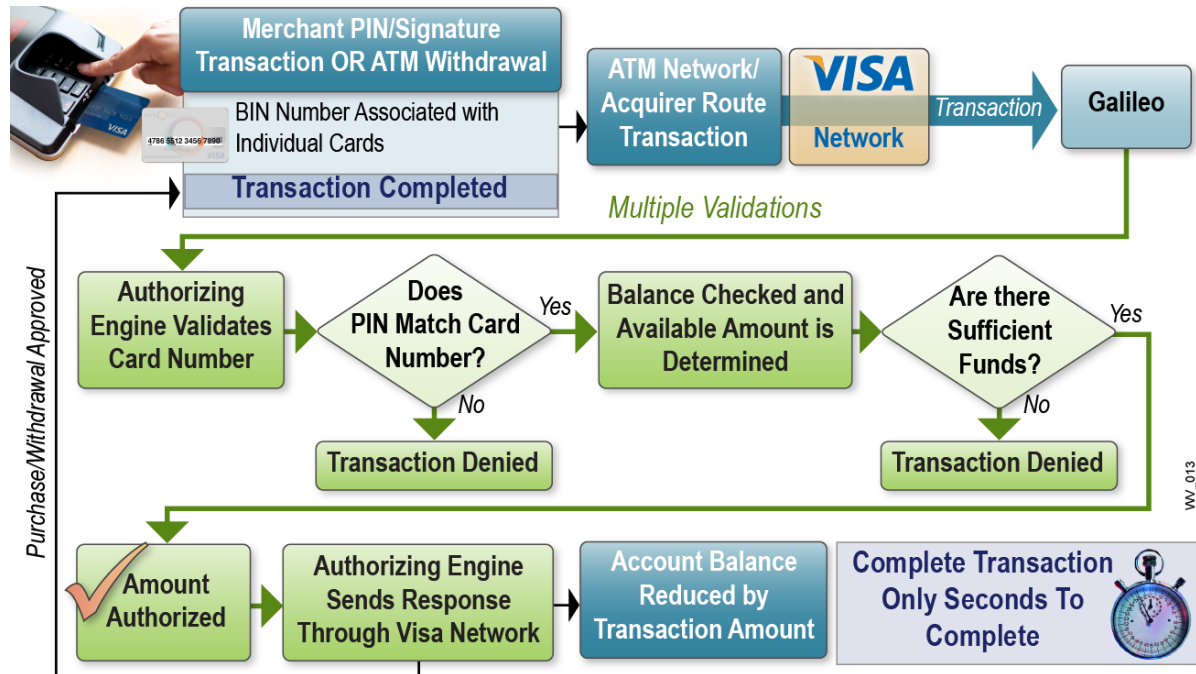


Figure 4-147: smiONE Card Authorizing Engine. Transactions including ATM and POS are authorized within seconds.

The entire authorizing engine process is completed start to finish within seconds, with most of that attributed to card insertion and PIN entry. Galileo's average transaction time for smiONE Card transactions is only 0.17 seconds, providing a virtually immediate response for West Virginia cardholders.

4.1.5.2.1.1 The Debit Card shall be a branded VISA or MasterCard, shall operate via the VISA or MasterCard network, shall be accepted by any participating merchant, and shall allow for pin based and signature based purchases.

#### 4.1.5.2.1.1 Branded Debit Card

SMI has partnered with Visa to provide our innovative debit card solution to West Virginia BCSE. The Visa-branded smiONE Card is accepted anywhere Visa is accepted. Visa is the world's largest retail payment network with 141 billion payments transacted per year valued at over \$6.3 trillion. With the Visa brand, cardholders have convenient access to their funds whenever and wherever they may be. Visa is the world's most recognized global financial services brand. Visa has more branded cards in circulation, more transactions, and a greater total volume than any other network.

The smiONE Visa-branded debit card allows cardholders to make ATM, PIN POS, and signature POS transactions via the Visa network. ATM and signature POS are allowed on the Visa Plus



network. The smiONE Card for the State will have two unaffiliated PIN debit networks, Visa Interlink and MasterCard's Maestro Network, offering cardholders the ability to make purchases wherever Visa and MasterCard PIN debit POS transactions are offered. Additionally, ATM transactions are accepted on the smiONE in-network Allpoint ATM network. By allowing transactions on the Visa-sponsored networks as well as other networks, the smiONE Card gives cardholders unlimited access to obtain cash and to make purchases.

4.1.5.2.1.2 The Debit Card shall be "Regulation E" compliant. The Agency is a government entity, and §205.15 of Regulation E applies.

#### 4.1.5.2.1.2 Regulation E Compliance

With the smiONE Card, SMI assumes all Regulation E responsibilities and understands that Section 205.15 of Regulation E applies. The Board of Governors of the Federal Reserve System provides the following description of Regulation E: Electronic Fund Transfers 12 Code of Federal Regulations 205, "Regulation E provides a basic framework that establishes the rights, liabilities, and responsibilities of participants in electronic fund transfer systems such as automated teller machine transfers, telephone bill-payment services, POS terminal transfers in stores, and preauthorized transfers from or to a consumer's account (such as direct deposit and social security payments). The term "electronic fund transfer" generally refers to a transaction initiated through an electronic terminal, telephone, computer, or magnetic tape that instructs a financial institution either to credit or to debit a consumer's asset account."

The smiONE Card offered by SMI and issued by The Bancorp Bank is in full compliance with all applicable State and federal rules, regulations, and guidelines for prepaid debit cards. This includes compliance with not only Federal Reserve Regulation E, but also Regulation P, the Gramm-Leach-Bliley Act for consumer privacy and protection. We fully meet the terms in Section 12, Federal Regulation 205 (12 CFR Part 205) issued by the Board of Governors of the Federal Reserve System pursuant to the Electronic Fund Transfer Act (15 U.S.C. § 1693 et seq.), more commonly referred to as Regulation E.

The Bancorp Bank is the issuing bank of the Visa-branded smiONE Card. The Bancorp Bank's role is to offer secure accounting for the cardholder accounts and ensure all banking regulations, including Regulation E, are met. As a leading debit card issuer in the network-branded prepaid card industry, Bancorp has contributed to the success of thousands of organizations by offering innovative solutions that enhance existing payment processes. The Bancorp Bank is one of the fastest-growing issuers of network-branded debit cards and is a top five prepaid issuer for both Visa and MasterCard.

Galileo Processing, Inc. is our payment processor for the smiONE Card. Galileo is responsible for all transaction processing by facilitating payment transactions through authorizations and denials. They also track and distribute funds in the cardholder accounts. Galileo processes over \$10 billion in transactions annually and maintains full compliance with Regulation E.





The smiONE Card is in full compliance with Regulation E, which addresses all EFT transactions and specifically deals with government-issued payments as outlined in the following table.

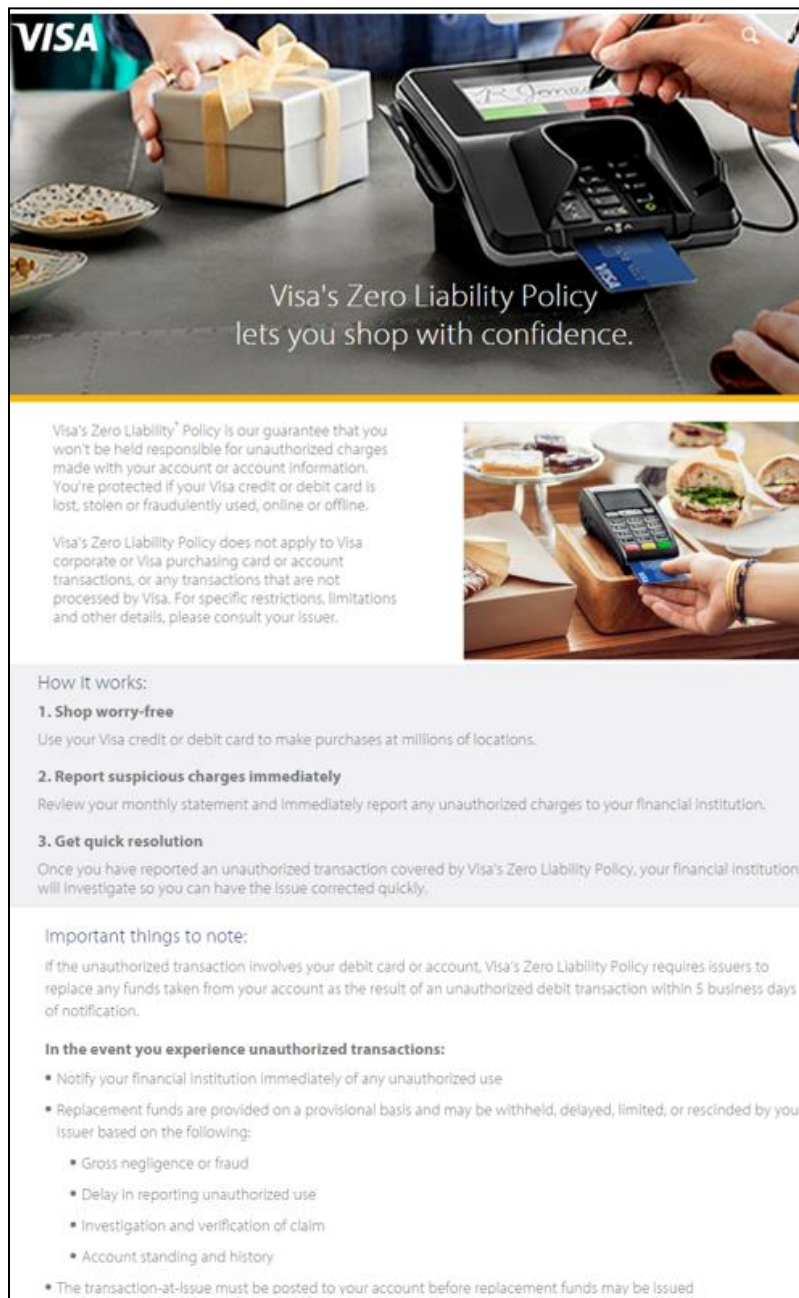
Table 4-18: Regulation E Requirements and SMI Compliance. The smiONE Card is fully compliant with all aspects of Regulation E.

Regulation E	smiONE Compliance
Issuance of Access Device	Cards issued to any customers referred for a card based on enrollments received from BCSE Identity verification required before card can be activated
Alternative to Periodic Statement	Electronic statements or monthly paper statements Multiple balance inquiry options: IVR, internet, Text Message, ATM Printed 60-day transaction history mailed upon request
Modified Requirements	Initial disclosures included with the smiONE Card – Information on how to obtain account balance including the toll-free number, customers' right to receive written account history, and error resolution process
Limitations on Liability	Zero Cardholder Liability for unauthorized signature transactions reported within 60 days
Error Resolution	Easy smiONE process for disputing a transaction Staff dedicated to resolving errors

With the smiONE Card, the State can be assured their child support debit card program will be operated in full compliance with all applicable State and federal rules, regulations, and guidelines for prepaid debit cards.

## Zero Liability

There are no fraud liabilities for the State, and with Visa as our partner, we can offer an enhanced layer of security for the State's cardholders. Visa's Zero Liability Policy protects cardholders against unauthorized use when purchases are made on the Visa network. Following is a description of Visa's Zero Liability Policy.



**VISA**

Visa's Zero Liability Policy lets you shop with confidence.

Visa's Zero Liability<sup>®</sup> Policy is our guarantee that you won't be held responsible for unauthorized charges made with your account or account information. You're protected if your Visa credit or debit card is lost, stolen or fraudulently used, online or offline.

Visa's Zero Liability Policy does not apply to Visa corporate or Visa purchasing card or account transactions, or any transactions that are not processed by Visa. For specific restrictions, limitations and other details, please consult your issuer.

**How it works:**

- 1. Shop worry-free**  
Use your Visa credit or debit card to make purchases at millions of locations.
- 2. Report suspicious charges immediately**  
Review your monthly statement and immediately report any unauthorized charges to your financial institution.
- 3. Get quick resolution**  
Once you have reported an unauthorized transaction covered by Visa's Zero Liability Policy, your financial institution will investigate so you can have the issue corrected quickly.

**Important things to note:**

If the unauthorized transaction involves your debit card or account, Visa's Zero Liability Policy requires issuers to replace any funds taken from your account as the result of an unauthorized debit transaction within 5 business days of notification.

**In the event you experience unauthorized transactions:**

- Notify your financial institution immediately of any unauthorized use
- Replacement funds are provided on a provisional basis and may be withheld, delayed, limited, or rescinded by your issuer based on the following:
  - Gross negligence or fraud
  - Delay in reporting unauthorized use
  - Investigation and verification of claim
  - Account standing and history
- The transaction-at-issue must be posted to your account before replacement funds may be issued

Figure 4-148: Visa's Zero Liability Policy. The Zero Liability Policy protects cardholders against fraud.

Zero Liability means customers are not held liable for signature POS transactions they did not make or authorize. In addition to Visa's Zero Liability policy concerning signature POS transactions, SMI provides further protections for fraudulent ATM and PIN POS transactions when the cardholder has taken reasonable steps to secure their card and PIN. Customers can dispute a transaction by calling smiONE customer service. Once a dispute is received, the call is referred to our Dispute Resolution Team to evaluate and investigate. We process provisional credits while disputes are being investigated when appropriate in compliance with Regulation E.





Our approach to fraud losses and risk-related compliance focuses on limiting the exposure to the client, cardholder, and issuing bank when fraudulent activity or a dispute occurs. This focus assures SMI rigorously complies with Regulation E requirements and timelines for dispute management, as well as Visa's protection policies, which are stricter than Regulation E.

SMI is responsible for the liabilities of fraud. We mitigate our liability through stringent and diligent fraud prevention and detection methods.

Our fraud complaint process complies with Regulation E and Visa requirements. The Dispute Resolution Team begins to research all claims of fraud upon receiving the cardholder's verbal or written request. The claim is recorded in the CST. The complaint record is updated as information is received. The cardholder is contacted and updated when new information is found.

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4.1.5.2.1.3 The Vendor shall assume all "Regulation E" responsibility for the Debit Card, including the providing of monthly statements by mail to cardholders. At the cardholder's option and agreement, secure electronic copies available on the website can be substituted for paper copies.

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#### 4.1.5.2.1.3 Monthly Statements by Mail to Cardholders

SMI assumes all "Regulation E" responsibility for the smiONE Card, including providing monthly statements by mail to cardholders. We will use our trusted partner, Coleman & Associates, to print and mail the monthly statements. Coleman & Associates has partnered with SMI for 15 years to provide printing services on behalf of our Missouri SDU, and we are confident in their abilities to provide this service for West Virginia cardholders.

Coleman & Associates adds tremendous value to the SMI team through the background and experience of its President, Ron Coleman, who worked two years as SMI's on-site Project Director and two years as manager of the Customer Service Center for the Missouri SDU. Coleman & Associates has been a dependable partner in ensuring the accurate and timely delivery of SDU documents since 2003 when SMI first contracted with Coleman & Associates to operate the check and billing statement/coupon disbursement components of the SDU. In 2006, when the Missouri SDU implemented debit card disbursements, Coleman & Associates added the monthly mailing of debit card statements to their duties to support Missouri's SDU operations.

Coleman & Associates uses advanced sorting software and high-speed equipment to produce and mail materials and will use the same equipment for the West Virginia debit card statements. They will configure their printing operation to meet the State's child support debit card statement needs, including their use of two Konica Minolta Bizhub Pro 951 digital printing presses with letter text setup and variable data programming, custom programming, and online proofing. Coleman's mail preparation system includes two Pitney Bowes DI900 Inserters, a Relay 7000 Inserter, a Konica Minolta C452 color printer for specialty printing when requested, and a DM 125 Mail Postage System. Their technology and processes for printing and bulk mailing jobs ensure the Agency receives secure, reliable, and low-cost debit card statement services each month.



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Coleman & Associates' measures to obtain the best postal rates available will include:

- Routing all addresses through the National Change of Address database
- Using Coding Accuracy Support System (CASS™) certification for validating and standardizing the mailing address
- Presorting
- Printing Intelligent Mail barcode (IMb) information in the address area of envelopes, conforming with USPS regulation for bar coding and mail automation
- Having on staff a dedicated manager for postal relations whose job is to stay up-to-date with postal regulations and USPS guidelines to assist with USPS compliance and minimizing costs
- Continually revising their procedures and equipment to take advantage of better postage rates

Coleman & Associates processes addresses through a CASS Certified™ ZIP + 4 system that ensures the quality of addresses for successful mail delivery. CASS certification also provides USPS presort discounts. Through the above-listed measures, Coleman & Associates obtains the best possible postage rates.

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4.1.5.2.1.4 The Vendor shall accept, at a minimum, the following data elements to establish a customer account:

4.1.5.2.1.4.1 First name

4.1.5.2.1.4.2 Last name

4.1.5.2.1.4.3 Address line 1

4.1.5.2.1.4.4 Address line 2

4.1.5.2.1.4.5 City

4.1.5.2.1.4.6 State

4.1.5.2.1.4.7 Zip code

4.1.5.2.1.4.8 Phone number (if known)

4.1.5.2.1.4.9 Social security number

4.1.5.2.1.4.10 Date of birth

4.1.5.2.1.4.11 OSCAR PIN number

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#### 4.1.5.2.1.4 Minimum Data Elements to Establish Customer Accounts

The smiONE platform will accept, at a minimum, the above-listed data elements required to establish smiONE Card accounts for West Virginia BCSE's customers.

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4.1.5.2.1.5 The Debit Card shall perform through an operating ATM network and allow for withdrawal of cash through a normal ATM transaction.

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#### 4.1.5.2.1.5 Operating ATM Network

The smiONE Card is a part of Visa’s unrivaled network that is supported by three state-of-the-art synchronized data centers on two continents and is linked by 1.2 million miles of fiber-optic line. This highly redundant architecture ensures Visa’s network is:

- **Fast**—On average, transactions are processed in less than a single second, providing merchants and financial institutions with immediate business-critical risk information, while offering a superior cardholder experience.
- **Secure**—The Visa network employs multiple defense layers to prevent breaches, combat fraud and render compromised card data unusable. These defense layers include data encryption, network intrusion detection, and neural network technologies.
- **Reliable**—Visa’s multiple redundant systems ensure nearly 100 percent network availability across all services from banks, to merchants, and ATMs.
- **Scalable**—Visa processes more than 66 billion transactions each year.

With the power of Visa behind it, the smiONE Card is available for use 24/7/365, allowing for the withdrawal of cash through a normal ATM transaction.

The smiONE Visa-branded card is widely accepted by merchant and service locations, banks, and ATMs throughout the State, nationally, and internationally. Using a Visa debit card ensures that the Agency’s child support customers have the greatest access to their funds whether they are in or outside the State. The Visa network provides millions of locations worldwide at which cardholders can access their funds to withdraw cash or to make purchases. Cash may also be obtained at any Visa member bank teller, at ATMs, and at merchant locations where “cash back” is offered when a purchase is made. The network is accessible to customers and the technology used is currently active and available throughout the State and beyond, as shown in the following table.

Table 4-19: smiONE Card Network Accessibility. The smiONE Card, powered by Visa, is accessible in many locations throughout West Virginia, nationally, and internationally.

Visa Network Access in West Virginia and Beyond			
Location	Number of ATMs	Number of Banks or Credit Unions	Number of Merchants
West Virginia	5,000	690	62,000
United States	633,000	93,000	24,000,000
Worldwide	2,600,000	94,000	102,000,000

With the smiONE Card, the Agency can be assured that the network and technology are accessible, active, and available throughout the State.

West Virginia smiONE cardholders will continue to have access to more than 260 surcharge-free Allpoint ATM locations throughout the State. The Allpoint network is available 24/7/365 in many locations in and around West Virginia, as shown in the following figure.

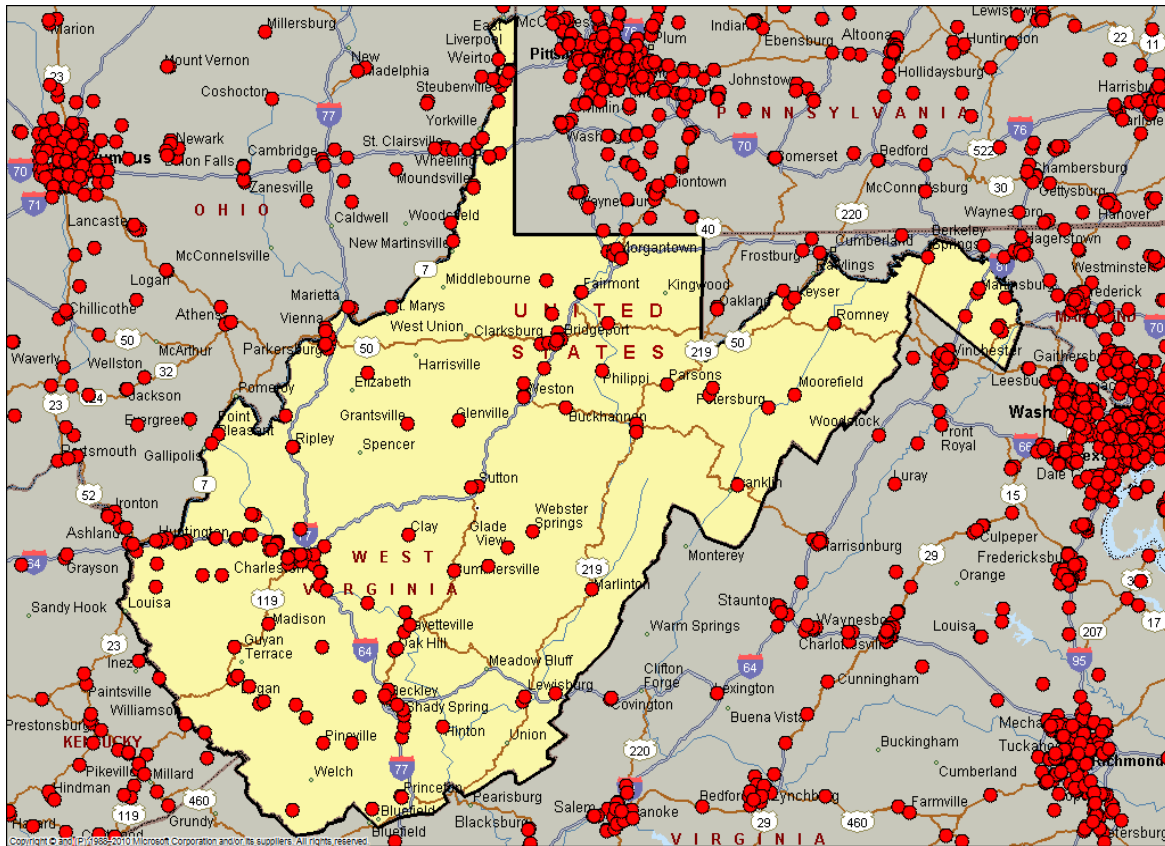


Figure 4-149: Allpoint Surcharge-Free ATM Network. Allpoint offers more than 260 ATMs for surcharge-free access in West Virginia.

Allpoint is the smiONE Card in-network ATM network providing surcharge-free ATM access throughout West Virginia. ATM locations are searchable online through the smiONE website and mobile app. The smiONE cardholder receives free Allpoint ATM withdrawals, as provided in the fee schedule, and there is never an out-of-network surcharge when using an Allpoint ATM.

4.1.5.2.1.6 The card shall operate as a Debit Card and have no line of credit associated with it.

#### 4.1.5.2.1.6 Debit Card with No Line of Credit

The smiONE Card operates as a reloadable Visa debit card. The smiONE Card has no line of credit. Although no credit line is associated with the card, there are some merchants who do not accept PIN transactions but do accept signature POS transactions. Often these are called “credit” transactions because of the way Visa processes these payments. However, these transactions are compared to the dollar balance in the card account and not based on a credit limit amount. The transactions are approved only if there is a balance in the card account that covers the transaction amount.

4.1.5.2.1.7 The Vendor shall provide and issue the initial cards to the customers at no cost to the Agency.

#### 4.1.5.2.1.7 Initial Cards Provided at No Cost to Agency

SMI will provide and issue initial cards to West Virginia's customers at no cost to the Agency or the customer.

4.1.5.2.1.8 The Vendor shall issue a Debit Card to the customer within 15 working days after receipt of the account set-up information from the Agency.

#### 4.1.5.2.1.8 Debit Card Issuance within 15 Working Days

New smiONE Cards will be issued to West Virginia payees within two business days of the receipt of the account set-up on the debit card enrollment file. The following figure shows our proposed card production process and timing.

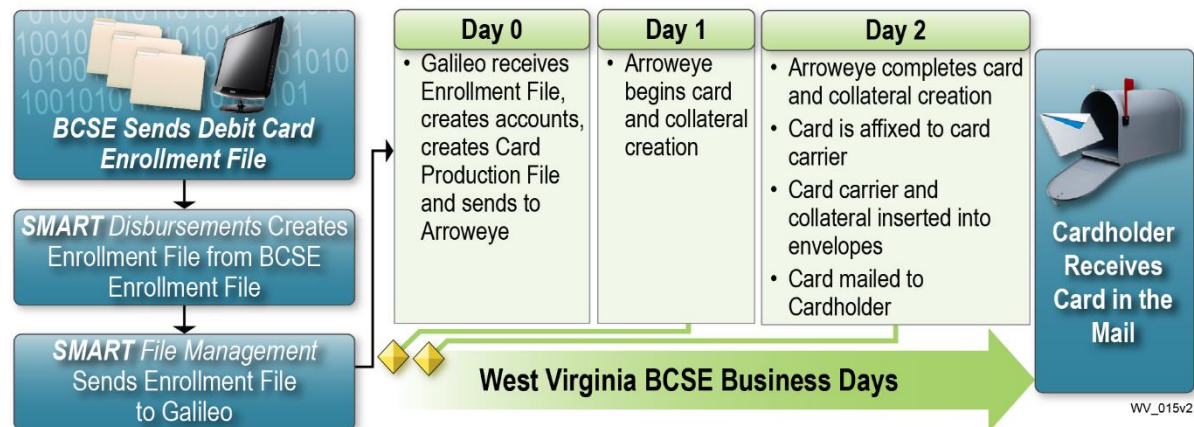


Figure 4-150: smiONE Card Issuance and Timing. SMI's proposed process will ensure that cards are in the mail to West Virginia payees within two business days of the receipt of the request on the debit card enrollment/demographic file.

Cards will be mailed to the payees within two business days following receipt of the request on the debit card enrollment file exceeding the 15-working days RFQ requirement. On the day we receive the enrollment file from the State, SMI will:

- Import the file into the **SMART Disbursements** application
- Edit the data
- Extract the necessary information to construct an enrollment file
- Transmit the enrollment file to Galileo in the standard smiONE format used to initiate the card issuance process and to open an FDIC account insured up to \$250,000 or the limit set by the government

Once the account is created, Galileo will add the account information to the file for submission to The Bancorp Bank and Arroweye. Arroweye will create the personalized card and package it with the appropriate collateral for shipment. Cards will be produced with the approved card design and branded with the Visa logo. The smiONE Visa-branded high-quality magnetic stripe and EMV chip card will meet the specifications and branding requirements of The Bancorp Bank, our issuing bank,



Visa, and the State. The smiONE Card is fully compliant with all federal laws and regulations. SMI meets or exceeds industry standards regarding card quality and security.

The card's face will include the cardholder's name, card number, and expiration date. An activation sticker will be affixed to the face of the card explaining how to activate and PIN the card by calling the toll-free activation number or by accessing the smiONE website. The back of the card will include the toll-free number for access to the IVR and our dedicated smiONE Card Customer Service Center.

The card will be securely affixed to a paper card carrier that is inserted in the envelope for mailing to the cardholder. The card carrier and other materials will contain important information including:

- Card activation instructions
- The toll-free activation telephone number
- The smiONE Card website address
- Explanation of fees associated with using the card, including how to avoid fees
- Fee-free and surcharge-free ATM network
- Information about where the card may be used

The SMI process results in card creation and mailing within two business days after the debit card enrollment file is received from the State.

## Card Production and Distribution

For West Virginia's smiONE Card, we are pleased to offer production in Arroweye's newest production facility located in Louisville, Kentucky. Arroweye facilities are International Organization for Standardization (ISO) Certified and PCI-compliant, including chip embedding and personalization. The Kentucky facility will carry the same card production capabilities and capacity as the Nevada facility that provides card production and distribution for the Florida and Texas smiONE Cards. The Florida and Texas smiONE programs have a combined 845,000 cards in production, showing Arroweye's capacity to meet West Virginia's card production needs.

Arroweye is a leading, single-source provider of innovative card marketing and production solutions for the payment card industry. The company's digital on-demand technology creates a more efficient and cost-effective model for card marketers and issuers, giving them a highly customizable solution to increase their program's speed to market and adoption rates.

Founded in 1999, Arroweye offers the first fully digital card solution approved by Visa, MasterCard, American Express, and Discover, and partners with some of the largest prepaid, credit/debit card programs in the financial and card services industries.

On top of cutting-edge proprietary digital on-demand technology, Arroweye looks to world leaders for its processing equipment for card manufacturing, personalization, and fulfillment. For example,





in printing, Arroweye uses products from world renowned and digital print leaders HP Indigo and Konica Minolta. For card manufacturing including EMV module embedding and programming, Arroweye uses proven industry solution providers such as Spartanics and Muhlbauer. For high-volume matching, affixing and insertion, Arroweye's equipment is provided by Kern and Bell and Howell. These world-class companies combined with Arroweye's cutting-edge bar code matching technology ensure the best quality product is produced and accurately matched and inserted into the right mail piece every time. Arroweye has the capacity to manufacture up to 750,000 cards per day in each of its card production facilities, located in Louisville, Kentucky and Henderson, Nevada.

Arroweye's manufacturing, personalization, and fulfillment process steps have hundreds of automated and human quality control points. When combined with strict quality assurance oversight by Arroweye's Quality Assurance department, stable and repeatable processes are utilized at all times. Upon receiving the account information file from Galileo, Arroweye will begin creating cards and collateral. Cards will be produced with the approved card design and branded with the Visa logo.

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4.1.5.2.1.9 The day after receiving the enrollment file from the Agency, the Vendor shall notify the Agency that the account is ready to accept deposits and provide the Agency with the account number.

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#### **4.1.5.2.1.9 Notification of Deposit Readiness and Account Number**

The smiONE platform will send daily response data files the same day a debit card enrollment file is received. The response file will include information on all cards issued including the associated account numbers. The response file will be the smiONE indication that the account is ready to accept deposits from BCSE.

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4.1.5.2.1.10 The Vendor shall be responsible for the issuance of replacement Debit Cards to the cardholders. The Vendor shall issue one free replacement Debit Card per cardholder per year. Thereafter, each cardholder will be responsible for paying the cost of any subsequent replacement cards.

---

#### **4.1.5.2.1.10 Replacement Debit Cards**

If the initial card issued to the cardholder is reported as lost, stolen, or damaged, SMI will provide a replacement card on the next day's card production file. Since a unique account number is created for each enrolled cardholder, funds are deposited to the account and not to the card. Therefore, when a cardholder reports a card as lost or stolen, a new card will be issued, and the account funds will not be affected. When funds are deposited to the account rather than the card, a lost or stolen card does not affect future funding.

SMI understands cardholders need to have access to customer service related to their card account during both traditional and non-traditional business hours. Cardholders will be able to report lost, stolen, or damaged cards 24/7/365 by calling the toll-free IVR and selecting the option to report a lost/stolen card or request a replacement card. Cardholders can also report lost or stolen cards



through the smiONE cardholder website or mobile app. Once reported through the IVR, website, or mobile app, the card status will be deactivated so that the card cannot be used, and Galileo's system will generate a new card number and associate it with the same account. Since the account remains the same, the funds do not have to be transferred, and cardholders continue to have access to the transaction history. The new card number is submitted on the next business day's card fulfillment file and sent to the card fulfillment center for card and collateral production.

The first replacement is made without cost to the State or the cardholder. The cardholder is responsible for a fee for any subsequent replacement requests in the same calendar year. If the cardholder is subject to a fee to obtain the replacement card, SMI will replace the card without regard to whether there is a sufficient balance on the card account to cover any fee. We do not wait to issue a replacement card until the cardholder has funds available to pay any replacement card fee.

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4.1.5.2.1.11 The network shall be accessible to customers and the technology used shall be currently active and available throughout the state.

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#### **4.1.5.2.1.11 Network Accessible throughout the State**

The smiONE website we propose for West Virginia is a fully functioning website that will have design and usability specific to the State's debit cardholders. The website, described in Section 4.1.1.11, works with any internet browser. The mobile app works with iPhones and Android phones. The website and mobile app technology is currently in use for our Florida and Texas smiONE Card programs.

We make sure our website and mobile app meet accessibility standards by generally following the principles of the Web Content Accessibility Guidelines 2.0 Level AA.

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4.1.5.2.1.12 Due to the anticipated volume, there shall be an automated procedure for an electronically secure data connection to accept customer account information on a daily basis (i.e., new accounts, updates), requiring no manual entry of data by the Agency.

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#### **4.1.5.2.1.12 Automated Procedure with No Manual Data Entry by Agency**

SMI will have a secure data connection to electronically accept customer account information daily. Enrolling payees in the smiONE Card program is easy, as it is completed through an automated batch file process. SMI will extract the card enrollment information from the daily file received from the Agency and create an enrollment file for submission to the smiONE platform. SMI will also update our platform with demographic updates from the Agency. No manual data entry will be required by the Agency.

---

4.1.5.2.1.13 Funding transactions from the Agency to the financial institution shall be made according to the National Automated Clearing House Association (NACHA) approved Cash Concentration of Disbursement accompanied by one addenda record (CCD+) format for child support transactions.

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#### 4.1.5.2.1.13 NACHA Approved CCD+ Funding Transactions

The smiONE platform is capable of processing files in all NACHA formats including the CCD+ format. In calendar year 2017, our smiONE Cards received 24.2 million deposits valued at \$3.9 billion.

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4.1.5.2.1.14 Funds shall be processed and credited to the customer's account so that they are available by close of business on the day the funds settle to the financial institution.

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#### 4.1.5.2.1.14 Funds Credited to Customer Accounts on Business Day of Settlement

Funds will be available to West Virginia cardholders the morning the funds settle to The Bancorp Bank, well in advance of the requirement to be available by close of business on that day.

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4.1.5.2.1.15 The Vendor shall allow the Agency to have the ability to see card balances in order to determine if reversal can be initiated.

#### ADDENDUM No. 2

Question 20: SECTION 4.1.5.2.1.15: Consumer privacy laws prohibit the ability to share account balance, or transaction information, with anyone other than the card holder once the initial card associated with the account has been activated. Would the Agency accept alternative options for validating the availability of funds for "active" accounts prior to initiating a reversal?

Answer 20: This section will be removed from specs.

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#### 4.1.5.2.1.15 Agency Ability to See Card Balances

This requirement has been removed per Addendum No. 2.

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4.1.5.2.1.16 The Vendor shall allow the Agency to initiate, if necessary, reversals for any customer entries made in error to the account, per NACHA regulations.

---

#### 4.1.5.2.1.16 Agency to Initiate Reversals per NACHA Regulations

SMI will allow the Agency to initiate reversals for any customer entries made in error to the account, per NACHA regulations.

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4.1.5.2.1.17 The Vendor shall be Federal Deposit Insurance Corporation (FDIC), Federal Savings and Loan Insurance Corporation (FSLIC), affiliated with a VISA or MasterCard system, and EFT capable, using NACHA regulations.

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#### 4.1.5.2.1.17 FDIC/FSLIC Insured, Affiliated with Visa or MasterCard, and EFT Capable

Each smiONE Card issued to a cardholder enrolled in the West Virginia program will be backed by an individual account ensuring that funds deposited to the card account receive full FDIC insurance, currently up to \$250,000 for each account. The Bancorp Bank has been FDIC insured since July 28,



2000, under certificate number 35444. Following is verification of Bancorp's active FDIC status from the FDIC website.

**FDIC** Federal Deposit Insurance Corporation  
Each depositor insured to at least \$250,000 per insured bank

FDIC.gov > Industry Analysis > Bank Data & Statistics > Banks > BankFind > Bank Information

**The Bancorp Bank (FDIC # 35444)**  
**Active** Insured Since July 28, 2000  
Data as of: May 9, 2018

The Bancorp Bank is an active bank

<b>FDIC Certificate#:</b>	35444	<b>Established:</b>	July 28, 2000	<b>Corporate Website:</b>	<a href="http://www.thebancorp.com">http://www.thebancorp.com</a>
<b>Headquarters:</b>	409 Silverside Road Wilmington, DE 19809 New Castle County	<b>Insured:</b>	July 28, 2000	<b>Consumer Assistance:</b>	<a href="https://www5.fdic.gov/starsmail/index.asp">https://www5.fdic.gov/starsmail/index.asp</a>
<b>Locations:</b>	1 domestic in 1 states, 0 in territories, and 0 in foreign locations	<b>Bank Charter Class:</b>	Non-member of the Federal Reserve System	<b>Contact the FDIC about:</b>	The Bancorp Bank
		<b>Primary Federal Regulator:</b>	Federal Deposit Insurance Corporation		
		<b>Secondary Federal Regulator:</b>	N/A		

Figure 4-151: The Bancorp Bank's FDIC Certification. The Bancorp Bank is currently certified by the FDIC under certificate number 35444 and has been since July 28, 2000.

As detailed previously, the smiONE Card is affiliated with Visa and accepted anywhere Visa is accepted.

The Bancorp Bank is listed in NACHA's 2017 Top 50 Originators and Top 50 Receivers for EFT transactions. Bancorp ranked number 37 on the list of receivers and 25 on the list of originators. Bancorp has more than 75 million cards in U.S. distribution with a combined annual processing volume of \$232 billion. Bancorp is very capable of handling West Virginia's EFT requirements for our smiONE Cards.

During 2017, SMI processed more than 46.5 million electronic payment transactions through EFT. During this same period, we issued 31.8 million electronic disbursements through EFT. We offer a nationwide network of child support electronic payment subject matter experts. We follow and stay current with the rules NACHA publishes each January, including those encompassed by the Bankers EDI Council standards. As an affiliate member of the network, we are asked to participate in new rules discussion and feedback, allowing us to anticipate changes and do planning with the State, when appropriate. We are also active in the EFTA, the nation's leading inter-industry professional association promoting the adoption of electronic payment systems and commerce.

4.1.5.2.1.18 The Vendor shall not deny any eligible customer referred by the agency for participation in the debit card program.



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#### **4.1.5.2.1.18 Eligible Agency Referrals Not Denied Participation**

SMI will not deny any eligible customer referred by the Agency for participation in the debit card program. Federal law prohibits participation for certain individuals. If an enrollee lives in a country on the Office of Foreign Assets Control (OFAC) list or is blocked by the Financial Crimes Enforcement Network (FinCEN), a card will not be issued. If an enrollee is denied for either of these reasons, SMI will immediately notify the Agency.

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4.1.5.2.1.19 The cardholder may not make deposits or add value to the card.

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#### **4.1.5.2.1.19 Cardholder May Not Make Deposits or Add Value to Card**

Deposits from any source other than the BCSE or an authorized agency will not be allowed. However, refunds from merchants are permitted for point-of-sale transactions. Cardholders will not have access to the depositing card account number, which means they will not have the information needed to make a deposit or add value to the card.

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4.1.5.2.1.20 The cardholder will not be able to obtain checks or negotiate checks against the card or the underlying account.

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#### **4.1.5.2.1.20 Cardholder Not to Obtain or Negotiate Checks Against Card or Account**

The smiONE Card does not allow cardholders to obtain checks to use against the card or underlying account. If approved by the State, we do offer a Bill Pay option for cardholders, which initiates electronic payments or checks from the cardholder's account to pay bills.

---

4.1.5.2.1.21 The Vendor shall provide the cardholders with the instructional material associated with the card at no cost to the Agency.

---

#### **4.1.5.2.1.21 Cardholder Instructional Material Provided at No Cost to Agency**

A critical component of any debit card marketing campaign is the materials that accompany the actual card. SMI will prepare and finalize all informational and instructional materials, including new card distribution materials. We will provide all draft materials and present them to BCSE for review and final approval prior to production. The instructional material associated with the card will be provided at no cost to the Agency.

Cardholders will receive a welcome packet with their new smiONE Card. The welcome packet includes the informational card carrier and the Cardholder Agreement, which contains the fee schedule detailing all costs to which cardholders may be subject when using their cards. The welcome packet is written in easy-to-understand language and provides information on how to activate the card, contact customer service, and use the card.

Our card collateral is written in a manner that effectively informs cardholders about the benefits of the card and how to use the card. The materials will explain the program, including how to contact



the Customer Service Center for account information and assistance, and how to access account information through the website. The card carrier and other materials mailed with the card will include information on:

- Using the card for Signature and PIN POS
- Using the card at an ATM
- Contacting Customer Service for activation and PIN selection
- Contacting Customer Service for a lost, stolen, or damaged card or to ask questions
- The fee schedule

These materials will be tailored to West Virginia's smiONE program requirements. To follow we provide sample materials like those we will provide for the West Virginia smiONE Card.



Figure 4-152: smiONE Sample Card Collateral. The card collateral will include the card carrier, terms, Regulation E compliance, and other informational material.

Following BCSE and Bancorp approval, we will mail these materials with the card. Consistent and clear messages, accessible outreach materials, timely and relevant information, an experienced team, and a commitment to a positive working relationship with West Virginia are truly the fundamentals for a successful transition. These fundamentals will enable SMI to deliver on requirements for West Virginia's debit card transition.

4.1.5.2.1.22 The Vendor shall notify customers fourteen days in advance of changes in policy that affect them and/or their accounts at no cost to the Agency as soon as the Vendor is aware of the pending changes.



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#### **4.1.5.2.1.22 Cardholder Advance Notification of Changes in Policy at No Cost to Agency**

The Cardholder Agreement, including the card Terms and Conditions, specifies that amended or changed information will be posted to the [www.smionecard.com](http://www.smionecard.com) website prior to the effective date of the change. In accordance with the requirements of The Bancorp Bank and in compliance with Regulation E, we will provide cardholders with written notice of any changes affecting them at least 30 days prior to the change. Both forms of notice will be at no cost to the Agency.

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4.1.5.2.1.23 The Vendor shall notify the Agency fourteen days in advance of any changes effecting cardholders at no cost to the agency as soon as the Vendor is aware of the pending changes.

---

#### **4.1.5.2.1.23 Agency Advance Notification of Changes in Policy at No Cost to Agency**

We will provide written notice to advise the State 30 days in advance of any changes in policy that will affect cardholder accounts at no cost to the Agency.

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4.1.5.2.1.24 The Vendor shall treat any cardholder of the Agency's Debit Card as it would any cardholder of a non-agency card. This will include all services provided to all cardholders of the financial institution's Debit Card that are not in conflict with any of the above listed guidelines.

---

#### **4.1.5.2.1.24 Vendor Treatment of Cardholders**

Our superior customer service is what sets the smiONE Card program apart from other debit card programs. The smiONE Card currently has 1.85 million cards in service, and more than 99 percent of our cardholders are child support customers. The Agency can expect its customers to be treated with this same superior customer service. We will provide West Virginia cardholders with all SMI's debit card services that do not conflict with the Agency's guidelines. Fees for West Virginia smiONE cardholders will be comparable to fees for our other child support card programs.

---

4.1.5.2.1.25 The Vendor shall provide, at a minimum, monthly status reports during the transition, testing, and implementation phases of the project. the report will contain, at a minimum, the following items on the first business day of the preceding month:

4.1.5.2.2 Tasks that were completed that month;

4.1.5.2.3 Tasks to be completed the following month; and

4.1.5.2.4 Outstanding issues that need to be resolved.

#### **ADDENDUM No. 2**

Question 8: SECTION 4.1.1.12, 4.1.4.7.2, 4.1.5.1.5, 4.1.5.2.1.25, 4.1.5.2.4.2: Each of these sections requires a report for the prior month due on the first day of the "preceding" month. Should each instance of "preceding" be changed to "following"?

Answer 8: Yes, it should read the first day of the following month for the preceding month.

---



#### 4.1.5.2.1.25 Status Reports

Within two weeks after the effective date of the contract, Jackie Scharping will begin providing weekly progress/status reports to the Agency, exceeding the requirement for monthly reports. The reports will include, but not be limited to, tasks that were completed, tasks to be completed, outstanding issues that need to be resolved, failure payment file transmissions, sending of duplicate payment files, natural disasters which affect payment processing, progress and/or obstacles to procedural development, current staffing levels and the status on the hiring process, any problems or backlogs encountered, planned activities during the next reporting period, meetings held, and any other information deemed to be relevant by the Agency or the Vendor. The following figure shows a Status Report during our Texas transition and provides an indication of the type of information we provide in our status reporting.



Figure 4-153: Progress Reports. SMI's progress reporting provides a comprehensive picture of the project status.

Jackie will be available to discuss any concerns that may arise from the information relayed in the report.

SMI will also use an Action Item Log to track issues, due dates, and problems needing to be addressed internally and between SMI and the Agency. The log contains a description of each action item, the individual to whom primary responsibility is assigned, an agreed upon date for resolution, and the progress and resolution of the action item.





Action Item Log						
Item	Action Item	Priority	Responsible Party	Due Date	Date Closed	Comments / Resolution
20160216 100	SMI will provide customer service scripts and training documents.		Jason Brown	08/09/16		4/4: Jason requested this task be bump back to July 1. That will put it closer to the time that the user documentation is due, and will allow time for us to prepare the training documents that the DOR indicated that they want to see: CSE & SDU Fundamentals, Security & Confidentiality, and Customer Service Fundamentals. We will also provide the opening (greeting) and closing "scripts" at that time. 6/22: This date will be in line with procedures, 8/9 08/03: updating to clarify web documentation provided to CSRs for training will also be provided to DOR per the web site demo on 08/03
						Status

Figure 4-154: Sample Action Item Log. The Action Item Log will be used to manage and track open action items.

Updates to the Action Item Log will be shared weekly with the Agency or as otherwise requested by BCSE.

4.1.5.3 Due to the numbering scheme currently in use, new cards and new numbers may have to be issued to existing BCSE debit card customers, at the Vendor's expense.

#### 4.1.5.3 New Cards and Numbers Issued to Existing BCSE Debit Card Customers

At our expense, SMI intends to issue new smiONE Cards with new numbers to West Virginia's existing BCSE debit card customers.

##### 4.1.5.2.2 The State's Responsibilities:

4.1.5.2.2.1 The Agency shall initially refer to only those customers that had four or more distributions during the preceding 12 month period

4.1.5.2.2.2 Thereafter, the Agency shall only refer new customers when any of the following occur:

4.1.5.2.2.3 The customer's case with the Agency changes from an establishment case to an enforcement case;

4.1.5.2.2.4 The customer opens a new case with the Agency as an enforcement case;

4.1.5.2.2.5 The customer has a distribution in a case which does not already have a Debit Card or

4.1.5.2.2.6 The customer must be refunded overpaid support.

#### ADDENDUM No. 2

Question 21: SECTION 4.15.2.2: There are two 4.1.5.2.2 subparagraphs. Please confirm that this paragraph numbering is correct.

Answer 21: It is incorrect. The second one should read 4.1.5.3.2.

#### 4.1.5.3.2 The State's Responsibilities

SMI understands the State's responsibilities as outlined in the RFQ.

We understand the Agency will initially refer for smiONE Cards those customers that had four or more distributions during the preceding 12-month period.



We understand the Agency will refer new customers for smiONE Cards when any of the following occur:

- The customer's case with the Agency changes from an establishment case to an enforcement case
- The customer opens a new case with the Agency as an enforcement case
- The customer has a distribution in a case which does not already have a Debit Card
- The customer must be refunded overpaid support

SMI will be ready to accept the Agency's ongoing referrals and issue new smiONE Cards well within the timeframes required. We will be prepared to issue cards not only for the disbursement of child support but to customers due a refund for support they have overpaid.

---

4.1.5.2.2.7 The Agency will continue to provide its customers with both a 24/7 Interactive Voice Response System and an internet site which will allow customers to access case payment and other child support information. Through those systems, the parent can find the date the payment applied to his/her case(s).

---

#### **4.1.5.2.2.7 Agency's IVR and Internet Site**

We understand the Agency will provide its customers with a 24/7 IVR and internet site to access child support information. We will make sure the smiONE Customer Service Center staff are familiar with the Agency-provided IVR and internet site so appropriate referrals may be made.

---

#### **4.1.5.2.3 Required Scope of Work for Debit Cards:**

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#### **4.1.5.2.3 Required Scope of Work for Debit Cards**

SMI proudly proposes our Platinum smiONE Card to meet West Virginia's BCSE debit card needs.

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#### **4.1.5.2.3.1 The Vendor shall allow the Agency to provide a name for the Debit Card.**

---

#### **4.1.5.2.3.1 Agency Allowed to Provide Name for Debit Card**

While we propose the Platinum smiONE Card for West Virginia BCSE customers, we understand and agree that the Agency may provide a different name for the card, if desired.

---

#### **4.1.5.2.3.2 The Vendor shall allow the Agency to choose a graphic for Debit Card from the graphics available through the partner financial institution.**

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#### **4.1.5.2.3.2 Agency Allowed to Choose Debit Card Graphic**

An important aspect in the smiONE Card implementation includes card plastic design. SMI employs a professional graphic arts company to design and create our card artwork. Our designers create modern and appealing designs that anyone would be proud to carry. These non-traditional options help cardholders avoid the public perception and resulting stigma sometimes associated with being





a recipient of government services. Additionally, with Arroweye as our card producer, we can move from design to implementation much more quickly than with other card producers. Arroweye's just-in-time approach supports the smiONE Card's speed to market for our debit card products.

The following is the card design currently in use in our Texas program. We recommend using this same design for West Virginia child support payees. Card designs must be approved by our issuing bank, The Bancorp Bank. This design has already been approved and is in use, saving time in the transition timeline for the new card. The State will have final approval for the card design and may also provide a West Virginia-specific name for the card, if desired.



Figure 4-155: Example of SMI Card Design. SMI will provide professional, modern, and appealing card designs while meeting any State-specific card design requirements.

The front of the card will include the cardholder's name, account number, and expiration date. The back of the card will include the customer service toll-free number.

If the Agency does not find this card design suitable, we have other designs we can provide for consideration.

---

4.1.5.2.3.3 The Vendor shall allow the Agency to provide a graphic for the Debit Card if a suitable graphic is unavailable through the financial institution at no additional cost to the Agency.

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#### **4.1.5.2.3.3 Agency Allowed to Provide Debit Card Graphic at No Cost to Agency**

If the Agency does not find our suggested designs suitable, SMI will allow the Agency to provide a graphic. We hope to have the card design decided early in the transition phase, as card design also requires the approval of our card-issuing bank, The Bancorp Bank.

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4.1.5.2.3.4 The Vendor shall allow the Debit Card to remain active until the Agency indicates otherwise.

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#### 4.1.5.2.3.4 Debit Card to Remain Active Until Agency Indicates Otherwise

We understand the Agency will inform us when a customer is no longer required to have a debit card. We do not close card accounts due to inactivity because we understand that there could be a significant amount of time between loads. We will keep card accounts active unless the Agency indicates otherwise or as required by federal or State law and regulations.

---

4.1.5.2.3.5 The operating network shall make every effort to disallow any transaction that causes the cardholder to exceed the amount available in the account and will be responsible for recoupment of any overdraft from the cardholder at no cost to the Agency.

---

#### 4.1.5.2.3.5 Preventing Overdrafts

The smiONE authorizing engine is designed to verify that the balance in the account is sufficient to cover the amount of the purchase or withdrawal including any fees or surcharges that apply. The best way to avoid declined transactions is to provide multiple avenues for cardholders to receive their balance and other account information.

SMI provides cardholders with 24/7/365 access to their account balance by calling the IVR, by logging onto <http://www.smionecard.com>, or by using the Platinum smiONE Card Mobile App, where they can conveniently check their balance, view account activity, receive their monthly statement electronically, sign up for alerts, and more. Cardholders can also receive email and text messages to obtain their balance information. Cardholders can sign up to receive a text message after each transaction. The text message includes the remaining balance on the card, allowing the cardholder to always have the most up to date information on their balance.

If a merchant's POS device allows for split-tender processing, the smiONE Card allows the cardholder to make a purchase using the available balance on the card and then satisfy the remaining balance from another payment source such as cash.

Authorization for gasoline pay at the pump is done prior to pumping the gas. To minimize the chances of an overdraft, when the smiONE Card is swiped at the gasoline pump, the purchase is preauthorized for a set amount, for example, \$75. If the card account balance is less than \$75, the transaction is declined. (The cardholder may still pay inside for a purchase up to the card account balance.) If the card account balance is at least \$75, the purchase is authorized and a hold of \$75 is placed on the account. If the actual fuel purchase is more than \$75 causing an overdraft, SMI will cover the negative balance until the next deposit. The \$75 preauthorized hold amount is released when the actual transaction amount is settled.

Merchant codes associated with businesses where tipping is expected are flagged in our authorizing engine, and the authorized amount is increased by a percentage to cover a tip. For example, all purchases in a restaurant are authorized with an additional 20 percent to cover the tip since this amount is not known until after the authorization. Once the purchase is complete, the card is only debited the actual amount of the purchase and tip, if applicable. This approach ensures that the account has the available balance needed for the purchase and an overdraft is avoided.



On those rare occasions when an overdraft does occur, the cardholder has a negative balance until another deposit is received. SMI will be responsible for recoupment from the cardholder at no cost to the Agency.

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4.1.5.2.3.6 The Vendor shall not charge a monthly account fee to the Agency or the cardholder.

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#### **4.1.5.2.3.6 No Monthly Account Fee Charged to Agency or Cardholder**

SMI will not charge a monthly account fee to the Agency or the cardholder.

---

4.1.5.2.3.7 The Vendor shall allow for withdrawals at the financial institution's teller window at no cost to the cardholder.

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#### **4.1.5.2.3.7 Withdrawals at Teller Windows at No Cost to Cardholder**

The smiONE Card provides unlimited access to any of the 690 Visa member banks and credit unions in the State, as well as more than 93,000 nationwide. With bank withdrawals at Visa member banks, cardholders can withdraw funds without the incremental \$10.00 to \$20.00 rounding constraints associated with ATM withdrawals. Withdrawals at Visa bank teller windows will be at no cost to the cardholder. This includes all J.P.Morgan banks.

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4.1.5.2.3.8 The Vendor shall allow the cardholder to choose and change a pin.

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#### **4.1.5.2.3.8 Cardholder to Choose and Change PIN**

Upon receipt of the smiONE Card, West Virginia cardholders will be required to call a toll-free telephone number or to log on to <http://www.smionecard.com> to activate their cards. An activation sticker will be affixed to the face of the card explaining how to activate the card by calling the toll-free number or by accessing the smiONE website. SMI allows cardholders to activate their card and select a PIN on our secure smiONE website or mobile app. Cardholders must register on the site prior to activation and then go to the activation and PIN selection screen to complete the process.

Customers will call the toll-free phone number or log on to the website and are instructed to positively identify themselves through security information associated with their enrollment record. Cardholders enter their 16-digit card number, the security code from the back of the card, and the last four digits of their SSN to activate the card. To complete the activation, they are prompted to select a PIN. They enter the selected PIN twice to verify that they entered the intended digits. Once a PIN is selected, the card is activated and available for immediate use.

Cardholders can use the same methods to change a previously selected PIN.

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4.1.5.2.3.9 The Vendor shall allow the Agency to have the final approval of the instructional materials provided with the Debit Card.

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#### 4.1.5.2.3.9 Agency Approval of Debit Card Instructional Materials

We will provide all instructional materials to be included with the debit card to the Agency for final approval. The Bancorp Bank must also approve any card collateral.

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4.1.5.2.3.10 The Vendor shall notify the Agency when a Debit Card is returned by the United States Postal Service as undeliverable, and must allow for the automatic re-issuance of debit cards that have been returned as undelivered when a new or updated address for the cardholder is received.

---

#### 4.1.5.2.3.10 Notification of Undeliverable Debit Cards and Automatic Re-issuance

To minimize the number of undeliverable cards, SMI will use the “Move Update” service of the USPS. This service checks the name and address printed on the card package and identifies whether a forwarding order exists in the USPS system. If such an order exists, the forwarding address will be embedded in the IMb that is printed on the envelope. When the IMb appears on an envelope, the USPS ignores the printed name and address and directs the mail to the address in the barcode. SMI will be provided a list of the forwarding addresses and the new address will be updated in the smiONE CST. The new addresses will be included on the daily debit card demographic update file to BCSE.

When a card issued to a West Virginia payee is returned undeliverable by the USPS, we will notify the Agency. For a daily listing of cards returned undeliverable, we currently provide the following Returned Cards Report. We will customize this report as necessary to meet West Virginia’s needs.



### Returned Cards

This report was generated 01/19/2016 at 09:34:41 by Charles.Hollingsworth using the following criteria:  
Start Date: 01/18/2016  
End Date: 01/19/2016

Returned Date	Last Name	First Name	SSN	Member ID	Return Reason
01/18/16					Not deliverable as addressed
01/18/16					Not deliverable as addressed
01/18/16					Not deliverable as addressed
01/18/16					Not deliverable as addressed
01/18/16					Wrong Address
01/18/16					Wrong Address
01/18/16					No mail receptacle
01/18/16					Not deliverable as addressed
01/18/16					Unknown
01/18/16					Unknown
01/18/16					Unknown
01/18/16					Unknown
01/18/16					Not deliverable as addressed
01/18/16					Attempted not known
01/18/16					Not deliverable as addressed
01/18/16					Not deliverable as addressed
01/18/16					Not deliverable as addressed
01/18/16					Wrong Address
01/18/16					No such number

Figure 4-156: Returned Cards Report. This report, customized for West Virginia, will provide BCSE with complete information regarding cards returned as undeliverable.

To generate the Returned Cards Report, SMI imports data from our card production partner, Arroweye, who will receive cards returned as undeliverable.

Cards issued from Arroweye's facility that are returned as undeliverable are sent to an offsite lockbox. A team of two Arroweye staff retrieves the returned cards, delivering them in a locked bag to the secure room at the Arroweye facility. Badge ID is required for entry into the secure room. The staff scan the unopened card packages. The scan records the returned cards in Arroweye's proprietary program. Arroweye's proprietary system opens a case for each returned item and records every step taken, providing a detailed audit trail. Special instructions are set up to forward any cards for which a forwarding address has been provided. The remaining cards are locked in the vault until their ultimate disposition is determined.

For cards that cannot be forwarded, two individuals are involved in pulling the cards from the secure storage and destroying them. Both individuals are required to document that the correct packages were pulled. The card and all contents of the envelope are shredded and placed in locked bins for pickup by a certified document destruction company. Arroweye's system is updated to reflect that the card was destroyed.



Arroweye's system automatically sends an email to SMI with a report of the returned cards. Arroweye sends a file with any updated addresses and a list of cards that were destroyed, which we use to update our smiONE database. The file updates the smiONE platform with the new addresses, resulting in automatic re-issuance of debit cards. For cards for which no new address information is found, the smiONE platform will be updated to denote the bad address.

The new address information will be added to the daily debit card demographic update file and transmitted to BCSE based on the State's transmission schedule. The smiONE platform will automatically re-issue debit cards when an updated address is received from BCSE for a cardholder whose card was previously returned as undeliverable.

---

4.1.5.2.3.11 The Vendor shall send daily response data files which will inform the Agency of the date the account is created and its associated account number. If the account cannot be created, the appropriate error reason will be sent in the response files.

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#### **4.1.5.2.3.11 Daily Response Data Files with Account Creation Date and Number or Error Reason**

The smiONE platform will send daily response data files each day a debit card enrollment file is received. The response file will include information on all cards issued including the associated account numbers. If an account cannot be created and a card issued, our response file will include that information along with the reason the account could not be created.

---

4.1.5.2.3.12 The Agency and the Vendor shall exchange any cardholder demographic changes, including name and address changes, in a daily batch file that will update the cardholder information so that the cardholder does not need to make multiple calls to accomplish demographic changes. The Vendor shall also send the Agency daily account and card status changes.

---

#### **4.1.5.2.3.12 Daily Batch File Update of Demographic, Account, and Card Status Changes**

The smiONE platform stores demographic changes for cardholder accounts, whether those changes are received through the customer service center or from the smiONE website or mobile app. SMI will exchange cardholder demographic changes with BCSE in a daily batch file so the cardholder does not need to make multiple calls.

If BCSE desires, we can also produce a report of demographic changes, including but not limited to name and address changes. Based on cardholder demographic changes entered or imported into our CST, SMI currently produces a cardholder Demographic Changes Report for the North Carolina smiONE Card program. Following is a portion of the Demographic Changes Report available through gAnalytics.



GALILEO ANALYTICS														
Demographic Changes														
Home	Row Number	PRN	New Cardholder Name	DOB Changed?	New Home Phone	New Mobile Phone	New Email	New Gender	New Language	New Address Line1	New Address Line2	New City	New State	New Postal
All Tabs	1			N				EN				Newton	NC	26338
Home	2			N				EN				Louisburg	NC	27557
Log Out	3			N				EN				Elizabeth City	NC	28520
gCustom Profile Changes	4			N				EN				Charlotte	NC	28203
	5			N				EN				Vienna	NC	28603
	6			N				EN				Charlotte	NC	28203
	7			N				EN				Vienna Dale	NC	28603
	8			N				EN				Hampton	NC	27827
	9			N				EN				Swain Hill	NC	28603
	10			N				EN				Roaring River	NC	28663
	11			N				EN				Vienna	NC	28603
	12			N				EN				Richland	NC	28134
	13			N				EN				Pikeville	NC	28663
	14			N				EN				Sharpsburg	NC	28134
	15			N				EN				Richland	NC	28134
	16			N				EN				Godwin	NC	28663
	17			N				EN				Hampton	NC	27827
	18			N				EN				Erwin	NC	28603
	19			N				EN				Charlotte	NC	28203
	20			N				EN				Vienna Dale	NC	28603
	21			N				EN				Charlotte	NC	28203
	22			N				EN				Charlotte	NC	28203
	23			N				EN				Richland	NC	28134
	24			N				EN				Richland	NC	28134

Figure 4-157: smiONE Demographic Changes Report. This report, available through gAnalytics, provides customer demographic changes captured in our CST.

The entire Demographic Changes Report displays the following data fields:

- Unique cardholder identification number used by the program (shown as PRN on the above example)
- New cardholder name
- Date of birth changed (Y/N)
- New home phone
- New mobile phone
- New email
- New gender
- New language
- New address
- Update date
- Agent name (CSR who updated the CST)
- Old cardholder name
- Old home phone
- Old mobile phone
- Old email
- Old gender
- Old language
- Old address

The smiONE platform will also send a daily file of account and card status changes. If desired by BCSE, we can also provide a report of status changes. The Card Status Change Summary provides, among other data, information on cards canceled within the specified period.



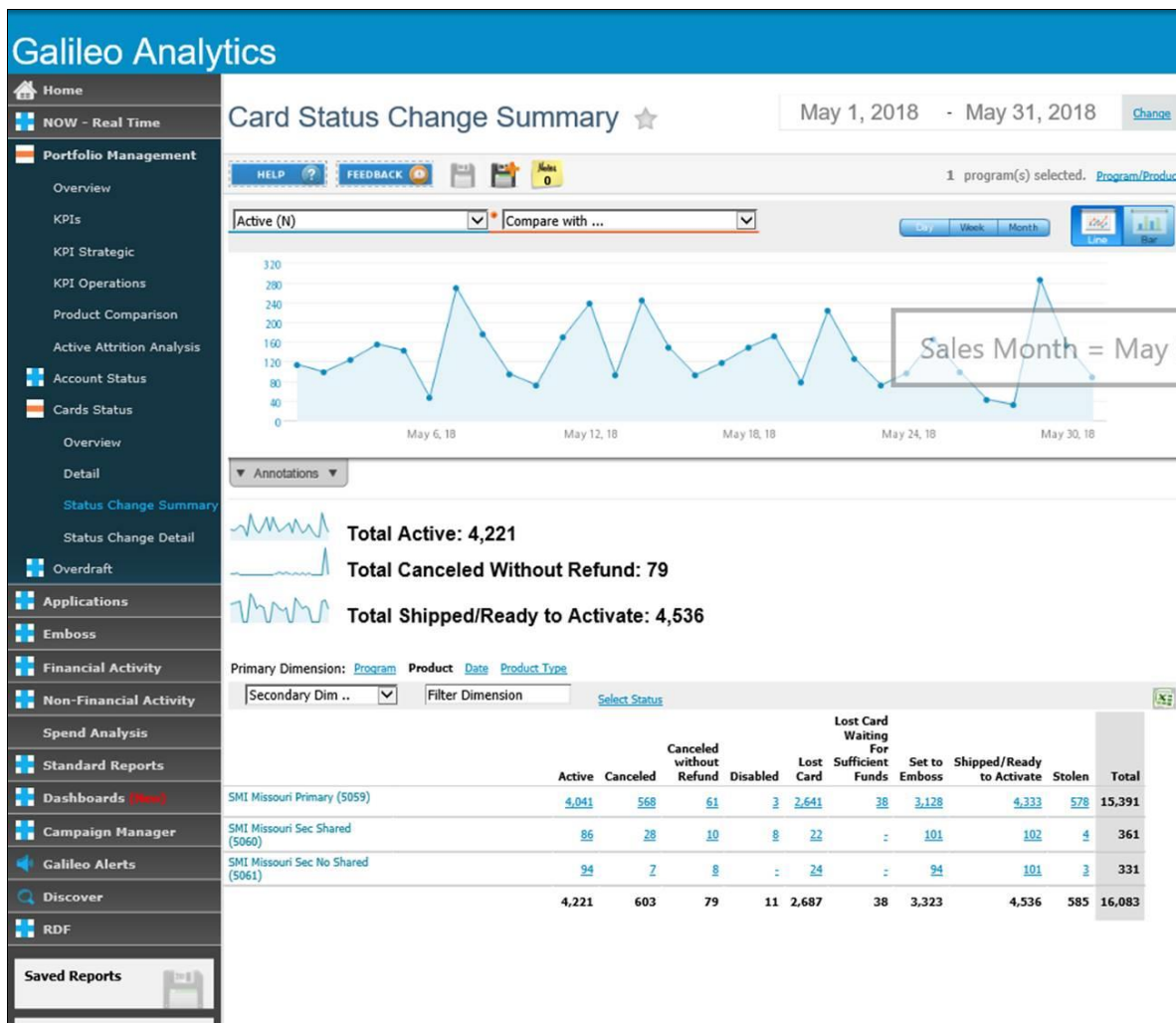


Figure 4-158: Card Status Change Summary. This report shows changes in card status over the course of the reporting period.

As with any report, the Card Status Change Summary can be generated for a day, a week, a month, or for a longer period.

4.1.5.2.3.13 The Agency would like for the Debit Card cardholders who are support obligees to have the option to have ongoing monthly bills automatically debited from their child support accounts. These automatic monthly debits will be made only if sufficient funds exist to make the required payment. At no time will a payment be made that creates a negative balance.

#### 4.1.5.2.3.13 Monthly Bills Automatically Debited from Child Support Accounts

For most smiONE Card programs, at the State's preference, we offer an online bill payment function that allows cardholders to submit smiONE Card payments for their rent, utilities, and other bills. The bill payment function will allow cardholders who are support obligees to have ongoing monthly bills automatically paid from their account, subject to the necessary funds being



available. Cardholders can schedule one-time or recurring payments from the Bill Payments view on the smiONE website, as shown below.

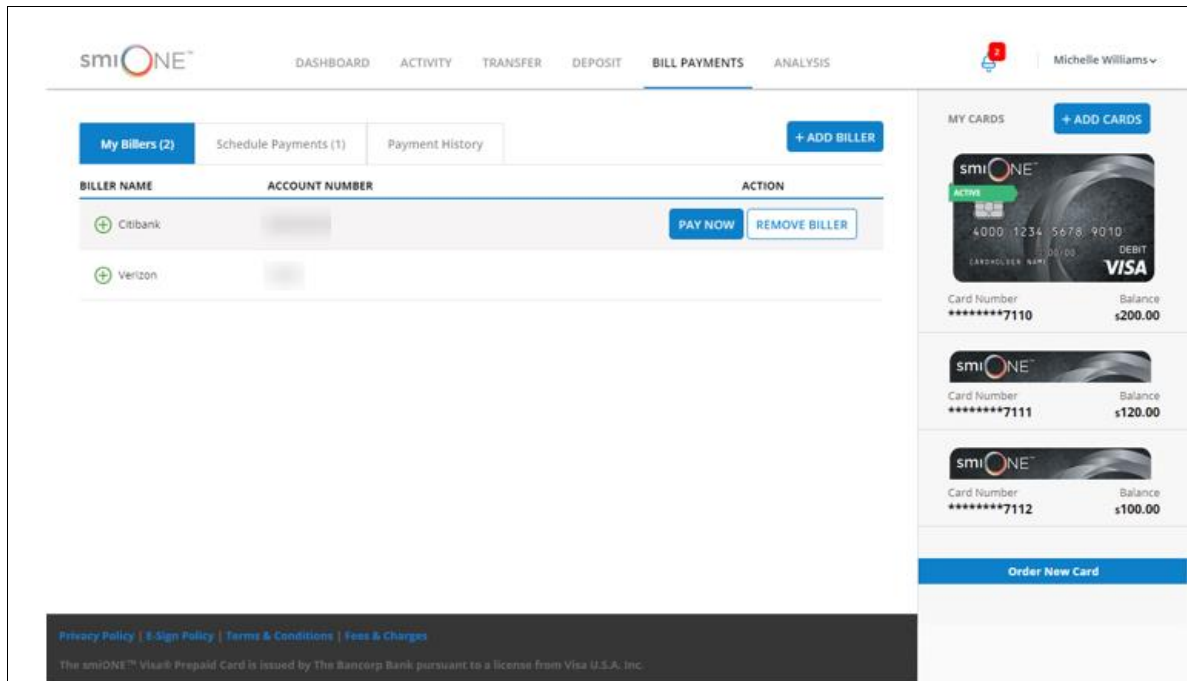


Figure 4-159: smiONE Website Bill Payments View. Cardholders can set up one-time and recurring payments on the smiONE website, providing a convenient and efficient method for paying bills.

At any time via the smiONE website, cardholders can review scheduled bill payments, as illustrated in the following example.



West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001



The screenshot shows the smiONE website interface. The top navigation bar includes links for DASHBOARD, ACTIVITY, TRANSFER, DEPOSIT, BILL PAYMENTS (selected), and ANALYSIS. The user is logged in as Michelle Williams. The main content area has tabs for My Billers (2), Schedule Payments (1), and Payment History. The 'Schedule Payments' tab is active, showing a table with the following data:

BILLER NAME	SCHEDULED DATE	AMOUNT
Citibank	06-19-2017	\$ 20.00

On the right side, under 'MY CARDS', there are three smiONE Visa Prepaid Cards listed with their respective balances:

- Card Number: \*\*\*\*7110, Balance: \$200.00
- Card Number: \*\*\*\*7111, Balance: \$120.00
- Card Number: \*\*\*\*7112, Balance: \$100.00

At the bottom of the page, there are links for Privacy Policy, E-Sign Policy, Terms & Conditions, and Fees & Charges. A footer note states: "The smiONE™ Visa® Prepaid Card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc."

Figure 4-I60: smiONE Website Scheduled Payment. Cardholders can view, edit, and cancel scheduled bill payments on the smiONE website.

The smiONE website also maintains an online history of bill payments, including the payment status, for the cardholder to reference or review, as needed.

The screenshot shows the smiONE website interface with the 'Payment History' tab selected. The main content area has tabs for My Billers (2), Schedule Payments (1), and Payment History (selected). The 'Payment History' tab displays a table with the following data:

BILLER NAME	PAY DATE	AMOUNT	STATUS
Citibank	07-10-2017	\$ 100.00	Completed
Verizon	07-01-2017	\$ 20.00	Completed

On the right side, under 'MY CARDS', the same three smiONE Visa Prepaid Cards are listed with their balances:

- Card Number: \*\*\*\*7110, Balance: \$200.00
- Card Number: \*\*\*\*7111, Balance: \$120.00
- Card Number: \*\*\*\*7112, Balance: \$100.00

At the bottom of the page, there are links for Privacy Policy, E-Sign Policy, Terms & Conditions, and Fees & Charges. A footer note states: "The smiONE™ Visa® Prepaid Card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc."

Figure 4-I61: smiONE Website Payment History. Cardholders have online access to their bill payment history.



The smiONE Card Bill Pay function will allow cardholders to have their monthly and other bills automatically paid from their smiONE Card account. At no time will the Bill Pay function allow the card account to have a negative balance.

4.1.5.2.3.14 As a general rule, Debit Cards will be sent to individuals residing in foreign countries. However, each potential occurrence may need to be dealt with on an individual basis. The Agency recognizes there may be limitations for issuing foreign cards. Therefore, the successful Vendor will work with the Agency to resolve these issues.

#### **4.1.5.2.3.14 Card Issuance to Customers in Foreign Countries**

We understand that on occasion, cards may be sent to individuals residing in foreign countries. The process for cardholders outside the United States is the same as for United States residents. Unless the country is on the OFAC's prohibited list or the individual is blocked by the FinCEN, the cardholder will be enrolled, and a card will be mailed to the cardholder's foreign address. We will work with the Agency to resolve any issues related to cards for individuals residing in foreign countries.

4.1.5.2.3.15 The Vendor shall begin issuing the initial Debit Card to customers no later than six months after the award date of the contract.

#### **4.1.5.2.3.15 Initial Card Issuance No Later than Six Months after Contract Award**

Our detailed timeline for statewide implementation of the smiONE Card in West Virginia is provided in our draft *Project Schedule* in Appendix A. As outlined in the schedule, the smiONE Card will be issued and fully operational within six months of contract award.

SMI offers a proven debit card delivery model that will ensure value and long-term success of the West Virginia debit card program. We will use our project management approach to successfully accomplish the required tasks to implement the program.

The SMI Team's approach is experience-based, leveraging the knowledge of our people, the strengths of our processes, and the capabilities of our technologies to manage, control, and supervise all aspects of the contract to meet or exceed the debit card requirements. During our 12 years of debit card experience, SMI has implemented new programs for five States and seven tribes and transitioned programs from other Vendors to the smiONE Card in Texas and Florida.

SMI uses a proven rollout methodology commonly known as the "die on the vine" approach. During the implementation period, cardholders continue to receive deposits on their current cards. On the date agreed to by the Agency, deposits are sent to the new cards. Cardholders continue to use their old cards until the balance reaches zero.

As shown in our draft *Project Schedule* in Appendix A., based on the size of West Virginia's debit card program, SMI recommends transitioning all existing cards in one phase. When the volume of cards is not prohibitive, a single phased transition is more efficient and creates less confusion for



the cardholders and other stakeholders. Based on our experience in States with a card volume similar to West Virginia's, a single-phased transition is the most efficient and successful approach.

4.1.5.2.3.16 The Vendor shall begin to accept initial deposits from the Agency no later than 10 business days after the initial cards are distributed to the cardholders.

#### 4.1.5.2.3.16 Initial Deposits After Initial Cards Distributed

Once the initial cards for BCSE customers have been created and mailed, we will be ready to accept initial deposits from the Agency immediately. We will work with the Agency to determine an agreed-upon date no later than 10 business days after the initial cards have been distributed to cardholders.

4.1.5.2.3.17 When requested by the cardholders, the Vendor shall send them e-mail or text messages informing them of deposits to their Debit Cards.

#### 4.1.5.2.3.17 E-Mail or Text Messages Informing Cardholders of Debit Card Deposits

The smiONE website and mobile app allow cardholders to request to receive up to 19 different alerts, including when there is a deposit to their card account. The following figure shows the alerts listed on our smiONE website. The blue highlighted area shows the alert for a deposit—Value Load—to their debit card.

Notification Type
Mobile number updated
Email updated
Address updated
Password updated
Password reset requested
Username reset requested
Security questions changed
Login failed and account locked
Account unlocked
Temporary password requested
Forgot Username
Daily available balance
Approved pending transactions
Declined transactions
Value load
Change of card status
Low balance
Funds transfer requested
First time card Activation

Figure 4-162: List of Email and Text Message Alerts. This list from the smiONE website shows the alerts a cardholder may choose to set up and receive email, text message, or both when the selected activity occurs.



Cardholder materials included in card mailings advise customers of the website and the alert functionality.

#### 4.1.5.2.4 Reporting:

#### 4.1.5.2.4 Reporting

As demonstrated throughout this proposal, SMI can provide detailed reports to the Agency for all disbursement activities.

4.1.5.2.4.1 The Vendor shall prepare for the Agency a detailed daily listing of all checks printed, ach disbursements effectuated, or Debit Cards uploaded which shall include the payee, amount paid, date paid, and the check or trace number or Debit Card upload identifying information, as may be appropriate.

#### 4.1.5.2.4.1 Detailed Daily Listing of Checks Printed, ACH Disbursements Effectuated, and Debit Cards Uploaded

At the end of each processing day, SMI will provide the Agency with a comprehensive list of all disbursement activities, including checks printed, ACH deposits originated to designated bank accounts, and deposits loaded to debit card accounts.

Table 4-20: Daily Detailed Listing of Disbursements. SMI will provide the Agency with comprehensive disbursement reporting.

Disbursement	Action
Checks	Each entry on the reports will include the payee name, amount paid, date paid, and check trace number.
ACH Deposits to Customer-designated Bank Accounts	Each entry will include the payee name, amount paid, date paid, and batch indicator.  Exception reports will be provided after deposits are originated to display each ACH rejection, which is typically caused by closed accounts or incorrect account information.
ACH Deposits to Debit Card Accounts	Each entry will include the payee name, amount paid, date paid, and batch indicator.

During the implementation design phase, we will meet with the Agency to discuss other reporting needs for the new contract period.

4.1.5.2.4.2 Each month the Vendor shall provide the Agency with a status report of the Agency's operating and interest bearing accounts as of the last business day of the month; on the first day of the preceding month. This report shall include, at a minimum, deposit amounts credited to the account, disbursements charged against the account, and a list of outstanding checks.

#### ADDENDUM No. 2



Question 8: SECTION 4.1.1.12, 4.1.4.7.2, 4.1.5.1.5, 4.1.5.2.1.25, 4.1.5.2.4.2: Each of these sections requires a report for the prior month due on the first day of the "preceding" month. Should each instance of "preceding" be changed to "following"?

Answer 8: Yes, it should read the first day of the following month for the preceding month.

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#### **4.1.5.2.4.2 Monthly Status Report of Agency's Operating and Interest-Bearing Accounts**

A monthly status report will continue to be provided to the Agency displaying the balances and interest accrued as of the last day of the month. The report will also display the date and amount of each deposit, each disbursement charged against the account, and each check issued but outstanding. The report will be provided for the preceding month in the timeframe prescribed by the Agency.

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4.1.5.2.4.3 The Vendor shall make daily cash management information available to the Agency on-line and on demand. This information shall include normal account information, including one day float and extended float information.

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#### **4.1.5.2.4.3 Daily Cash Management Information Available Online and On Demand**

Daily cash management reports will be accessible to the Agency through the existing J.P.Morgan Access Online web portal, which is a secure online web utility. Report types will display detailed account information, including short-term (one day) and extended float information.

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4.1.5.2.4.4 The Vendor shall provide the Agency with the functionality to:

4.1.5.2.4.4.1 See, approve, and pay or return items that have been rejected due to stop pay, duplicate items, stale dated checks, etc.;

4.1.5.2.4.4.2 Electronically transfer money between Agency's accounts or to send money to an individual third party or outside bank account (this ability entails generating a check without linking it to a specific case);

4.1.5.2.4.4.3 Stop payments on checks as well as remove stop payment requests;

4.1.5.2.4.4.4 Research, identify and print copies of credits to the Agency's accounts resulting from recall requests of outgoing ACH transactions;

4.1.5.2.4.4.5 Research and retrieve images of paid items; and

4.1.5.2.4.4.6 Research and print images of incoming items.

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#### **4.1.5.2.4.4 Agency Functionality**

J.P.Morgan's electronic banking portal, Access Online, provides the Agency a highly intuitive and easy-to-use, cash management solution that seamlessly integrates all Treasury activities through a secure portal using a single authentication process. Through Access Online, the Agency has the functionality to:





- See, approve, and pay or return items
- Electronically transfer money between the Agency's accounts, send money to an individual third party or outside bank account, or generate a check without linking it to a specific case
- Stop payment on checks and remove stop payment requests
- Research, identify, and print copies of credits to the Agency's accounts
- Research and retrieve images of paid items

Access Online puts critical cash management information and tools at the Agency's fingertips, as shown in the following figure.



Figure 4-163: J.P.Morgan Access Online. The Agency will continue to have this secure, online service available to provide the banking functionality it needs.



The full functionality of Access Online includes the ability to:

- View, print or download reports with balance and transaction information, cash concentration, disbursement, funds transfer and liquidity
- Make payments via wires, book transfers, checks, U.S. and global ACH
- Create a customized Microsoft Excel worksheet that can be automatically populated with 45 days of bank account data or can populate existing spreadsheets so the Agency can initiate payments directly from spreadsheets, set reminders, generate to-do lists, analyze historical trends and more. Access Insight is an Excel add-in that makes working in spreadsheets more efficient, flexible, and accurate
- View reports and make decisions about cash balances and cash investment positions, cash concentration structures and flows, inter-company positions and accruals
- Save time with a powerful and innovative entitlement engine that saves time, increases productivity and controls everything users can see and do
- View, print or download bank, billing and liquidity statements from a central repository

Access Online has features that provide for security and ease of use, including:

- Accessed through the internet, a sophisticated multi-layer security system protects the privacy and authenticity of users, data and transactions
- A single sign-on provides seamless access to authorized accounts and functionality. Upgrades are accomplished automatically when users sign on
- The customizable home page places critical information at the Agency's fingertips—with features and capabilities that are just a few clicks away
- J.P.Morgan's client service and technical support teams are available 24 hours a day, Monday through Friday
- Decision Support Interfaces allow the Agency to effectively manage data using filtering and export technologies
- An intuitive online webinar registration tool allows Agency staff to participate in training as and when required

J.P.Morgan's Access Online will continue to provide the Agency with the functionality needed to manage the Agency's SDU financial responsibilities.

SMI's **SMART** Image Viewer will continue to provide the functionality to research and print images of incoming items.

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#### 4.1.5.2.5 Disbursement Errors:

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#### 4.1.5.2.5 Disbursement Errors

SMI has procedures in place at each SDU in which we are responsible for disbursements to ensure the integrity of all disbursements. We will continue to use these procedures to ensure the integrity



of check disbursements and will use these same procedures to ensure the integrity of ACH and debit card disbursements for the West Virginia SDU.

4.1.5.2.5.1 The Vendor shall ensure that all disbursements will be made for the correct amount and to the correct beneficiary. An error exists if there is a failure to disburse funds within the established performance standard (45 CFR 302.32(a)(b)(1) & (2)(i) §48-18-113). Failure to verify the accuracy of the disbursement dates on the Agency's disbursement file so that duplicate payments are not issued will result in disbursement errors being charged against the Vendor. The Vendor will reimbursement the Agency for such errors.

#### 4.1.5.2.5.1 Vendor Disbursement Error

SMI will ensure that all disbursements are made for the correct amount and to the correct beneficiary. We understand an error exists if there is a failure to disburse funds within the established performance standard cited in federal child support regulations.

Our process for printing disbursement checks includes checks and balances to ensure the correct file is processed. Each morning, the State transmits a check file and void file to the SDU. SMI staff receive an email from Agency staff to verify the total count and amount of the disbursement checks on the file prior to processing the file. The total count and amount are reverified with each step of processing the disbursement check file. Any discrepancies are noted and discussed with the Agency for resolution before proceeding with check printing. Once checks are printed, any check pulls necessary are completed, and the remaining checks are prepared for mailing, staff reconciles the numbers printed and pulled with the number ready for mailing to ensure that all required disbursements have been made. SMI staff maintains a Checks Log that allows us to ensure that the number of checks required in the original check file from the Agency less the number of checks pulled equals the number of checks mailed each day.

A similar process will occur for the ACH file the Agency sends for direct deposit, EFT to other States, and debit card disbursements. Staff will verify the total count and amount of each type of disbursement. The date and other data on the file will be compared to the files previously processed to eliminate the possibility for duplication. The bank will provide an acknowledgment file with the successful disbursements and error records for disbursements that could not be made. Staff will reconcile these to the original file to ensure that all required disbursements have been made.

Should our extensive efforts ever fall short and a disbursement error occurs, we understand that the error will be charged against SMI and that reimbursement is required.

4.1.5.2.5.2 Performance under this standard shall be monitored by the Agency. The Agency's local offices will report potential disbursement errors and the Agency will review and verify the existence or nonexistence of any reported errors. Errors that result in the disbursement of funds for the wrong amount or to the wrong individual will result in the Vendor being liable to the Agency for the full amount of said funds, as well as any related costs and expenses incurred by the Agency in each and every case.



#### 4.1.5.2.5.2 Vendor Liability for Disbursement Errors and Any Related Costs and Expenses

We understand the Agency will monitor performance. Any SMI error that results in a disbursement for the wrong amount or to the wrong individual will result in SMI being liable to the Agency for the full amount of funds, as well as any related costs and expenses incurred by the Agency in each and every case.

4.1.5.2.5.3 The potential for loss resulting from disbursement errors through the use of Direct Deposit or Debit Card is greater than with check disbursements. This fact is due to the elimination of float funds and the immediate availability of funds to the recipient. Errors attributed to the Vendor and resulting in a loss to the Agency will result in the Vendor being liable for a full reimbursement to the Agency after a written request with supporting documentation attached is presented to the Vendor by the Agency.

#### 4.1.5.2.5.3 Full Reimbursement to Agency

SMI understands and agrees we are liable for full reimbursement of errors attributed to SMI.

#### 4.1.5.2.5.4 File Transfers

4.1.5.2.5.4.1 All file transfers shall be made with Sterling's Connect Direct software or equal. Must be able to create an excel chart, import and export .mpp files, and export PDF's or shareable project plans. These files include:

<i>File Description</i>	<i>Created by</i>	<i>Frequency</i>
File of checks requested to be printed	WV BCSE	Monday-Friday
Checks requested response file containing check numbers and check date	BANK	Monday-Friday
File containing Paid/Cashed or Voided checks	BANK	Monday-Friday
Incoming ACH receipts (Employers, Out of-State (OOS) agencies)	BANK	Monday-Friday
Outgoing ACH disbursements (Direct Deposit, Debit Cards & OOS ACH)	WV BCSE	Monday-Friday
Response file from the outgoing ACH file	BANK	Monday-Friday
Debit card enrollment file	WV BCSE	Monday-Friday
Debit card acknowledgments file (includes DDA numbers)	BANK	Monday-Saturday



Debit card file for demographic & card status updates	BANK	Monday-Saturday
Web based payment response file	BANK	Monday-Friday
Web based payment Pre-Registration file	WV BCSE	Monday-Friday
Web based ACH & Credit Card payments. Receipts/Returns file	BANK	Monday-Friday
EFT outgoing returns file	BANK	Monday-Friday
Receipts from Document Imaging System	BANK	Monday-Friday

#### 4.1.5.2.5.4 File Transfers

File transfers are a cornerstone of our SDU operations. Our extensive experience implementing secured connectivity and processing thousands of files month after month, allows SMI to offer safe, reliable, and extremely efficient file transfers. We put careful requirements and controls in place to manage secured servers, process file transfers, and secure their transmission. We are confident we can provide the extensive oversight and protocols needed to ensure efficient, accurate, and timely processing of payments and disbursements. Our SFTP is equivalent to Sterling's Connect:Direct, with additional levels of security. We will use our file management process for the files listed in the RFQ and any others required for SDU services. We can also create an Excel chart, import and export .mpp (Microsoft Project®) files, and export PDFs or shareable project plans.

For transmitting and receiving files with BCSE, SMI will use our **SMART File Management** system (powered by GoAnywhere™). This application utilizes file and database processing actions, managed through scheduled workflows. The system will respond to control-verification processes immediately and accept file transfers in support of SDU processing. File processing schedules will be set in accordance with the State's schedule and can also be adjusted for temporary schedule changes for holiday and special processing days as requested by the State.

**SMART File Management** tracks and manages all incoming and outgoing files and integrates the files into the **SMART Database**. This application is a highly customizable, secure, and reliable system capable of managing many file transfers through a single interface. File workflow is visualized and managed in the intuitive user interface of the **SMART File Management** application.

**SMART File Management** ensures that each file created is a unique file being prepared for transmission. Our system and methodology checks for balancing, duplicate files, missing files, and data accuracy, and verifies that other business rules are completed as part of the file creation. Any failures must be corrected before files are ready for transmission. For example, once the Receipt File has been created, the balancing department generates the Receipt File Summary report for comparison of the number of records and dollar amount. This manual control is in place as a secondary check of the file prior to transmission.



**SMART File Management** performs another level of system checks based on file size, time, previous transfers, and/or record amounts. File retrievals and imports are also managed by the **SMART File Management**. The application initiates database import jobs that check for duplicate files, missing files, and data accuracy with specific business rule checks for each data field on each file. All errors are immediately communicated to multiple SMI staff via alerts. If the problems cannot be resolved, they will quickly be escalated and communicated to the State's on-call staff. **SMART File Management** ensures all files are successfully processed and sends automated notifications when completed.

Following transmission, immediate notification of a successful transfer is verified through directory listings or responses from the transfer host. Email notifications are generated from **SMART File Management**. In case of any problems, SMI will provide the State with on-call support contact information and a support escalation matrix. This information will be kept current. All transmitted and received file activity is logged. This provides a complete audit trail and allows processing to be restarted in case there was a problem with a file. Recent files are also retained after importing data into **SMART**, allowing SMI to reinitiate an exchange without requiring the file from the State again.

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#### 4.2 REPAYMENT LOCKBOX SERVICES:

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### 4.2 Repayment Lockbox Services

SMI has over six years' experience providing repayment lockbox services for West Virginia. We have customized our **SMART** payment processing solution to distinguish repayments and expense reimbursements from child support payments, allowing us to automatically exclude repayments from the Receipt File transmitted to OSCAR.

Using our West Virginia SDU equipment and **SMART** software applications, SMI creates "Deposit Only" batches that provide controls, security, and efficiencies for the repayment lockbox functions including:

- Mail extraction, imaging, and classification as a repayment item
- Immediate establishment of an electronic audit trail for repayment instruments and correspondence
- Depository services
- Document storage and retrieval for instantaneous online access to repayment items for Agency staff who process the items

With SMI as the State's SDU Vendor, there will be no disruption in repayment lockbox services for remitters or the Agency.

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4.2.1 The Vendor shall be responsible for collecting, processing, and depositing all payments forwarded to a separate lockbox designated for repayments and receipt of expense reimbursements. This lockbox shall be separate and in addition to the operations lockbox established for regular support payments. These remittances will represent payments made to the Agency for situations in which there was an incorrect or over-distribution of child support



collected, as well as reimbursements established by court order for expenses incurred by the Agency, such as court costs or paternity testing.

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## 4.2.1 Lockbox for Repayments and Expense Reimbursements

SMI will continue to be responsible for collecting, processing, and depositing all payments forwarded to the lockbox designated for repayments and receipt of expense reimbursements. We understand the repayment lockbox is separate and in addition to the operations lockbox established for regular child support payments. We have built our West Virginia SDU processes around the separation of functions for the two lockboxes.

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### 4.2.2 The Vendor shall provide the following repayment processing services:

#### Mail Extraction and Scanning Equipment

The Vendor shall be responsible for supplying, programming, and implementing mail extraction equipment. This equipment must provide for scanned electronic images that will be transmitted to a workflow environment for processing.

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## 4.2.2 Repayment Processing Services

SMI uses the same mail extraction and scanning equipment to process repayment lockbox work items that we use to process child support lockbox work items. We will continue to supply, program, and maintain the mail extraction and scanning equipment used for all mail received at the West Virginia SDU. Our mail extraction and scanning equipment and scanning software is detailed in Section 4.1.4.1. Through **SMART Scan**, we transmit scanned electronic images of repayments and expense reimbursements to the **SMART** workflow environment for deposit-only processing.

Our Scanning Operator uses a Repayments scanning template to ensure that payments addressed to the SDU's repayments post office box are screened for deposit-worthiness but not routed through the child support payment processing workflow. Use of the Repayments scanning template causes *Workflow Manager* to route the work item to the *Credit Entry* queue, by-passing the *MICR Profile* queue. We do not store a posting history for repayment items. Any work item scanned under the repayment template is currently outsourced for physical deposit per the Agency-approved process, not transmitted on an ICL, and not included on the Receipt File.

As described for child support payment processing in Section 4.1.4.1.2, a unique scan ID is physically sprayed on the back of each item in the repayment envelope and a restricted endorsement is imprinted on the back of each payment instrument during scanning. The unique scan ID is imported into the **SMART Database** and used to create the unique system audit number in the **SMART Database**. This allows SMI to provide a more complete audit trail that links the paper documents received to the images stored electronically for the Agency.

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#### Receipt of Mail:

4.2.2.1 Vendor shall maintain a post office box dedicated to receiving mail relating to repayments and expense reimbursements.





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#### 4.2.2.1 Maintain Post Office Box

SMI will maintain the current post office box dedicated to receiving mail relating to repayments and expense reimbursements: West Virginia Bureau for Child Support Enforcement, P.O. Box 3846, Charleston, West Virginia 25338-3846.

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4.2.2.2 All mail shall be transported directly to the Vendor's operations facility each business day, unopened.

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#### 4.2.2.2 Transport Mail to Operations Facility

SMI will continue to transport all repayment mail directly from the downtown Charleston postal facility to our operations facility each business day and Saturday, unopened. Mail is opened when it is received in the secured operations area of our SDU facility.

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4.2.2.3 Once at the Vendor's facility, all mail shall be opened on the day of receipt. All envelopes that contain correspondence shall be segregated from the other envelopes. The Vendor shall remove all correspondence from each such envelope and shall physically deliver both the envelope and the correspondence to the Manager of the Receipts and Distribution units.

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#### 4.2.2.3 Open Mail

SMI opens and immediately images all mail received for the repayment lockbox on the day of receipt. We will continue to ensure that all correspondence is removed from each envelope, and we will physically deliver both the envelope and the correspondence to the Manager of the Receipts and Distribution units.

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4.2.2.4 An electronic copy of each remittance document shall be made on the day the remittance is received. The electronic copy and any documentation included with the remittance shall be forwarded to the Agency.

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#### 4.2.2.4 Provide Electronic Copy to Agency

Through **SMART** Image Viewer, we will continue to provide real-time, online access for Agency-designated staff to view images of all documentation included with the repayment remittance. Document images are available within approximately 30 minutes of scanning. We will continue to provide email notification to Agency-designated staff on the same day the remittance is received, with the email including a link to the secure location of the remittance document images within **SMART**.

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4.2.2.5 The Vendor shall review each receipt for the following exceptions:

4.2.2.5.1 Amount- When the written and numerical amount disagree, the remittance document shall be returned to the maker.

4.2.2.5.2 Date- The Vendor shall notify the Agency upon receipt of a post-dated or stale dated check. (A stale dated check is any check that is more than six months old, unless otherwise stated.)



The Agency will either approve the check for deposit or instruct the Vendor to return the check to the maker, indicating that it is stale dated.

4.2.2.5.3 Signature- All checks received which are not properly signed and/or endorsed shall be returned to the maker. The Vendor shall indicate to the maker that the check is being returned because of an illegal or missing endorsement, an endorsement not as drawn, a missing signature, or other appropriate reason. All legal endorsements shall be honored.

4.2.2.5.4 Payee- Unless otherwise notified by the Agency, any time the payee identified on the check is significantly different from "Bureau for Child Support Enforcement" the envelope, along with all of the related information, shall be forwarded to the Agency for further processing.

#### 4.2.2.5 Receipt Exceptions

**SMART** includes modules described in Section 4.1.4.2.5 to automatically detect receipt exceptions. Additionally, our West Virginia SDU staff are trained to review payment instruments for deposit-worthiness while working in **SMART** queues. Our customary actions to process repayment receipt exceptions listed in the RFQ are provided in the following table.

Table 4-21: Processing Receipt Exceptions. **SMART** technology and skilled staff detect payment instruments that require exception processing.

Payment Instrument	Actions
Amount: Written (LAR) and Numerical (CAR) Amounts Do Not Agree	Return the item to the maker with a letter of explanation on the day of receipt
Date: Post-dated or Stale-Dated Check	Notify the Agency on the day of receipt and follow the Agency's directive to either deposit the check or return it to the maker with a letter of explanation
Signature: Check Not Properly Signed and/or Endorsed	Return the item to the maker with a letter of explanation on the day of receipt
Payee: Check Payee Significantly Different from Bureau for Child Support Enforcement	Forward the envelope and all related information to the Agency for further processing

To avoid any unnecessary return of a payment, an Operations Specialist reviews all work items in the *Returns* queue to provide a second validation that a return is appropriate per Agency requirements. All our return letters include the reason for the return and how to properly resubmit the payment.

#### 4.2.2.6 Document Imaging and Retrieval

##### 4.2.2.6 Document Imaging and Retrieval, Other Repayment Lockbox Services

SMI provides document imaging and retrieval services for 15 SDUs, including West Virginia. **SMART** is an image-based system with a technologically advanced imaging component, **SMART Scan**, developed to maximize efficiency and controls for our mailroom operations. **SMART's** document retrieval component, *Image Viewer*, was designed specifically for child support program staff with a focus on convenience and ease of use.



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4.2.2.6.1 Vendor shall provide a scanning solution to securely transform payments and correspondence into electronically retrievable information which can be quickly accessed by the Agency and Vendor's staff.

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#### 4.2.2.6.1 Provide Scanning Solution

We will continue to use **SMART Scan** technology described in Section 4.1.4.1.2 to securely transform payments and correspondence into electronically retrievable information which can be quickly accessed by Agency and SMI staff.

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4.2.2.6.2 Vendor's scanning solution shall provide for the safe and secure electronic capture, storage, retrieval, and distribution of all documents retrieved from the post office box, including checks and payment documentation.

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#### 4.2.2.6.2 Provide Electronic Capture, Storage, Retrieval, and Distribution

**SMART Scan** and **SMART Image Viewer** will continue to provide for the safe and secure electronic capture, storage, retrieval, and distribution of all documents retrieved from the repayment post office box, including checks and payment documentation. We describe our **SMART Scan** solution in Section 4.1.4.1.2 and our **SMART Image Viewer** solution in Section 4.1.4.3.

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4.2.2.6.3 Vendor shall provide the Agency with the electronically imaged information on a daily basis.

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#### 4.2.2.6.3 Provide Information on Daily Basis

Through automatically generated emails to the Agency, we will continue to provide electronically imaged information on a daily basis. The emails contain a link to the location of the imaged information in **SMART**.

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4.2.2.6.4 The electronically imaged information shall be provided in a format that allows Agency staff to instantaneously retrieve the secured, electronic documents from their desktops for viewing, annotating, faxing, printing, or e-mailing.

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#### 4.2.2.6.4 Provide Information in Format for Retrieval from Desktops

With **SMART Image Viewer** as the repository for payment and document images, Agency staff will continue to instantaneously retrieve the secured, electronic documents from their desktops for reviewing, annotating, faxing, printing, or emailing. Payment and document images will be retained and accessible in electronic format for the life of the contract.

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4.2.2.6.5 After removing the payments from the envelopes and separating them from the correspondence, the Vendor shall immediately endorse each payment "For Deposit to the Account within Named Payee," or other such legal endorsement as may be appropriate. This endorsement shall clearly include the date the mail is received by the Vendor.

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#### 4.2.2.6.5 Endorse Payments

After documents are removed from envelopes, during the scanning process, a restricted endorsement “For Deposit Only to WV BCSE” is automatically imprinted on the back of each payment instrument using **SMART Scan** technology. Following is an example of the unique scan ID and restricted endorsement sprayed on the back of a payment instrument received by the SDU, as viewed through the **SMART Image Viewer**.

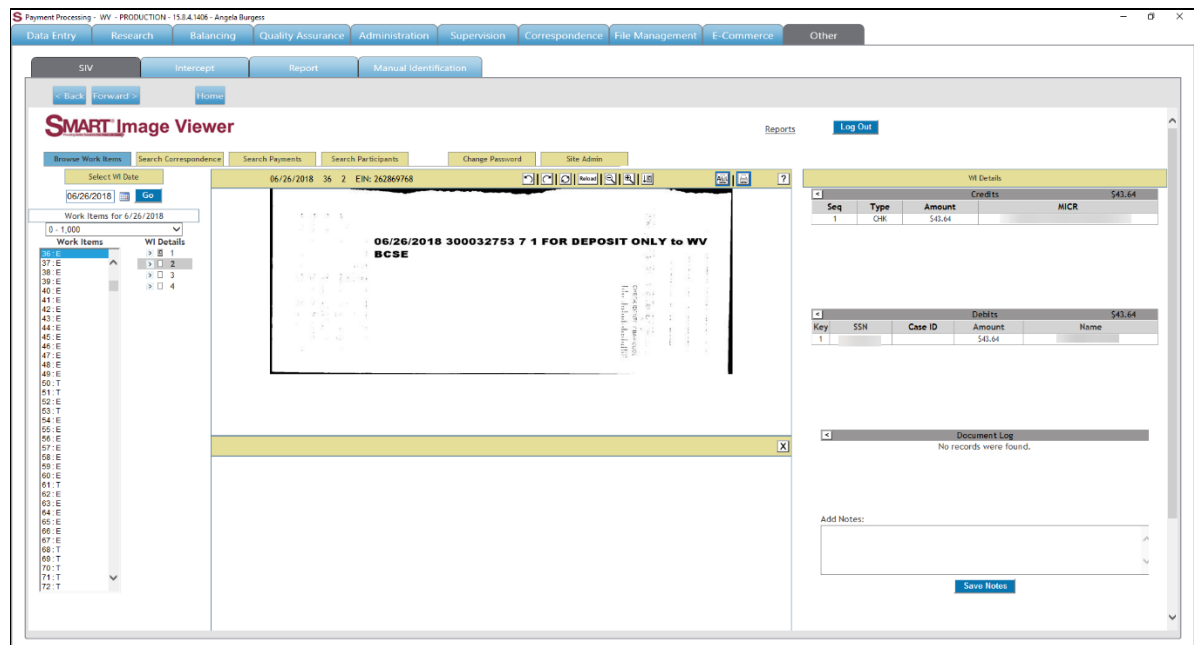


Figure 4-164: **SMART Scan** Restricted Endorsement and Unique Scan ID. The unique scan ID is used to create the unique system audit number maintained in the **SMART Database**.

The endorsement clearly includes the date SMI received the mail.

4.2.2.6.6 All payments shall be deposited into the Agency's interest bearing repayment account within one business day. All monies shall be deposited into a financial institution designated pursuant to West Virginia Code § 12-1-1 et seq. ([www.wvlegislature.gov/legisdocs/code/12/WVC](http://www.wvlegislature.gov/legisdocs/code/12/WVC)), shall be a member of the FDIC, in addition to being a direct participant in the Federal Reserve Automated Clearing House System. This account shall be separate and in addition to the operations account established to receive regular child support payments. The Vendor shall establish a procedure whereby the repayment funds shall periodically be transferred to another account upon receipt of written instructions from the Agency as needed.

#### 4.2.2.6.6 Deposit Payments into Agency's Repayment Account

Within one business day of receipt, SMI will deposit all payments into the Agency's interest-bearing repayment account held at J.P.Morgan, which is separate and in addition to the operations account for child support payments. J.P.Morgan is designated as a State depository pursuant to West Virginia Code § 12-1-1 et seq., and a member of the FDIC. J.P.Morgan is also a direct participant in the Federal Reserve Automated Clearing House System. We will use J.P.Morgan's established



procedure whereby the repayment funds are periodically transferred to another account upon receipt of written instructions from the Agency.

4.2.2.6.7 The repayment account shall be established as a "zero balance account" with a corresponding interest bearing account or such other account as recommended by the Vendor and approved by the Agency. The Vendor shall debit/credit the interest bearing account daily. The repayment interest bearing account will bear a variable interest rate based on such interest indices as shall be mutually agreed upon, including but not limited to, the current T-Bill rate, Fed Funds, or Standard Savings indices. The Agency realizes that there will be a balance requirement attached to any interest rate quoted for this account. The Vendor shall provide the Agency with full disclosure with regard to the method used by the Vendor to determine the applicable interest rate.

#### 4.2.2.6.7 Establish Zero Balance Account

The J.P. Morgan repayment account is established as a zero-balance account with a corresponding interest-bearing account. We will debit/credit the interest-bearing account daily, based on the monetary needs of the repayment account. The repayment interest-bearing account bears a variable interest rate based on such interest indices as mutually agreed upon including, but not limited to, the current T-Bill rate, Fed Funds or Standard Savings indices. SMI will provide the Agency with full disclosure regarding the method used to determine the applicable interest rate.

4.2.2.6.8 In those instances where the financial institution's processing center is physically located outside the Charleston, West Virginia, area, rather than transporting the receipts to the processing center by a courier who might be delayed by inclement weather, the Vendor must use Image Cash Letters (ICL) prepared in Charleston where the receipts are received which reduce the receipts to digital images and electronically forward them to the operational center to process and make all deposits to the Agency's account, so that, pursuant to Federal mandate, the daily receipts will be credited to the Agency's account on the same day they are received.

#### 4.2.2.6.8 Use ICLs

SMI will continue to deposit all payments on the day of receipt. We will use ICL technology for the repayment bank deposits, or we will continue to outsort repayment receipts for physical deposit per the current Agency-approved procedures, whichever the Agency prefers. Our **SMART Deposit** and ICL technology is described in Section 4.1.4.4.4.

4.2.2.6.9 Electronic Funds Transfer; Automated Clearing House/Electronic Data Interchange (ACH/EDI):

#### 4.2.2.6.9 EFT, ACH/EDI

SMI was at the forefront of the adoption of electronic payments by early on employing EFT/EDI in our SDU operations. Beginning in 2005, we established e-commerce websites that assist employers with reconciliation and EFT setup. In 2017, we processed 710,565 EFT payments totaling \$101,493,784 for West Virginia and 41,218,775 EFT payments totaling over \$7 billion corporate wide.



**SMART** manages all facets of EFT/EDI payment processing from any EFT-capable remitter, including, but not limited to, employers, third-party payors, other child support agencies, and other governmental agencies.

We provide ACH/direct deposit disbursement services for child support payees and other State agencies in Connecticut, the District of Columbia, Florida, and Missouri. In 2017, we processed 6,521,222 ACH/direct deposit disbursements totaling over \$1.5 billion for our operations.

We designed our **SMART Disbursements** system component specifically to support disbursement functions, including management of both incoming and outgoing file transmission for all disbursement methods: ACH/direct deposit, EFT, debit card, and check.

4.2.2.6.9.1 The Agency's automated OSCAR system has been designed and developed to accommodate electronic funds transfers through a Vendor's ACH/EDI participation. Transactions will follow the Bankers Convention Corporate Trade Exchange (CTX), CCD+, or Prearranged Payment and Deposit (PPD) format as is appropriate ([www.treasurysoftware.com/ffedigui.pdf](http://www.treasurysoftware.com/ffedigui.pdf)).

#### 4.2.2.6.9.1 Transaction Format

**SMART** is programmed to receive and process CTX-820, CCD+, and PPD electronic file formats, and is easily updated to accept other formats the Agency may require for processing ACH/EDI transactions.

4.2.2.6.9.2 The Vendor's responsibilities shall include:

4.2.2.6.9.2.1 Receiving transmissions from the Agency which contain information for outbound transactions/direct deposit;

4.2.2.6.9.2.2 Receiving data transmissions from the ACH network which contain inbound information regarding child support payments for entry into the OSCAR system;

4.2.2.6.9.2.3 Sending in data transmissions to the ACH network which contain information for credit to financial accounts belonging to recipients of the Agency's services, as well as to other state's distribution units;

4.2.2.6.9.2.4 Crediting the Agency's account with the proper transaction amount for all inbound ACH transactions and providing the Agency with the appropriate credit advices;

4.2.2.6.9.2.5 Charging the Agency's operating account for the proper transaction amount for all outgoing ACH transactions and providing the Agency with the appropriate debit advices; and

4.2.2.6.9.2.6 Providing the Agency with an operational/logistical procedure that must ensure that ACH/EDI transactions are handled in 48 hours as well as ensuring that the proper balances and controls are in place.

#### 4.2.2.6.9.2 Vendor's Responsibilities

SMI has the experience and technology to provide all ACH-related services for the Agency. We will be responsible for:



- Receiving transmissions from the Agency, which contain information for outbound transactions/direct deposit
- Receiving data transmissions from the ACH network, which contain inbound information regarding child support payments for entry into the OSCAR system
- Sending in data transmissions to the ACH network, which contain information for credit to financial accounts belonging to recipients of the Agency's services, as well as to other State's distribution units
- Crediting the Agency's account with the proper transaction amount for all inbound ACH transactions and providing the Agency with the appropriate credit advices
- Charging the Agency's operating account for the proper transaction amount for all outgoing ACH transactions and providing the Agency with the appropriate debit advices
- Providing the Agency with an operational/logistical procedure that must ensure that ACH/EDI transactions are handled in 48 hours as well as ensuring that the proper balances and controls are in place

All ACH/EDI-related files for West Virginia's child support payment receipting and disbursement functions will flow through SMI for validation and/or processing.

Incoming ACH transactions will be credited for the total amount of funds received. The ACH file totals (addenda) will be reconciled with the amount credited to the Agency's bank account to ensure the two amounts balance. Any discrepancies will be reconciled, and the Agency will be provided the appropriate credit advices. Incoming ACH transactions will be credited to the Agency's account, processed through **SMART**, and submitted on the Receipt File on the day we receive the ACH file, exceeding the 48-hour requirement.

Outgoing ACH transactions will be charged to the Agency's operating account based on the total amount for the ACH outbound file. The ACH file totals will be reconciled with the amount to be debited to the operating account to ensure the two amounts balance. The Agency will be provided the appropriate debit advices. Outgoing ACH transactions will be issued on the same day we receive the Agency's Outgoing ACH Receipts file, exceeding the 48-hour requirement.

### Payment-Related ACH/EDI Functions

Child support payments received via EFT will be imported each morning from J.P.Morgan into **SMART** for processing at the SDU. Importing the EFT file the first thing each morning allows the maximum amount of time to resolve file or payment processing issues to timely transmit the Receipt File to OSCAR. Using GoAnywhere, a secure MFT solution, the EFT file will be downloaded from the bank and decrypted. GoAnywhere will then then execute a database job to import the file into the **SMART Database**. GoAnywhere logs will be verified daily to ensure the file was downloaded and imported properly, and automated email alerts will be generated if there is an error during the process. The addenda file (EDI) will be reconciled to the payment amount (EFT) to ensure the incoming file is in balance.





Our smiONE customer service staff will assist West Virginia employers and others in remitting EFT/EDI payments and reconciling employee/payor data prior to setting up EFT. SMI's IT staff will work with EFT/EDI remitters on issues that arise with the files or data included in the files.

For payments from EFT remitters, SMI will reconcile employee/payor information against OSCAR data stored in the **SMART Database** prior to accepting the first EFT file from the remitter.

Providing employers and other remitters with superior customer service and an easy-to-use reconciliation process are key to encouraging the submission of electronic payments. Helpful information and tools for employers also ensure that submitted payments post in **SMART** to valid identifiers and process automatically, resulting in quick and accurate disbursement to families. We are proactive in meeting EFT remitters' needs because we understand that having good, responsive relationships with these entities is vital to West Virginia's goals and objectives for its child support program.

Employers and other remitters will continue to have access to the following EFT-related resources through West Virginia's **SMART e-Pay** website:

- Overview of EFT/EDI
- Steps to implement EFT/EDI
- NACHA record formats
- Downloadable or mailed *Employer Reconciliation Sheet*
- Online employee reconciliation

The e-Pay online employee reconciliation tool detailed in Section 4.1.1.14 has received national recognition for its creativity and ease of use. We were the first SDU Vendor to offer this online service for employers. This tool allows employers to upload a Microsoft Excel file or manually enter the information for reconciliation and have their employee information verified. **SMART** uses OSCAR file information imported into the **SMART Database** to reconcile employers' data with valid OSCAR identifiers. Employers have provided excellent feedback on the reconciliation tool, and we know that West Virginia employers appreciate this time-saving feature for reconciling information prior to submitting EFT/EDI payments. Employers also appreciate the ability to electronically access information necessary for EFT set up.

Reconciliation is one step in the EFT implementation process. Our smiONE customer service staff or the online information explains the other steps to employers. Other necessary actions may include making sure the employer's payroll or computer system can build the EFT file. This may involve system work on the employer's part before EFT payments can commence. When the employer can create a file, the employer must arrange with their financial institution to authorize the transmission of payments to the SDU's bank.

After creating the EFT file, the employer conducts a test transmission with their financial institution. The employer and financial institution repeat the test until both entities are satisfied that the payment information will transmit completely and accurately.



Once the reconciliation and transmission test processes are complete, the employer completes a prenote EFT transaction for a zero amount to test transmission to the SDU's bank account. When the prenote is successful, the employer can begin sending EFT payments to the SDU. For employers already submitting EFT payments to the West Virginia SDU, there will be no disruption with J.P.Morgan as SMI's and the State's banking partner.

**SMART** assigns each electronic payment imported into the database a unique system audit number, just as it does for paper collections, and automatically identifies each individual payment amount to the appropriate payor's SSN for inclusion on the Receipt File to OSCAR.

## Disbursement-Related ACH/EDI Functions

**SMART Disbursements** has been successful in providing efficient and accurate disbursement services—including direct deposits, EFT, debit card, and check printing—for our SDU operations. **SMART Disbursements** is configured to maintain accountability and internal control over disbursements and the prevention of duplicate disbursement issuances. The **SMART Disbursements** application:

- Creates a NACHA file that includes the ACH addenda records or EDI electronic information for the individual cases or payees along with the individual disbursement amounts
- Includes all individual identifying information on paper checks as provided on the Agency's Outgoing ACH Receipts file
- Transmits, receives, and imports files used for disbursement services, with an automated workflow scheduled to meet the Agency's defined timeline
- Workflow scheduling also allows the flexibility of running on a day it normally would not, or not running on a day it normally would, enabling SMI to respond to unexpected events for the Agency

Each business day, **SMART Disbursements** will download the Agency's Outgoing ACH Receipts file. The download process will only be initiated after verifying the file available for download is a new file. This is accomplished by running a secure FTP job that checks the name of each file located in the dataset ready for download by SMI. The file contains the date and time of the file.

If the disbursement file is not a duplicate, **SMART Disbursements** will initiate the Secure FTP job to download the file. To ensure reliability and added security, the download of the file will occur over a direct dedicated communication line between SMI and the State. It is our standard practice to perform the following two critical verifications:

- Check the State's control report, if available, to ensure that it is not a previously received report
- Check the dataset name of the file using secure FTP logs to ensure that files are not duplicated or skipped

If a file is duplicated, the appropriate State staff member will be contacted for resolution before the file is downloaded from OSCAR. The date of the file, the record count of the file, and the generation number of the file are recorded in the **SMART** database to be used in the next day's file



verification process. If there are any issues with disbursement processing, SMI's Project Manager will promptly notify the Agency.

After the Agency's file is loaded into **SMART Disbursements**, the file will be validated to ensure the total number and dollar amounts are equivalent to the original Agency file totals. The file will be in the NACHA format provided by the Agency and will include direct deposit disbursements in the NACHA format PPD and EFT for other State agencies in the NACHA format CCD+. Once verified, the files for direct deposit and EFT will be transmitted to J.P.Morgan. J.P.Morgan will verify the file, send any deposit with a J.P.Morgan routing number to the appropriate payee's account, and originate the remaining deposits through the ACH Network for transmission to the appropriate payee banks for direct deposit.

**SMART Disbursements** produces the Disbursements to Bank Summary Report, which provides the total number and dollar amount of disbursements by check, direct deposit, EFT, and debit card for the day. The user of this report can drill down to obtain the Disbursements to Bank Detail Report, which identifies the appropriate payees and disbursement amounts as identified by the Agency's Outgoing ACH Receipts file.

**SMART Disbursements** will apply a unique disbursement file number to each disbursement file created, and each individual disbursement is assigned a unique sequence number containing the associated disbursement file number. Any issues related to disbursement files or items within a file are tracked using the unique disbursement file number and unique sequence number. We will compare the total records and dollar amount for each disbursement type to the disbursement file to ensure that the total and dollar amount reconcile.

SMI's process will ensure all disbursement files received from the Agency are processed on the same day we receive the file.

To ensure reliability and security, the transmission of the disbursement files will occur over a direct secured VPN between SMI and the bank. After the files are transmitted, the size of the files will be compared to the file sizes shown transmitted through the secure FTP process. This verification ensures that the files were transmitted successfully and that all bytes were transferred during the process.

The bank will use the Disbursements to Bank Summary Report to verify that they receive and process the correct number and amount of direct deposit and EFT disbursements each day. This verification ensures that the bank receives the correct disbursement files and that all records in the files were received through the secure FTP transmission. If the record counts and dollar amounts do not match, the file will not be processed and the bank will contact SMI's Project Manager for resolution of the discrepancy. If the record count and dollar amount match or any discrepancy is resolved, the disbursement files will be processed to generate appropriate disbursements by the method specified in the Agency's Outgoing ACH Receipts file.

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#### 4.2.2.6.10 System transition:

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#### 4.2.2.6.10 System Transition

SMI welcomes the opportunity to present a *Transition Plan* that includes all necessary implementation activities and deliverables. Being the current SDU service provider with six years' experience providing collecting, tracking, and disbursement services has significant advantages in terms of ensuring the uninterrupted delivery of services while eliminating the risks associated with the transition to a new Vendor. Selecting J.P.Morgan as our banking partner to continue providing depository and disbursement banking further reduces risks associated with transition.

Our work plan is simpler and has fewer tasks than other bidders since we currently perform most of the requirements of the RFQ. The West Virginia SDU operation is fully functional with experienced and trained staff, and our payment processing and disbursement system has already been proven to meet West Virginia's requirements. Building on our transition experience, we've developed a well thought out work plan to ensure a successful transition for debit card services and reimplementation of SDU services.

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4.2.2.6.10.1 The following requirements encompass the tasks that the vendor shall complete prior to performing the centralized collection and distribution function. the objectives are as follows:

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##### 4.2.2.6.10.1 Tasks Vendor Shall Complete Prior to Performing Centralized Collection and Distribution Function

SMI understands the activities needed to maintain successful ongoing operations while implementing new requirements and enhanced services. In addition to successfully transitioning child support payment processing and customer service operations from other Vendors in 11 States, we have also been awarded four SDU contracts in North Carolina; three contracts in Missouri and the District of Columbia; and two contracts in Colorado, Connecticut, Georgia, Massachusetts, and Tennessee. With each additional contract award, we successfully implemented new requirements with all implementation tasks completed in accordance with contract requirements while maintaining ongoing operations.

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4.2.2.6.10.2 Shall work closely with both the Agency and the existing Vendor to continue to process collections and disbursements until the new Vendor's implementation plan is fully executed.

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##### 4.2.2.6.10.2 Work Closely with Agency and Existing Vendor

SMI will work collaboratively with the Agency, J.P.Morgan, the current prime Vendor, and all stakeholders to ensure a smooth and seamless transition. SMI has successfully transitioned SDU and debit card operations from various Vendors. We are fully aware of the tasks that must be completed and the communication that must take place for a successful transition. We will apply our proven transition methodologies to ensure an orderly transition with no disruption in services.

4.2.2.6.10.3 The following requirements encompass the tasks that the Vendor shall complete prior to ceasing the centralized collection and distribution function if the incumbent Vendor is not awarded a new contract upon the expiration of this contract. The objectives are as follows:

#### 4.2.2.6.10.3 Tasks Vendor Shall Complete Prior to Ceasing Centralized Collection and Distribution Function

SMI's plan for turnover of SDU operations is developed with the benefit of our extensive experience in transitioning SDU operations from other Vendors and reflects the many lessons learned from those transitions. While SMI adheres to our strict code of ethics and standards that are the foundation of our culture, such standards are not always followed by all companies in the industry. From these lessons, we recognize Communication, Division of Responsibility, Schedule, and Quality as major focus points for ensuring a successful transition of SDU operations.

4.2.2.6.10.3.1 Shall work closely with both the Agency and the existing Vendor to continue to process collections and disbursements until the new Vendor's implementation plan is fully executed.

##### 4.2.2.6.10.3.1 Work Closely with Agency and Existing Vendor

SMI will work collaboratively with the Agency and the other subsequent Vendor to assist in planning for an orderly turnover. We will also do everything in our power to ensure continuing operations run smoothly and are not adversely affected by the turnover.



Figure 4-165: Successful Turnover. A successful turnover requires effective communications, a clear division of responsibilities, an agreed upon *Project Schedule*, and quality requirements and staff.



Our philosophy of “going the extra mile” for our Agency partners will not end if a new contract is awarded to another Vendor or if the contract is otherwise ended. We will support the Agency through the turnover phase of the contract just as we will throughout the contract term.

## Communication

Effective communication is critical to a successful turnover. We have learned through our experience as the successor Vendor to ask our State partners to schedule frequent meetings between current Vendor leadership, that of the successor Vendor, and the State Agency. Regular and effective communication ensures collaboration is maintained throughout the required period. We are committed to providing an open dialogue with the Agency, the successor Vendor, and any other members of the transition team designated by the State.

Our commitment to regular and effective communication includes the following:

- Providing progress reporting on the operation’s transition
- Maintaining daily, open dialogue with the Agency, their designated agents, and any other transition team members designated by the Agency
- Collaborating with the team on transition tasks

Open and timely communication is a key factor in any end-of-contract turnover.

## Division of Responsibility

SMI understands the required turnover tasks and will assign responsibility for each within our management team. We will appoint a Transition Manager who will be responsible for ensuring that all turnover tasks are completed to the satisfaction of the Agency.

Comprehensive end-of-contract transition planning is necessary, and our planning includes the use of a *Project Schedule* to include tasks, subtasks, deliverables and milestones, assignments of responsibility, and tracking to a baseline plan to measure the success of the turnover.

Throughout the turnover phase, SMI will support the Agency with end-of-contract transition activities. We will maintain an organizational structure that ensures accountability and meets the requirements for the appropriate division of responsibilities. Our organizational structure will remain in place throughout the turnover period until the last scheduled day of service from SMI and until all post-contract tasks are complete.

The following table shows SMI’s and BCSE’s responsibilities.





Table 4-22: Turnover Division of Responsibility. The following Table shows SMI's and BCSE's' responsibilities and how they will be addressed.

Division of Responsibility	SMI Solution
SMI will:	<p>Commit expert staff and appropriate staffing levels to ensure successful transition of operations while allowing other expert operational staff members to concentrate on the daily operations</p> <p>Communicate clearly and cooperate with BCSE and/or the successor Vendor on turnover activities</p> <p>Provide accountability throughout the operations</p>
BCSE will:	<p>Commit necessary personnel for turnover activities in accordance with the approved turnover <i>Project Schedule</i></p> <p>Oversee the activities to ensure all parties are meeting requirements for a successful turnover</p>

Our transition organization provides for the continuation of quality services as SMI will keep our operation appropriately staffed to ensure a successful transition and knowledge transfer.

## Schedule Requirements

SMI will meet all agreed upon schedule requirements established for the turnover phase of the contract. SMI's Transition Manager will be responsible for the management of the transition using our standard project management tools, including a *Project Schedule* to record tasks, subtasks, deliverables, milestones, assignments, and track progress. SMI will:

- Coordinate with the Agency on a frequent basis regarding the status of the transition *Project Schedule*
- Ensure all activities are properly completed on a timely basis
- Maintain the transition *Project Schedule* for SMI tasks

Our *Project Schedule* will identify the tasks, sub-tasks, and schedules for providing the turnover of SDU services. Maintaining an organized and coordinated schedule will ensure the Agency's timeframes are met.

## Quality Requirements/Staff

High quality performance is always of utmost importance to SMI. We will continue to meet and exceed the performance requirements throughout the term of the contract, through the very last day of our operations. We will also ensure that turnover tasks requiring completion pre- and post-contract are performed at the same level of quality we deliver during startup, implementation, and operational phases of the project. Our Transition Manager will oversee the turnover activities in the same professional way we complete our implementation activities. SMI's commitment to quality performance includes the following quality requirements:

- Continuing to provide sufficient, experienced staff
- Providing daily quality assurance of work completed





- Ensuring high-quality turnover services are consistent with SMI's standards
- Providing experienced Project Management staff to lead the turnover

Turnover requirements will address transition activities for the following:

- Operational Close-Out
- Customer Service Transition
- Debit Card Transition
- Financial Transition
- Data Transition
- Data Purge and Records Retention

Our Transition Team's extensive experience with these tasks during implementations and transitions from other Vendors will be invaluable in ensuring a smooth turnover to a new Vendor.

Should a turnover of SDU services be necessary, we provide you with a commitment from the highest level of our organization that we will do our part to ensure success. Our turnover approach and plan will provide for an orderly and controlled turnover without interruption to daily operations.

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#### 4.2.2.6.11 State Responsibilities:

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#### 4.2.2.6.11 State Responsibilities

SMI understands the State's responsibilities as outlined in this section of the RFQ.

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#### 4.2.2.6.11.1 Training:

4.2.2.6.11.1.1 The Agency shall provide training which shall be accomplished through a mixture of formal and on-the-job sessions. Training shall focus on providing the Vendor's management and front line staff with information regarding all operational aspects of the collection and distribution process, the appropriate OSCAR screens and functions, and the appropriate Federal rules and regulations. The Agency shall provide all the instructional materials necessary to successfully complete this training.

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#### 4.2.2.6.11.1 Training

SMI has a fully-trained and experienced staff in place and is functioning at an optimal level of service. As a result, the State will not need to expend any resources to train SMI's SDU staff on OSCAR or the child support program. However, should the Agency believe additional training is necessary or beneficial, we will ensure all appropriate staff participate in such training made available by the State.

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4.2.2.6.11.1.2 An experienced transition team shall be established by the State in order to assist the Vendor to overcome any problems or obstacles which might occur and to ensure a smooth transition from the existing Vendor to the new Vendor.

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#### 4.2.2.6.11.1.2 Experienced Transition Team

SMI understands the State will provide an experienced transition team to assist SMI in overcoming any problems and obstacles that might occur. We will make the best use of the Agency's time and resources by ensuring effective communications and experienced and qualified personnel who are skilled in problem identification and resolution.

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4.2.2.6.11.1.3 The Agency shall provide test data files for the Vendor's use in testing the operation of its collection and distribution processes. The Agency owns all of the computer programs, manual procedures, operating plans, documentation, data, records, and any related items arising out of the collection and distribution process, and shall make any and all of these available to the Vendor when it is deemed necessary for the successful accomplishment of the contract.

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#### 4.2.2.6.11.1.3 Test Data Files

SMI understands the Agency will provide test data files for SMI's use in testing our collection and distribution processes. We also understand that the Agency owns all the computer programs, manual procedures, operating plans, documentation, data, records, and any related items arising out of the collection and distribution process and will make any and all of this available to SMI when it is deemed necessary for the successful accomplishment of the contract.

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4.2.2.6.12 Vendor Responsibilities: The Vendor is required to begin participation in transition activities no later than six months prior to the assumption of the centralized collection and distribution process. Vendor responsibilities during the transition period shall including the following:

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#### 4.2.2.6.12 Vendor Participation in Transition Activities

Our proposed *Project Schedule* includes a schedule of activities that will result in completion of all transition activities within six months of contract award. We will begin participation in transition activities upon contract award, and no later than six months prior to the assumption of centralized collection and distribution process. We accept each of the Vendor responsibilities identified in the RFQ. Details on how we intend to accomplish the transition tasks follow.

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4.2.2.6.12.1 Management Team: The Vendor shall assemble a management team during the first two weeks of the transition period. Furthermore, the Vendor shall provide the Agency with the names and biographical sketches of all management team members.

After the transition period expires, the management team shall assume full and complete responsibility for the centralized collection and distribution process.

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#### 4.2.2.6.12.1 Management Team

SMI is excited about the opportunity to continue our partnership with the State of West Virginia for the continued delivery of SDU services. Our management team for the West Virginia SDU is already identified and in place. They are ready to begin transition activities upon contract award.



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## Transition Team

Although our implementation activities are minimal in comparison to other Vendors, we will devote quality implementation staff to the re-implementation activities in West Virginia. Because SMI already provides most of the services required by the RFQ, the role of many team members will be minimal during transition and implementation. However, after implementation, this team will continue to be responsible for any updates or changes made to **SMART**, the equipment, or our infrastructure.

Our Transition Team members have direct experience in successfully implementing SDUs and debit card operations in new projects as well as re-implementations for continued operations under second, third, and fourth contract awards with existing State partners. These team members work together on each of our SDU implementations, providing them the opportunity to establish breadth and depth of experience while refining their project methodology.

The organizational chart for our Transition Team is provided in Section 3.1.3.1 of our proposal. The names and a biographical sketch for each Transition Team management team member follow.

### Jackie Scharping, Assistant VP and Transition Manager

Providing leadership for our Transition Team will be SMI's Assistant Vice President, Jackie Scharping. Jackie will serve as the Transition Manager, managing, controlling, and supervising the transition.

Since joining the SMI team in May of 2016, Jackie has provided leadership for SMI's SDU operations in Colorado, Idaho, Missouri, Oklahoma, and Tennessee. In February of 2018, Jackie was tapped to take over responsibility for leading SMI's transitions of new operations as well as reimplementation for existing projects. Jackie brings outstanding organization, management, and communications skills that are critical for success in this position. She has spent the last two years learning all aspects of our SDU operations, and she is ready to put her knowledge and experience to work for West Virginia.

Jackie brings more than 24 years' progressive child support experience. Her experience includes serving as the Wisconsin State IV-D Director for four years, managing one of the largest county child support agencies in Wisconsin for more than three years, and serving as a Program Coordinator for the Wisconsin automated child support system for seven years. Jackie's program and system knowledge and experience will be a tremendous asset in ensuring a smooth transition for West Virginia.

### Mark Carlson, Vice President, IS

Mark Carlson leads SMI's Information Services department in delivering professional system and networking services for our clients and internal operations. Serving in a leadership position as SMI's Vice President of IS, he draws on his rich combination of human services, technical, and management experience.



Mark has helped our customers achieve an exceptional level of system innovation and performance without passing the typical research and development work on to the customer. He demonstrates a cooperative style of leadership and relaxed professionalism while developing a comprehensive IS program based on customer needs.

Mark has provided technical oversight and project management in 12 SDU transitions including Georgia, Washington DC, Colorado, Massachusetts, Tennessee, Rhode Island, Idaho, West Virginia, Oklahoma, Maryland, Texas, and Florida. He has also served in this role for re-implementations in Colorado, the District of Columbia, Georgia, Massachusetts, Missouri, and North Carolina. Mark is a crucial member of the Transition Team. His technical expertise will ensure our systems meet or exceed all West Virginia requirements.

### **Ben Johnson, Vice President, IT**

Ben is a highly competent IT professional who has expert knowledge of Windows, Linux, and Mac OS client and server operating systems as well as Active Directory and Microsoft Exchange 2003, 2007, and 2010 systems. He provides oversight and technical direction of each system and hardware environment. Personal attributes include the ability to work with all levels of management, including experience working with those in child support, banking, and IT professions.

Ben has invaluable experience in startup and ongoing project development and implementations. During 2014, Ben provided IT oversight for our SDU implementation in Maryland; during 2015, he served as the Technical Manager for the SDU implementation in Texas; and during 2016, he served as the Systems IT Manager for the SDU implementation in Florida. Ben also managed the implementation of SMI's enterprise telecommunications solution for our Customer Service Center operations.

Ben can provide professional support for all areas of technology, including software, hardware, and networking in all windows environments. He exhibits outstanding communication, organizational, and interpersonal skills, which help facilitate the meeting of deadlines and effective problem resolution. Ben will provide technical direction and project management to implement all necessary IT to support the West Virginia SDU.

### **Ricky Quinn, PMP, IT Project Manager**

Ricky Quinn is an IT professional with 10 years of IT experience supporting SDU operations and expert knowledge of Windows and Linux client and server operating systems. Ricky manages IT transitions and re-implementations for SDU operations. In 2014, Ricky served as the IT Project Manager for SDU and Customer Service Center transitions in Maryland. In 2015, he served as the IT Project Manager for the SDU transition in Texas. In 2016, he served as the IT Project Manager for the SDU transition in Florida.

Ricky will manage the IT transition in West Virginia coordinating activities with the Transition Manager, Vice President of IT, IS Director, Corporate Network Administrators, or other pertinent



parties as related to LAN stability. He will manage the maintenance and monitoring of the LAN and ensures connectivity to the WAN.

### **Edie Mobley, Vice President, Operational Services and Operations Transition Manager**

Edie Mobley is SMI's Vice President of Operational Services. She brings invaluable experience and child support payment system knowledge. Edie has been instrumental to SMI in sustaining a state-of-the-art payment processing system. As a nationally recognized expert on child support and SDU systems, with over 30 years of experience, Edie's broad experience includes customer support, case management, and training employees in child support payment system policies and procedures in extremely technical operations.

During transition, Edie will manage the operations implementation for the SDU. She has managed the operations implementations for 10 SDUs, including Georgia, District of Columbia, Colorado, Massachusetts, Rhode Island, West Virginia, Oklahoma, Maryland, Texas, and Florida. The combination of her extensive child support knowledge and her experience in project management and implementations enables SMI to offer the most efficient delivery of services to West Virginia.

### **Jerre Taylor, Director, Training and Documentation and Training and Documentation Manager**

Jerre Taylor is a professional with 30 years' experience in the development and delivery of training and documentation with 16 years focused on SDU operations. Her unique experiences in banking, education, and human services make her a valuable resource in the development of both user documentation, training materials, and written deliverables for SDU operations. Her skills in technical documentation and training also make her an important part of our team. Jerre's wealth of expertise in performance management systems made her an integral part in the development, implementation, and oversight of SMI's Employee Performance Management Program.

During transition, Jerre will serve as the Training and Documentation Manager. She has been instrumental in the development of training and documentation for all our SDU and Customer Service Center operations and serves as the Training and Documentation Manager for each of our SDU transitions.

### **Jason Brown, Director, Customer Service and Customer Service Transition Manager**

Jason Brown is SMI's Director of Customer Service. He is a dynamic manager with more than 17 years of leadership experience. He is a strong team player with a positive attitude and the ability to interact and build strong relationships within all levels of an organization. He is a CIAC trained call center professional and a Six Sigma Greenbelt.



Jason works with our SDU and smiONE managers to ensure that their customer service operations are operating efficiently and meeting SMI and contractual standards. Since joining the SMI team in 2012, Jason has managed:

- The successful transition of our smiONE Customer Service Centers in Missouri and Texas
- The expansion of our smiONE Customer Service Centers in Georgia and Texas as we transitioned programs from subcontractors or other Vendors to the smiONE Card in Connecticut, the District of Columbia, and Florida
- The transitions and implementations of the Texas and Florida SDU Customer Service Centers

Jason oversees the transitions and re-implementations of our SDU and smiONE Customer Service Center operations.

### **Charles Hollingsworth, PMP, Director, Card Services and Debit Card Transition Manager**

Providing leadership and management for the debit card transition will be Charles Hollingsworth, Director of Card Services. Charles Hollingsworth is a project management professional with 23 years' experience working directly with State agencies. Since assuming his Card Services role in 2006, Charles has led the successful implementation for the first Missouri child support debit card, implementation of the smiONE Card Customer Service Center in Georgia, transition for the Georgia Division of Family and Children Services and payroll debit cards to the smiONE Card, implementation of the smiONE Card for the Delaware, Eastern Band of Cherokee, Lac Courte Oreilles, Modoc, Muscogee Creek Nation, Ponca, and Winnebago Tribes, transition of existing subcontractor child support debit cards to the smiONE Card in Connecticut, the District of Columbia, Missouri, and North Carolina, and transitions to the smiONE Card in Florida and Texas.

Charles most recently managed the upgrade to the Platinum smiONE Card in Texas. This upgrade, which involved the issuance of more than 600,000 EMV cards, started in October 2017 and was completed in February 2018.

### **SDU Ongoing Operations Team**

The same team that currently manages the daily operations of the West Virginia SDU will be responsible for managing operations under the next contract award. SMI proposes an ongoing operations team that is fully staffed and trained.

Angela Burgess, with 12 years' West Virginia SDU experience, will continue to manage day-to-day operations for the SDU during the next contract term. Angela will ensure the continuity of current services during transition and ongoing operations. Angela will continue to be supported by members of our Leadership Team including Assistant VP Beverly Wright, VP Bilinda McKay, and Chief Operating Officer Lou Hall. Organizational charts for our Leadership Team and our West Virginia Ongoing Operations Team are provided in Section 3.1.3.1 and Appendix B. of our proposal. To follow we provide a biographical sketch for each of these management team members.



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## **Lou Hall, Chief Operating Officer**

Lou Hall has more than 35 years of operations and project management experience with 17 years focused on SMI's SDU operations. Lou has provided oversight for SMI's successful SDU transitions in 13 states and successful ongoing operations in 15 States. Her level of experience equips her with unparalleled subject matter expertise which she pairs with a strong "hands on" management style, resulting in a proven track record of success. Lou has an innovative approach to addressing the needs of government clients through technology solutions. She is an expert in blending system functionality with program needs to provide the most effective solution for our State partners.

With over 17 years of SDU experience and the experience and knowledge gained from 15 SDU operations, no one is better prepared to ensure a seamless transition of services and successful ongoing operations for the West Virginia SDU.

## **Bilinda McKay, Vice President, Child Support Services**

Bilinda joined the SMI team in March 2013 as Vice President for Child Support Services. She has five plus years' experience providing leadership for SMI's SDU operations. Bilinda sets clear expectations for SMI's SDU operations and demands outstanding service delivery for our State partners and their customers. She fosters collaboration and communication across operations and keeps a constant eye on opportunities for innovation and efficiencies within all operations.

Prior to joining SMI, Bilinda served the child support program in Colorado at both the State and judiciary district levels for 30 years. She understands the needs and concerns of our State partners and is passionate about the child support program.

## **Beverly Wright, Assistant Vice President, Child Support Services**

Beverly Wright is SMI's Assistant Vice President for our Child Support Services Division. She assists the Vice President in providing leadership and direction for SMI's SDU operations in Colorado, Connecticut, the District of Columbia, Georgia, Idaho, Maryland, Massachusetts, Missouri, North Carolina, Oklahoma, Rhode Island, Tennessee, and West Virginia.

Beverly is a child support professional with more than 25 years' experience in her field. She brings 13 plus years managing and overseeing child support operations with the last three years focused on SMI's SDU operations. Prior to managing operations, Beverly's focus was on developing and delivering training for child support systems and operations.

Beverly has outstanding leadership, project management, and communications skills. Through her work on numerous child support projects, she is uniquely qualified to grasp our State partners' needs and to effectively establish and develop highly effective operational teams to support our clients' objectives. She uses strategic communications to achieve desired actions; communicates effective messages when communicating up, down, or laterally; and creates working environments where staff freely express concerns and opinions.





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## **Angela Burgess, Project Manager**

Angela Burgess has 12 years' experience with the West Virginia SDU all of which has been serving in a supervisory or management capacity. Angela served as the Operations Supervisor from 2006 to 2011 and assumed responsibilities as the Project Manager in 2011. Angela possesses a thorough knowledge of all aspects of the SDU operation. She is a capable and hands-on manager with the proven ability to oversee the day-to-day operations of the West Virginia SDU.

## **Debit Card Ongoing Operations Team**

SMI proposes an ongoing debit card operations team that is staffed, trained, and ready to deliver outstanding service to West Virginia's cardholders. An organizational chart for our smiONE Ongoing Operations Team is provided in Section 3.1.3.1 of our proposal. The names and a biographical sketch for each management team member follow. A biographical sketch for Charles Hollingsworth, our Debit Card Transition Manager and Director of Card Services is provided in Section 4.2.2.6.12.1

## **Bo Stone, Vice President, Card Services**

SMI's Vice President of Card Services, Bo Stone, will provide overall leadership for the smiONE Team during operations. He brings a unique and valuable educational and legal background including a JD, MBA, and BA in communications. Bo is licensed to practice law in both Alabama and Georgia. Prior to joining the SMI team, Bo served as Assistant Counsel within the Alabama Department of Revenue. In this position, he developed a beneficial understanding of the statutory and regulatory framework in which State agencies and governmental programs must operate. He provides a strong balance for the smiONE program with a constant eye on compliance, innovation, and effective communications.

## **Jerri Harrison, CIAC, Director, smiONE Customer Service**

Jerri Harrison has earned the International Customer Management Institute's CIAC Call Center Professional certification and holds a vast amount of customer service and personnel management knowledge and experience. She brings 16 years' experience in handling and managing customer contacts for governmental programs. Jerri has been a loyal and invaluable employee of SMI since 2004. In January 2017 Jerri assumed the leadership role for our smiONE Customer Service Centers, in Georgia and Texas, which currently handle 52.96 million IVR calls and 1.47 million CSR calls annually.

Jerri is well qualified and was instrumental in the successful implementation of the smiONE 24/7/365 Customer Service Center in 2011 and with our expansion in 2013 as we prepared to transition programs from subcontractors to the smiONE Card in Missouri, Connecticut, and the District of Columbia. During 2015 and 2016, Jerri was an invaluable resource in assisting with the smiONE Customer Service Center transition for the Texas and Florida debit cards. Her hands-on customer service experience has prepared her to direct the fast-paced environment of the smiONE Customer Service Centers.



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## Leslye Sledge, CFE, Fraud Manager

Leslye Sledge is a CFE. CFE certification is awarded by the ACFE. The ACFE is a provider of anti-fraud training and education. As the Fraud Manager, Leslye oversees policies, programs, and other efforts designed to prevent, detect, identify, and resolve fraudulent activity. Specifically, she works to implement strategies to prevent fraudulent debit card activity and directs and supervises the work of the team's Fraud CSRs.

Leslye brings more than six years' experience in detailed financial analysis, fraud analysis and prevention, and dispute resolution. She knows the debit card industry and has a thorough knowledge of debit card chargebacks and disputes. Her knowledge and experience of issues is broad, related to common web/e-commerce exploits, debit card fraud, and identity theft.

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4.2.2.6.12.2 Planning: Immediately upon notification of selection, the Vendor shall prepare a detailed transition plan for the Agency's approval for a period of six months or less. The plan, at a minimum, shall include:

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### 4.2.2.6.12.2 Transition Plan

Upon notification of selection for the new contract, SMI will prepare a detailed *Transition Plan* for the Agency's approval. We understand that many of these tasks apply specifically to the implementation of new projects, while some are necessary regardless of the stage of the project cycle. Our transition plan will include the minimum items as required:

- Planned activities
- Staffing levels
- Timeline for completion and appropriate deliverables
- A checklist for review and acceptance by the Agency of the policies and procedures developed by SMI to accomplish a successful transition
- A detailed disaster recovery/business contingency plan that will be submitted to and approved by the Agency prior to the expiration of the *Transition Plan*

Following is the Table of Contents for our 2011 West Virginia *Transition Plan*. This document provides an indication of the items that will be included in the *Transition Plan* presented upon selection.

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Figure 4-166: West Virginia 2011 *Transition Plan*. This Table of Contents from our 2011 transition West Virginia transition shows the type of information that will be included in our *Transition Plan*.

SMI has extensive experience in transitioning SDU operations. Although we offer a low risk with fewer functions to transition, our *Transition Plan* will provide comprehensive information to ensure a seamless transition.

#### 4.2.2.6.12.2.1 Planned activities;

#### 4.2.2.6.12.2.1 Planned Activities

Upon contract award, the SMI Transition Team will begin their planning, analysis, and design through the use of internal design sessions. The goal of these sessions is to elicit and document



detailed system requirements, identify customizations to **SMART**, and map the necessary operational processes and procedures. As part of this process, the team will revisit the RFQ and proposal content and begin finalizing our preliminary set of system requirements and design documents as well as a set of design questions for items that require clarification from subject matter experts and key decision makers at BCSE.

Upon completion of the internal design sessions, the SMI Transition Team will conduct joint design sessions with the Agency. The goal of these design sessions will be to request additional information and clarifications on the questions that the team has drafted during their internal design sessions as well as to make joint decisions on design and interfaces with OSCAR. The *Project Schedule* is updated based on the information gathered during the design sessions, and the Transition Team will use the schedule to ensure the timely completion of tasks.

SMI has used this approach as the basis of finalizing requirements in each of our SDU transitions. By using the same team members and team structures, we have been able to refine this process. Our team comes to the table with the expertise needed to ask the right questions of our State partners to ensure our system design meets their specific needs.

The joint design sessions are one control we use to ensure the project produces the results West Virginia expects. Other key standards and controls include:

- Decisions from the design sessions are shared with all parties
- **SMART** Configuration Guides are updated, as necessary
- Microsoft Team Foundation Server is used for application source control, test management, and defect tracking
- ServiceNow IT Service Management software is used for infrastructure problem resolution tracking

SMI adheres to these proven standards and controls that result in a successful transition.

## Application Development and Testing

Based on decisions reached during the design sessions, **SMART** will be customized to support any new or changed requirements specific to West Virginia and the designed interfaces. Requirements are revised as a result of the design sessions and configuration guides/design documents are finalized. Development is then completed and incorporates reviews and unit testing. Test cases are also developed while system modifications are being completed.

Based on the decisions reached during the design sessions, the database is customized specifically for West Virginia requirements. Modifications are then made in the development environment by the SMI developers.

Testing is a critical component of any system transition and is a necessary function in an ongoing project to ensure quality and support system improvement initiatives. In any project, this phase becomes even more critical due to the impact that the success of the project will have on the



families relying upon the operation to function efficiently and accurately. Because of this, we have employed a comprehensive testing plan both for the transition of our system and for ongoing support.

In addition to industry standard testing processes, we have developed our specific testing plan to ensure that the following system objectives are met:

- Functionality satisfies federal and State specific requirements
- Specified performance requirements are met under peak transaction volumes
- Errors are identified and resolved
- Interfaces work as intended

Since it is important that final acceptance testing goes as smoothly as possible, the testing phases leading up to it are designed to detect and fix problems early in the process. Each release will undergo user acceptance testing by our operations staff. By involving our experienced staff from the beginning, we also gain the benefit of early end-user testing so that by the time we reach acceptance testing, all critical system modifications have been completed and thoroughly tested.

## Communication Strategy

During the transition period, contact with the Agency will occur through frequent interaction with the SMI Transition Manager, design sessions, progress reports, and status meetings. As issues or situations arise or are identified that impact the transition or ongoing operation, we will ensure the vested parties are identified and notified.

SMI will assemble a list identifying all members of the Transition Team, their role, and contact information. The SMI Transition Manager will be the primary point of contact for the Agency; however, we will provide contact information for all our Transition Team to facilitate open and frequent communication between SMI and BCSE. This information will be provided to the Agency and maintained on the West Virginia Project Management Portal.

The following table outlines the different methods we propose for effective and timely communications with stakeholders. We will gladly revise these methods, discontinuing or adopting communication methods, based on BCSE's preferences during the contract.

Table 4-23: Communication Methods. These methods define how stakeholders will be kept informed during transition.

Communication	Audience	Frequency
Project Management Portal	Agency-Designated Staff SMI Transition Team SMI Operations Team	As needed
Project Status Meetings	Agency-Designated Staff SMI Transition Team	Per agreed to schedule during transition Monthly during operations



Communication	Audience	Frequency
	SMI Operations Team	
Project Progress Reports	Agency-Designated Staff SMI Transition Manager SMI Project Manager	Weekly Per agreed to schedule during operations
<i>Project Schedule</i>	Agency-Designated Staff SMI Transition Manager	Weekly
Action Item Log	Agency-Designated Staff SMI Transition Team	Weekly
Conference Calls	Agency-Designated Staff SMI Transition Team SMI Project Manager	As needed
Email	Agency-Designated Staff SMI Transition Team SMI Project Manager	As needed

To ensure the project stays on target and to eliminate miscommunication, we will communicate directly with Agency-designated personnel. This approach allows for clear expectations for SMI and Agency staff.

### Project Management Portal

Project-related documentation is stored on the West Virginia SDU Project Management Portal, which is accessible to all members of the SMI transition and ongoing operations teams, and Agency-designated personnel. The portal functions as a point of access to information such as the RFQ, SMI's proposal, deliverables, project planning documents, status reports, meeting minutes, design documents, and more. The following illustrates the use of the West Virginia Project Management Portal.

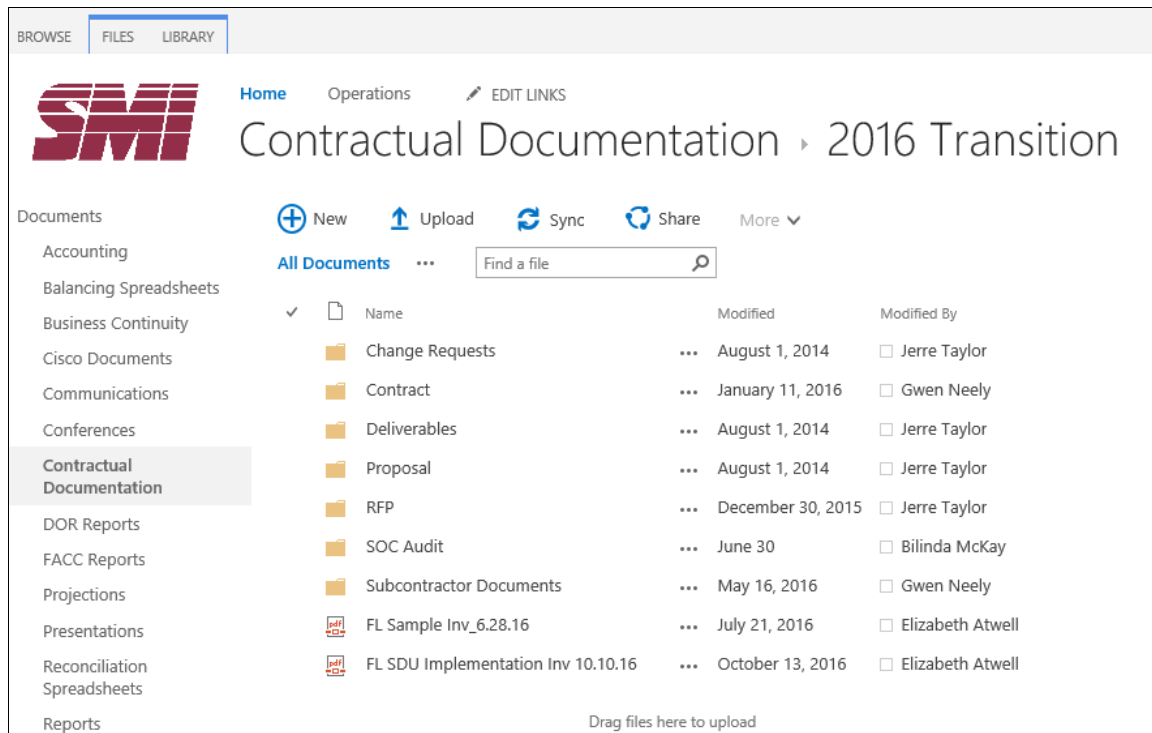


Figure 4-167: Project Management Portal. The portal provides online access to documentation and information for the project, including deliverables, project planning documents, status reports, meeting minutes, design documents, and more.

The Project Management Portal ensures all project-related information is stored in a central location and is easily accessible by team members.

## Project Status Meetings

Our Transition Manager and our Transition Team members, as necessary, will be available to meet with the Agency for project status meetings. A meeting schedule will be determined during detail design sessions. During the status meetings, we will report on all items from the *Project Schedule*, such as tasks completed, tasks in progress, any late tasks, and tasks planned for next period. We will also report on open issues on the problem resolution log, the status of corrective actions, and remaining steps required to resolve the open issues. Other important tasks will be tracked on an Action Item Log.

We will use our Change Management Process to track any project changes. This process will provide for reporting on project changes that have been approved or rejected, along with any that are new or pending.

## Weekly Progress Reports

Within two weeks after the effective date of the contract, Jackie Scharping will begin providing weekly progress reports to the Agency. The reports will include, but not be limited to, failure payment file transmissions, sending of duplicate payment files, natural disasters which affect payment processing, progress and/or obstacles to procedural development, current staffing levels





and the status on the hiring process, any problems or backlogs encountered, planned activities during the next reporting period, meetings held, and any other information deemed to be relevant by the Agency or the Vendor. The following figure shows a Status Report during our Texas transition and provides an indication of the type of information we provide in our status reporting.



Figure 4-168: Progress Reports. SMI's progress reporting provides a comprehensive picture of the project status.

Jackie will be available to discuss any concerns that may arise from the information relayed in the report.

## Project Schedule

Our *Project Schedule* includes detailed tasks with the timeline for the duration of the task as well as dependencies. By measuring and monitoring the time for each task, we can adjust when needed to ensure the project stays on track. When developing or refining the *Project Schedule*, SMI will work with the Agency to ensure appropriate stakeholder participation for each activity. SMI's draft *Project Schedule* is provided in Appendix A.

## Action Item Log

SMI will use an Action Item Log to track issues, due dates, and problems needing to be addressed internally and between SMI and the Agency. The log contains a description of each action item, the individual to whom primary responsibility is assigned, an agreed upon date for resolution, and the progress and resolution of the action item.



Action Item Log						
Item	Action Item	Priority	Responsible Party	Due Date	Date Closed	Comments / Resolution
20160216 100	SMI will provide customer service scripts and training documents.		Jason Brown	08/09/16		4/4: Jason requested this task be bump back to July 1. That will put it closer to the time that the user documentation is due, and will allow time for us to prepare the training documents that the DOR indicated that they want to see: CSE & SDU Fundamentals, Security & Confidentiality, and Customer Service Fundamentals. We will also provide the opening (greeting) and closing "scripts" at that time. 6/22: This date will be in line with procedures, 8/9 08/03: updating to clarify web documentation provided to CSRs for training will also be provided to DOR per the web site demo on 08/03

Figure 4-169: Sample Action Item Log. The Action Item Log will be used to manage and track open action items.

Updates to the Action Item Log will be shared weekly with the Agency or as otherwise requested by BCSE.

## Conference Calls

Conference calls provide a quick and easy method for conducting meetings and sharing communications as necessary throughout the transition period. SMI will work with the Agency in determining when conference calls may be used to conduct necessary meetings and other communications.

## Email

Email has been and will continue to be an indispensable method of quickly communicating with project stakeholders. It also allows the stakeholders to exchange various project documents electronically for review. Final versions of important documents may be followed up with an official hard-copy document or placed on the Project Management Portal, based on the State's preference.

Clear and consistent communication is essential to the success of any project. The communication plan ensures that the methods and frequencies of communication are clearly defined for all project stakeholders, thus ensuring information is consistent, accurate, and timely.

## Banking Transition

SMI has partnered with J.P.Morgan to continue the delivery of banking services for the West Virginia SDU. J.P.Morgan has proven processes in place to meet the Agency's depository and disbursement banking requirements. Accounts and processes are already in place and West Virginia's previously established sales and client service teams will continue to support the Agency's SDU banking requirements. J.P.Morgan's team are already knowledgeable about your accounts and operations and will not require the learning curve of a new banking service provider.

Since the current SDU bank accounts are owned by the State, SMI will be able to achieve a banking transition simply by working with J.P.Morgan, the Agency, and the current Vendor to transfer management responsibilities for the current accounts to SMI. J.P.Morgan will be a tremendous asset in ensuring a seamless transition for banking services.



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## Debit Card Transition

SMI offers a proven debit card delivery model that will ensure value and long-term success of the West Virginia debit card program. We will use our project management approach to successfully accomplish the required tasks to implement the program.

The SMI Team's approach is experience-based, leveraging the knowledge of our people, the strengths of our processes, and the capabilities of our technologies to manage, control, and supervise all aspects of the contract to meet or exceed the debit card requirements. During our 12 years of debit card experience, SMI has implemented new programs for five states and seven tribes and transitioned programs from other Vendors to the smiONE Card in Texas and Florida.

SMI uses a proven rollout methodology commonly known as the "die on the vine" approach. During the implementation period, cardholders continue to receive deposits on their current cards. On the date agreed to by the Agency, deposits are sent to the new cards. Cardholders continue to use their old cards until the balance reaches zero.

As shown in our draft *Project Schedule* in Appendix A., based on the size of West Virginia's debit card program, SMI recommends transitioning all existing cards in one phase. When the volume of cards is not prohibitive, a single phased transition is more efficient and creates less confusion for the cardholders and other stakeholders. Based on our experience in States with a card volume similar to West Virginia's, a single-phased transition is the most efficient and successful approach.

## Informing Cardholders of the Debit Card Change

Our goal is to work collaboratively with the State on all forms of communication concerning the smiONE Card to customers to ensure that each message is delivered consistently the first time and every time. The messages SMI will deliver include:

- Ease of use
- Immediate access to funds
- Convenience
- Security including EMV chip
- Need to activate the new card

All materials will be presented early in the process to State staff for review and approval. These messages will be at the center of our marketing campaign. Developing and disseminating a full toolkit of marketing and communication materials that clearly deliver these messages will ensure a non-disruptive transition. The infrastructure and support network for implementation is already in place.

West Virginia's child support cardholders rely on the receipt of their payments and deserve a consistent and convenient electronic disbursement method. The major risk associated with transitioning a debit card program is confusion among customers. SMI mitigates this risk through a



comprehensive, informative, and carefully planned communication with the affected stakeholders. We will conduct a marketing campaign to clearly inform all stakeholders of changes in the disbursement of payments, the timeframes for the changes, and the steps required for activating their new cards.

SMI will provide content and materials to cardholders to ensure that communication and instructions about the smiONE Card are consistent. In collaboration with the State, SMI will develop key messages to be used to reduce confusion and ensure that cardholders open the envelope containing the new card upon receipt and activate the card. Messages will also be developed to explain how to activate and use the new card. All marketing materials will be written in easy-to-understand language.

With well-designed, easy-to-understand, and easily accessible marketing materials for cardholders, SMI will facilitate the change from the current card to the smiONE Card with minimal impact to cardholders. Debit card services information will be made available through targeted direct mail, email and text messages, and other accessible touch points approved by the State such as the State's website and offices, the smiONE Customer Service Center, and the smiONE website.

SMI will provide a varied approach in spreading the word about the new services. The first step in the marketing campaign will be to mail a letter to each current active cardholder. SMI's plan includes mailing a letter to each cardholder approximately two to three weeks prior to the mailing of the actual card. The letter will include a picture of the card design and will provide information about when deposits will begin for the new card and spending down the balance on the current card. This approach was successfully used in our transition of the cards in North Carolina, Georgia, Missouri, District of Columbia, Connecticut, Texas, and Florida. Our Customer Service Center will be fully operational and available to respond to questions generated by the letter. Additionally, we will provide information to the current Vendor's Customer Service Center concerning the timing of the mailing of the letter so their CSRs will also be prepared to respond to questions. The following is a sample letter announcing the new smiONE Card for the Florida SDU.



CS-FM151  
N. 06/30/16

June 16, 2016

**Mary A Sample**

XXX XXXXX  
XXXXXXX, FL, XXXXX

**YOU WILL RECEIVE A NEW  
CHILD SUPPORT PAYMENT CARD SOON**

**Dear Mary A. Sample:**

You will receive a new card for child support payments in the next few weeks. Please watch for this card in your mailbox. Your new card will be called the smiONE Visa® Prepaid Card. It will arrive in a plain, white, window envelope with a return address for the Florida State Disbursement Unit, 1452 W Horizon Ridge, Suite 543, Henderson, NV 89012-4480.

**Important information about your existing card:**

Funds on your current card (pictured below) will not be transferred to your new card. Use your existing card until all funds are gone. No additional deposits will be made to this card after September 24, 2016.

**YOUR  
CURRENT  
CARD**



**For EPPICard Customer Service:**

**Domestic:** 1 (877) 567-1768  
**International:** 1 (210) 334-6617 (Collect)  
**Website:** [EPPICard.com](http://EPPICard.com)

**Important information about your new card:**

Immediately activate your new card when you receive it in the mail. All support payments received after September 24, 2016 will be deposited to your new card (pictured below) regardless of activation.

**YOUR  
NEW  
CARD**



**For smiONE Customer Service or  
questions about this letter:**

**Domestic:** 1 (855) 403-8344  
**International:** 1 (850) 601-3047  
**Website:** [my.smionecard.com](http://my.smionecard.com)

**WHAT YOU NEED TO DO:**

- Watch your mail for your new card.
- Activate new your card.
- Use your existing card until all funds are gone.
- Call us with your questions about the new card at 1-855-403-8344.

The smiONE Visa Prepaid Card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc. and may be used everywhere Visa debit cards are accepted. The Bancorp Bank; Member FDIC.

Figure 4-170: smiONE Marketing Letter. A letter will be mailed to each current cardholder approximately two weeks prior to the mailing of the new card. The letter will provide information regarding when the new card will arrive and will instruct cardholders to continue using their current card until the balance is zero.

In addition to regular mail, we will work with the State to identify email addresses or cell phone numbers for current cardholders. In our other card transitions, we have found that emails and text messages are an effective means of communicating our message about the smiONE Card. Following is a sample email used for our Texas transition to the smiONE Card.

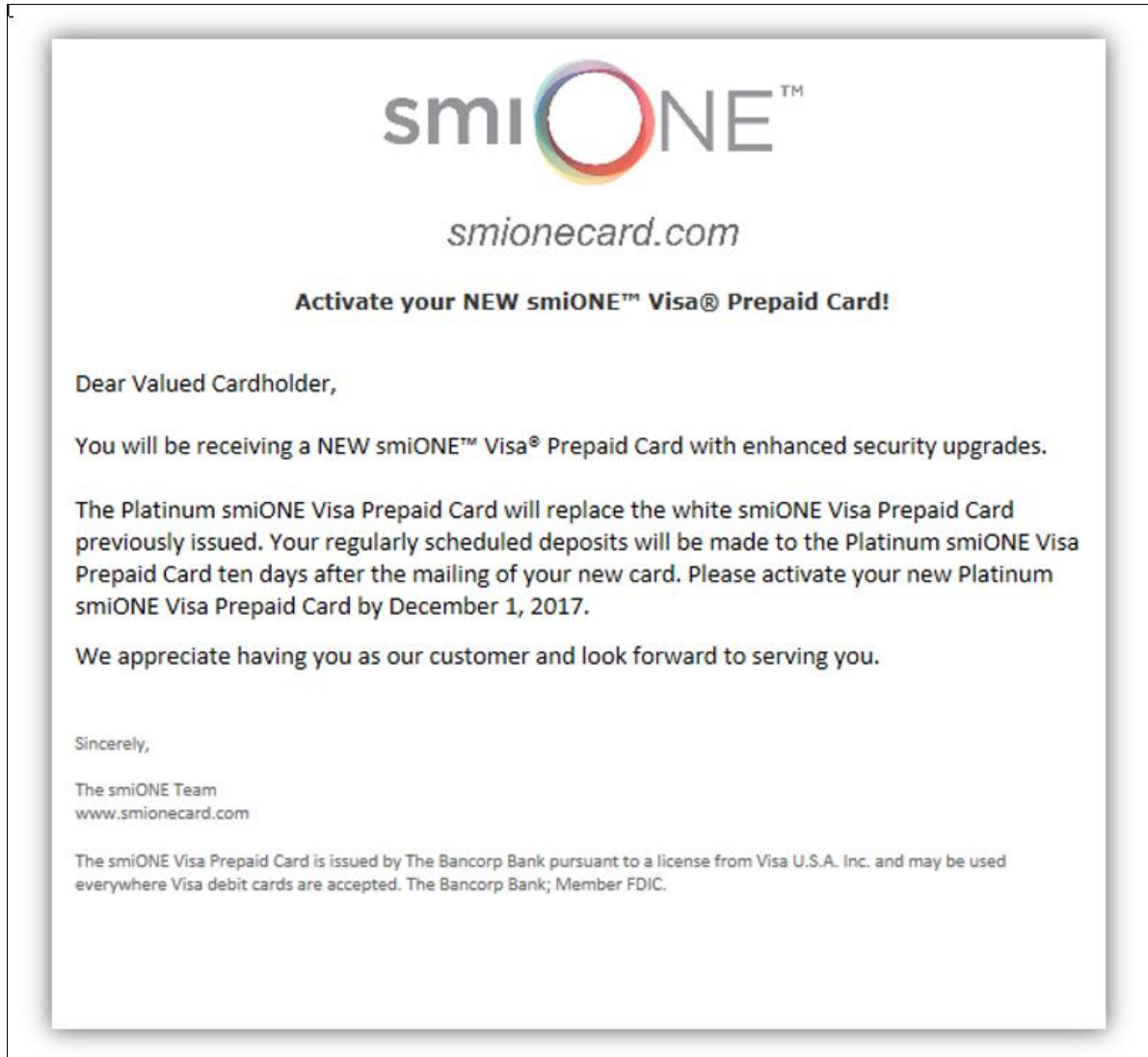


Figure 4-171: Sample Marketing Email. The smiONE Platform can send emails or text messages to inform current cardholders of the upcoming change.

Frequently visited websites are another effective outlet. With the State's permission, we will draft messages for inclusion on the West Virginia BCSE public website.

Informing child support offices and other stakeholders of the new card will also be a key activity in successfully transitioning the card. If desired by the State, SMI will work with the State to disseminate information to BCSE and other stakeholder offices.



Our smiONE Customer Service Center staff will be ready to assist new cardholders throughout the transition. With knowledge acquired through numerous card transitions, we will provide our CSRs with scripts to assist new cardholders to ensure they receive and activate their smiONE Cards.

Transitioning an existing debit card program from a different Vendor's card takes a different approach and presents different challenges than implementing an entirely new program. SMI's experience in transitioning child support debit card programs in other States will serve West Virginia well. Every transition has provided our Transition and Ongoing Operations Teams with valuable lessons, insight, and best practices that we will bring to West Virginia's transition to better serve the State and its cardholders.

The purpose of outreach materials and posting of website information, like the above examples, is to:

- Make existing cardholders aware of the upcoming change
- Prevent cardholders from mistaking the new cards, which are delivered in more secure plain envelopes, as junk mail, which the cardholder may discard unopened

Effective communication regarding upcoming changes is one of the most essential elements of a successful card transition.

## Card Collateral

Cardholders will receive a welcome packet with their new smiONE Card. The welcome packet includes the informational card carrier and the Cardholder Agreement, which contains the fee schedule detailing all costs to which cardholders may be subject when using their cards. The welcome packet is written in easy-to-understand language and provides information on how to activate the card, contact customer service, and use the card.

Our card collateral is written in a manner that effectively informs cardholders about the benefits of the card and how to use the card. The materials will explain the program, including how to contact the Customer Service Center for account information and assistance, and how to access account information through the website. The card carrier and other materials mailed with the card will include information on:

- Using the card for Signature and PIN POS
- Using the card at an ATM
- Contacting Customer Service for activation and PIN selection
- Contacting Customer Service for a lost, stolen, or damaged card or to ask questions
- The fee schedule

These materials will be tailored to West Virginia's smiONE program requirements. To follow we provide sample materials for West Virginia's Platinum smiONE Cards.





West Virginia Department of Health and Human Resources  
Bureau for Child Support Enforcement  
Banking Services-Child Support Enforcement  
Solicitation No.: CRFQ 0511 CSE1800000001



Figure 4-172: smiONE Sample Card Collateral. The card collateral will include the card carrier, terms, Regulation E compliance, and other informational material.

Following BCSE and Bancorp approval, we will mail these materials with the card. Consistent and clear messages, accessible outreach materials, timely and relevant information, an experienced team, and a commitment to a positive working relationship with West Virginia are truly the fundamentals for a successful transition. These fundamentals will enable SMI to deliver on requirements for West Virginia's debit card transition.

#### 4.2.2.6.12.2.2 Staffing levels;

#### 4.2.2.6.12.2.2 Staffing Levels

To ensure the continuity of outstanding collecting, tracking, and disbursement services, SMI proposes the same level of staffing that is currently in place for the SDU. SMI's SDU operation is fully staffed with trained personnel already prepared to continue successful operations.

To ensure adequate customer service levels, one supervisor and five CSRs will be added to our current smiONE Customer Service Center operations upon contract award. In addition to our corporate staff assigned to manage daily debit card operations, SMI will have a total of 135 CSRs and 15 Supervisors in our Georgia and Texas Customer Service Centers trained and ready to assist West Virginia smiONE cardholders 24/7/365. This virtual call center approach to smiONE customer service ensures ample resources trained and available to assist West Virginia cardholders at any time. Our smiONE Customer Service Centers are staffed with SMI employees. By handling this critical aspect of customer service, we can ensure timely and accurate responses to customer contacts.



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#### 4.2.2.6.12.2.3 A time line for completion and appropriate deliverables;

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#### 4.2.2.6.12.2.3 Time Line

SMI's draft *Project Schedule*, containing a time line for the completion of each deliverable, is provided in Appendix A. of our proposal. We will work with the Agency to finalize the deliverables and associated due dates. As shown in our draft *Project Schedule*, we have provided for a 10-business-day review period by the State, a five-day revision period for SMI, and an additional five-day re-review period for the State.

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#### 4.2.2.6.12.2.4 A checklist for review and acceptance by the Agency of the policies and procedures developed by the Vendor to accomplish a successful transition; and

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#### 4.2.2.6.12.2.4 Checklist for Review and Acceptance

As required by the RFQ, SMI will provide to the Agency a checklist of the review and acceptance criteria it should use to evaluate and approve the policies and procedures developed by SMI to accomplish a successful transition.

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#### 4.2.2.6.12.2.5 A detailed disaster recovery/business contingency plan which shall be approved by the Agency and must be submitted prior to the expiration of the six-month transition plan.

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#### 4.2.2.6.12.2.5 Disaster Recovery/Business Contingency Plan

As shown in our draft *Project Schedule* in Appendix A., SMI will deliver a detailed *Disaster Recovery/Business Contingency Plan* to the Agency allowing adequate time for a 10-business-day review period by the State, a five-day revision period for SMI, and an additional five-day re-review period for the State.

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4.2.2.6.12.3 Primary Operating Facility: The Vendor shall establish a primary operating facility at a single site through use of existing facilities, expansion of existing facilities, or acquisition of a new facility. The primary operating facility shall be located within a one mile radius of the Agency's main office in Charleston, West Virginia. The Agency must tour and inspect the facility at least once a year or as needed to insure compliance with State and Federal laws (W. Va. Code Chapter 48, Code of Federal Regulations, Title 45, Social Security Act, 42 USC Chapter 7) as well as with this contract. The Agency personnel who conduct these inspections are located in the Agency's main office in Charleston, West Virginia. Additionally, the Agency is required by Federal law to receive child support payments at its main office, so the Vendor must be located where an Agency courier can safely walk daily receipts, including cash, to the Vendor's facility each day. Finally, the Agency's employees~ upon mutual agreement, may provide back-up staffing to the Vendor in times of emergencies. For all these reasons, therefore, the Vendor's facility should ideally be located within walking distance of the Agency's main office in Charleston, West Virginia. The purpose of the primary operating facility shall be the Vendor's performance of the centralized collection and distribution function in accordance with the provisions set forth in this RFQ and any resulting contract. While other unrelated functions may be performed at the Vendor's primary operating facility, the centralized collection and distribution of support payments must be operated with a dedicated staff in a manner that clearly separates these actions from any other functions performed



at that facility. The Vendor shall be responsible for all modifications to the facility, including those required to house OSCAR equipment and software, as well as document imaging hardware and software. In addition, the Vendor shall be responsible for establishing and maintaining the needed security, fire control, telephone lines, and related equipment for the facility other than that provided by the Agency, and shall be responsible for all of the costs related thereto.

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As your current SDU provider, we have an established operating facility that already meets the Agency's specifications. The SMI operating facility is located on the 5th floor of the Kanawha Valley Building, 300 Capitol Street, Charleston, West Virginia. The facility is conveniently located within a one-mile radius of the Agency's main office in Charleston, West Virginia and is 1/2 mile from the Lee Street Post Office.

We understand the Agency must tour and inspect the facility at least once a year or as needed to insure compliance with the contract and State and Federal laws. SMI welcomes visits to our operating facility by BCSE at any time with and without notice. Because the SMI culture is built upon working in partnership, we encourage frequent and open communications.

We understand the Agency is required by Federal law to receive child support payments at its main office, and SMI will continue to receipt such collections in accordance with agreed upon procedures with the Agency.

We understand the Agency's employees, upon mutual agreement, may provide back-up staffing to SMI in times of emergencies.

SMI's operating facility located at 300 Capitol Street is used solely for the performance of West Virginia's centralized collection and distribution functions. We understand that should unrelated functions ever be performed at our operating facility, the centralized collection and distribution of support payments must be operated with a dedicated staff in a manner that clearly separates these actions from any other functions performed at that facility.

SMI will be responsible for all modifications to the facility, including those required to house OSCAR equipment and software, as well as document imaging hardware and software. In addition, SMI will be responsible for establishing and maintaining the needed security, fire control, telephone lines, and related equipment for the facility other than that provided by the Agency, and we will be responsible for all related costs.

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**4.2.2.6.13 OSCAR Equipment:** The Vendor shall purchase video display terminals or PC's, related equipment, and software, as well as maintenance on the same, to accomplish the centralized collection and distribution function as outlined in Sections 4.1.4 through 4.1.5 of this RFQ. This must include terminal emulation software such as Seagull's Blue Zone to access the State's IBM mainframe.

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#### **4.2.2.6.13 OSCAR Equipment**

In each of our 15 SDU operations, including the current West Virginia SDU, we have successfully implemented equipment and software necessary for the successful operation of the centralized



collection and distribution functions. SMI will continue to maintain such equipment and software during the next contract period. Our software will include the emulation software necessary to access the State's IBM mainframe.

As described throughout our proposal, SMI will continue to utilize **SMART**—our nationally recognized solution for child support payment processing and other critical functions—in the delivery of SDU services. We will continue our commitment to continuous improvements, as we have done during the current contract, throughout the duration of the next contract by continuously updating our systems and hardware to ensure we are secure, working at optimum levels, and meeting the needs of West Virginia.

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4.2.2.6.13.1 Testing: The Vendor shall provide test data files for the Agency's use in testing the operation of its collection and distribution processes.

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#### 4.2.2.6.13.1 Testing

SMI will provide all necessary test data files for the Agency's use in testing the operation of the distribution processes. Additional details regarding our testing methodology are provided in Section 4.2.2.6.13.8.1 of our proposal.

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4.2.2.6.13.1.1 Operating Procedures: The Vendor shall design and develop detailed written operating procedures, as well as complete the necessary administrative coordination and planning for each of the following operational functions, in order to ensure that each is performed in accordance with the performance standards as set forth in the RFQ.

4.2.2.6.13.1.1.1 Shall include incoming Payment Processing mail, ACH, Web-based, and Integrated Voice Response (IVR);

4.2.2.6.13.1.1.2 Shall provide Payment Processing- Inquiry and entry;

4.2.2.6.13.1.1.3 Shall provide Disbursement Processes- Check, ACH, Debit Card, Direct Deposit;

4.2.2.6.13.1.1.4 Shall include Banking Services;

4.2.2.6.13.2.1.5 Shall include Security and Confidentiality; and

4.2.2.6.13.2.1.6 Shall include Disaster Recovery Plan.

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#### 4.2.2.6.13.1.1 Operating Procedures Design and Development

SMI has maintained approved Operating Procedures for the West Virginia SDU since 2011. SMI understands the importance of having fully documented procedures to guide the work within the SDU and to provide documentation on the functions being performed. We utilize documented operating procedures in each of our current 15 SDU operations.

SMI will design and develop detailed written operating procedures as well as complete the necessary administrative coordination and planning for each of the following operational functions, in accordance with the RFQ's performance standards:



- Incoming payment processing including mail, ACH, web-based, and IVR
- Payment processing-inquiry and entry
- Disbursement Processes, including check, ACH, debit card, and direct deposit
- Banking services
- Security and confidentiality
- *Disaster Recovery Plan*

Led by Jerre Taylor, Director of Training and Documentation, the SMI Documentation Team is highly proficient in the development of State-specific SDU procedures documentation. Our Technical Writers know what it takes to deliver accurate and thorough procedures in time for staff training prior to the SDU transition, and they do not delay making approved procedural revisions for ongoing operations.

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4.2.2.6.13.2.2 The operating procedures and related administrative functions shall be established and in place prior to the Vendor assuming responsibility for any part of the centralized collection and distribution process. All procedures shall be coordinated with and approved by the Agency prior to implementation.

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#### 4.2.2.6.13.2.2 Approved Operating Procedures

As indicated in our draft *Project Schedule*, our procedures will be updated to reflect the new and revised scope of the RFQ. Updates to this document will be completed after the thorough joint analysis, documentation, and agreement of the new requirements and functionality necessary to support the SDU during the next contract period. Adequate time has been provided in the *Project Schedule* to allow for Agency review and feedback of the revised documents.

All new procedures and related administrative functions will be in place before SMI assumes responsibility for any part of the centralized collection and distribution process under the new contract.

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#### 4.2.2.6.13.3 Administrative Functions:

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#### 4.2.2.6.13.3 Administrative Functions

Today, SMI and J.P.Morgan have both implemented normal banking processes related to the centralized collection and distribution process for the West Virginia SDU. We will use these same processes for the West Virginia SDU in a new contract term.

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4.2.2.6.13.3.1 The Vendor shall implement normal banking processes relating to accounting, purchasing, internal audit, balancing, financial controls, and other administrative functions relevant to this RFQ prior to assuming responsibility for the centralized collection and distribution process.

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#### 4.2.2.6.13.3.1 Normal Banking Processes

SMI has instituted normal processes for collections and distribution processing at the West Virginia SDU. These processes include:

- Accounting functions
- Purchasing
- Internal audit
- Balancing
- Internal financial controls

Each of these processes is described briefly in the following sections.

##### Accounting

Each of our 15 SDUs includes varying levels of accounting requirements. At the corporate level, we employ Kevin Bush as SMI's Internal Controls Manager. Kevin is an active licensed Certified Public Accountant in the State of Georgia. Kevin specializes in formulating internal accounting processes and procedures for our SDU operations and proactively seeking out any potential weaknesses and opportunities for improvement. Kevin's responsibilities include assuring financial and reconciliation activities comply with corporate policy, rules and regulations, contractual requirements, and GAAP.

Each SDU has well-documented accounting processes specific to the requirements of the individual States. For the West Virginia SDU, we have accounting processes in place for collections activities including separation of duties, handling cash received in the mail, and balancing all collections before they are transmitted on the Receipt Files to the Agency. Our processes for disbursement activity include controls to ensure all checks are printed and mailed, required check files are transmitted to the State and J.P.Morgan, and all ACH direct deposits and debit card loads are processed or error files returned. We provide the required documentation to the Agency to reconcile the State's bank accounts.

##### Purchasing

SMI has a formal purchasing policy that includes guidelines about:

- Which employees have purchasing authority and the limits of their authority
- Approval process for purchases above the limit of authority
- Vendor, product, or service selection
- Authority to enter into and sign a contract

SMI maintains a system of internal coding to ensure that purchases are charged against the correct function or project and are within the appropriate budget line item.





## Internal Audit

Our quality assurance processes include our **SMART** system's audit trail for every collection, double entry of credits to ensure accuracy, in-stream review processes, and monthly sampling of payment transactions using standard statistical techniques per our Agency-approved *Quality Metrics Plan*. These processes help us maintain our current payment accuracy rate of 99.993 percent at the West Virginia SDU.

## Balancing

Before transmitting Receipt Files to OSCAR, SMI balances processed payments to the total amount deposited to the Agency's account for that day. We will continue to ensure that each day's identified receipts are processed and included in an approved batch for OSCAR on the same day the receipts are received.

During the business day as payment work items are prepared for deposit and the Receipt Files are readied for transmission to OSCAR, SDU staff conduct a pre-release reconciliation of the day's deposit totals and Receipt Files transaction totals to ensure the bank deposit and Receipt Files amounts are in balance.

## Internal Financial Controls

SMI's standard accounting control functions reflect our commitment to a system that provides accountability for each area of responsibility. This includes procedures that assure tasks performed under the contract meet performance requirements. All our current SDU operations, including West Virginia, meet federal requirements. Federal auditors have commented on our thorough attention to accounting practices, principles, and internal controls during their audits of our operations.

Our internal procedures and systems described throughout this proposal are designed with complete accountability at the core. We have internal controls in place that allow us and external auditors to verify all processes, work methods, transactions, and information systems. This is accomplished using one or all the following accountability tools.

Table 4-24: Internal Controls. SMI's system of internal controls is outlined in the table below. With our controls, SMI can provide the Agency with accountability and transparency for all aspects of the SDU operation.

Function	Internal Controls
Payment Processing	<ul style="list-style-type: none"><li>Scanning equipment automatically places a unique audit number on the back of each instrument and its corresponding envelope and documents.</li><li>Scanning equipment automatically places a restricted endorsement on the back of each payment instrument.</li><li>A Mail Log available through <b>SMART Reports</b> estimates the mail volume for the day.</li></ul>





Function	Internal Controls
	<ul style="list-style-type: none"><li>▪ <b>SMART Workflow Manager</b> provides the actual mail volume for the day and accounts for every work item, automatically tracking each work item's progress through processing queues to completion.</li><li>▪ The remittance amount of all payment instruments must be verified by at least two independent processes before the amount can be accepted.</li><li>▪ SDU staff review payment transactions identified as high risk and a percentage of all payment transactions prior to transmission on the Receipt File.</li><li>▪ All deposits are tracked automatically with reports.</li><li>▪ <b>SMART Workflow Manager</b> automatically routes payments to the next appropriate step and worker; no person has complete control over a payment's processing.</li><li>▪ At least two identifiers must be matched to data available in the system to post a payment.</li><li>▪ <b>SMART Audit History</b> automatically maintains a complete audit trail for every step of processing that occurs on each work item.</li></ul>
Balancing/Reconciliation/Accounting	<ul style="list-style-type: none"><li>▪ All payments are assigned a unique ID, and all processing actions are recorded in an automated audit trail.</li><li>▪ <b>SMART Workflow Manager</b> tracks debits and credits through the various processing queues and automatically determines when a payment work item is in balance and ready to be deposited.</li><li>▪ Balancing conducts a pre-release reconciliation of deposits to the Receipt File.</li><li>▪ SMI maintains GAAP compliance across all SDU areas.</li></ul>
Disbursement Processing	<ul style="list-style-type: none"><li>▪ SMI maintains accountability and internal control over disbursements and the prevention of duplicate disbursement issuances.</li><li>▪ <b>SMART Disbursements</b> applies a unique disbursement file number to each disbursement file created and each individual disbursement is assigned a unique sequence number containing the associated disbursement file number.</li><li>▪ We compare the total records and dollar amount for each disbursement type to the Disbursements for the Payments Receipted Report to ensure that the total and dollar amount reconcile.</li><li>▪ <b>SMART Disbursements</b> provides complete workflow status information for real-time monitoring of file exchanges.</li></ul>



Function	Internal Controls
	<ul style="list-style-type: none"><li>Check stock security features are included with blank check stock used.</li><li>Check printing security features include a watermark printed diagonally across each check for deterrence of fraudulent check alteration.</li><li>Positive Pay is used.</li><li>We provide Regulation E compliance monitoring.</li></ul>
Physical and logical controls	<ul style="list-style-type: none"><li>Access to the building is controlled using security access cards.</li><li>Video monitoring occurs 24/7 – through a digital monitoring system with media retained a minimum of 90 days. If an incident occurs, monitoring for the time period is burned to DVD.</li><li>All mail is kept in a secure zone accessible only by security access card.</li><li>A username and password are required to use <b>SMART</b> to scan mail, process payments, create ICLs, create batch transfer files, or perform any other duty in the SDU.</li><li>Users are assigned levels of access in <b>SMART</b>, enforcing separation of duties.</li><li>Operators are required to lock their machines when they leave them unattended. All machines automatically lock after 15 minutes of inactivity.</li><li>All changes to software applications are requested, approved, and documented by the appropriate level of personnel.</li><li>Network and telecommunications infrastructure is physically secured and monitored and automated alerts notify IT staff of any system fault.</li><li>All transactions are backed up and backup procedures are tested on a regular basis.</li></ul>
General	<ul style="list-style-type: none"><li>SMI documents all operating procedures and processes. Clearance and background checks are performed on each employee prior to hiring.</li><li>Employees must sign a confidentiality agreement regarding non-disclosure of personal information.</li><li>A handbook containing company policies is provided to each employee.</li><li>Approval is obtained from the State agency prior to hiring staff for key positions.</li><li>Performance management plans are in place for each staff position and performance evaluations are conducted annually for each employee.</li><li>All employees of SMI are bonded.</li></ul>



Our system of checks and balances includes, but is not limited to:

- Separation of duties
- Limited staff access to secure areas
- Uniquely identifying payment receipts for tracking and auditing purposes
- Payment reports for research and audits
- System faults engage an automated alert to IT staff any time of day

SMI's User Manuals contain the internal control structure documentation. Additionally, SMI tracks every payment and document received by the SDU with our unique **SMART** *Audit History* module.

### Separation of Duties

SMI's organizational structure provides for appropriate separation of functions throughout the SDU operations. Staff duties are separated so that no individual employee has complete control over all operational functions involving processing, including receipting, check issuance, accounting transactions, program changes, and data entry. **SMART** routes payments to the next appropriate queue and worker; no person has complete control over the advancement of payments through the processing workflow.

SMI uses access control software to enable, disable, and modify physical access to not only the facility, but to each of the various secure areas throughout the building, further supporting our separation of duties. These secured areas support physical enforcement of the separation of duties that SMI maintains so an individual only has access to their functional area. Employees may have access to one or more area at the facility with least-privilege principles as the primary method of assigning and controlling entry within the facility.

**SMART** access is based on role assignment and provides for separation of duties. The system enforces least-privilege access restrictions that limit users to specific roles and related duties. Employees can only access areas of the system based on their security assignment. With the in-depth record keeping maintained by *Audit History* and the security assignments, West Virginia can be assured that its SMI-operated SDU is fully compliant with OCSE's SDU audit requirements.

### J.P.Morgan Banking Processes

As a regulated financial institution and one of the largest banking organizations in the United States and in West Virginia, J.P.Morgan complies with all banking regulations. Compliance officers are assigned to each business to oversee compliance and address any apparent deviations. J.P.Morgan further complies with all applicable BCSE policies, and State and federal statutes and regulatory provisions for the confidentiality, safeguarding, and appropriate use of information processed or accessed for child support payment processing and disbursement. Control measures are in place currently for performing the services proposed.

J.P.Morgan will continue to cooperate with audits, investigations, inspections, and reviews performed by the Agency or its agents, the OIG, or any other government authorities. They will



comply with all State and federal audit review requirements including, but not limited to, providing an annual audit report.

4.2.2.6.13.3.2 Complete accounting reports detailing the Vendor's cost, including start up/transition costs, shall be required by the Agency for the transition period and shall be part of the Vendor's cost proposal.

#### 4.2.2.6.13.3.2 Accounting Reports

Our Cost Proposal reflects all costs necessary to achieve the transition to the new contract, with SMI as prime Vendor and J.P.Morgan as subcontractor, for child support collecting, tracking, and disbursement services.

4.2.2.6.13.4 Implement Personnel Function and Begin Hiring: The Vendor shall ensure that trained staff are available to complete the centralized collection and distribution process without any disruption of service to the local offices and recipients of the Agency's services. The personnel function is to be established and all hiring/training completed prior to assuming the responsibility for the centralized collection and distribution process.

#### 4.2.2.6.13.4 Implement Personnel Function and Begin Hiring

The key to ensuring sufficient staff to cover a fluctuating workload is having a proven staffing process—one that ensures all staff are in place and trained by the “go live” date. SMI has such a process. We pledge to have our team on board, trained, and ready to perform all services within six months of contract award.

The same team that currently manages the daily operations of the West Virginia SDU will be responsible for managing operations under the next contract award. SMI proposes an ongoing operations team that is fully staffed and trained. To ensure adequate customer service levels, one supervisor and five CSRs will be added to our current smiONE Customer Service Center operations upon contract award.

SMI has vast experience structuring project teams to successfully deliver SDU and debit card services to our State partners. Our criteria for structuring and staffing our project team organization are illustrated as follows.



Figure 4-173: Team Structuring and Organization. SMI's methodology for structuring successful project teams is based on many years of experience and delivers the desired results.

This methodology for structuring project teams ensures:

- Clear lines of communication within the SMI team, as well as with BCSE
- Key experienced staff hold management and supervisory positions for all phases of the project, which provides for backup staffing if needed to cover key staff absences due to illness, vacation, or the need for additional help
- The resource needs associated with the transition and operation phases of the project are addressed
- The teams responsible for related activities are grouped together to ensure effective coordination
- Regular participation from senior technical and project management executives and advisors speeds resolution of issues and access to specialized staff resources, when necessary
- The project teams deliver the results, for which they are accountable, by delegating the authority necessary to get the job done

We estimate the number of staff needed for processing based on the expected volume, the equipment and software processing speed, and the skill level of the processing staff. We have a staffing program developed specifically for **SMART**.

For transition activities, we determine the complexity and amount of code modification and creation to determine the number of development staff to assign to the task along with the amount of time allocated to the task. For database design and conversion, we base staff estimation on the number of data elements and volume to be converted.

For call center operations, we will use the reporting available from our Cisco system to track low and peak volume time periods to schedule staff to manage all calls within the standards set. At the beginning of the project, we will use historical data from our other customer service centers to determine peak times and set staff schedules. Based on our experience in staffing Customer Service Center operations, we know that call volumes are higher during startup than during ongoing



operations. To address this, we ensure adequate staff are on board during transition and startup. We handle the declining need after startup through attrition.

Our staffing and time estimation methods have proven accurate in our other SDU and Customer Service Center operations. SMI will continuously monitor all areas of the SDU and Customer Service Center operations to ensure we are meeting the performance standards set by the Agency as well as the standards we set for each area of the operation.

## Recruitment

SMI will follow a very thorough process as part of a comprehensive Human Resources recruitment and hiring philosophy. All Human Resources professionals and management personnel will adhere to SMI's corporate guidelines for recruitment and selection to ensure only the most qualified, dedicated, and knowledgeable professionals are hired for the West Virginia SDU and debit card operations.

To provide equal employment and advancement opportunities to all individuals, employment decisions are based on merit, qualifications, and abilities. We do not discriminate in employment opportunities or practices based on race, color, religion, sex (including pregnancy and gender identity), national origin, age, disability, family medical history, genetic information, or any other characteristic protected by federal or State laws.

These commitments govern all aspects of our management practices and decisions, including recruitment and hiring practices, job assignment and promotions, appraisal systems, compensation, discipline, termination, access to benefits, and training. Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their direct supervisor, a member of the Management Team or Human Resources. We prohibit retaliation and reprisal against employees who report a concern. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Our Human Resources professionals possess a wealth of experience in recruitment and selection for our operations. They recruit through nationally recognized avenues and work with local and State resources specific to the geographic area of the SMI operation.

SMI will strive to hire the most qualified and knowledgeable candidates available. Part of the hiring practice will be to verify previous employment references, as well as conduct a thorough background screening on each potential employee.

## Hiring Process

Our hiring process is summarized in the following figure. It includes background screenings and pre-employment drug screenings and is designed to find the best people who are a good fit for specific jobs.



Application and Qualification	Background Checks	Continued Hiring Process
<ul style="list-style-type: none"><li>• Application and testing</li><li>• Past employment verification</li><li>• Positive references</li><li>• Education verified</li><li>• First round interviews</li></ul>	<ul style="list-style-type: none"><li>• Social security trace</li><li>• Criminal check</li><li>• Federal criminal court search</li><li>• Credit report</li><li>• Drivers license history</li><li>• Professional license certification</li><li>• Technical certification verification</li><li>• International searches where necessary</li></ul>	<ul style="list-style-type: none"><li>• Once background checks return to meet our guidelines, second interviews conducted</li><li>• HR makes conditional job offers</li><li>• Pre-employment drug screen within 24 hours of job acceptance</li><li>• Drug screen results received and found negative, employee given official start date</li></ul>

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Figure 4-174: SMI Hiring Process. Our hiring process includes verification of experience and education, background screening, and drug screening.

Applicants for positions must first complete a job application that demonstrates that they possess the required knowledge, skills, and abilities for the applicable position. An applicant must also pass stringent testing requirements if applicable to the position.

Human Resources professionals will further qualify each candidate for employment after application and testing requirements are met. Each candidate's past employment will be verified with a minimum verification of two previous employers. Additionally, we will obtain a minimum of two favorable references on the candidate. Education is a crucial determinant for the ability to qualify for many positions. Education credentials will be verified by the Human Resources Department.

If a candidate passes all the previously mentioned requirements, as well as first-round interviews, a thorough background screening will be conducted.

## Background Checks

Prior to becoming an employee, all prospective personnel receive a thorough background check conducted by HireRight. Every employee is checked regardless of their position. SMI conducts thorough background checks generated on a seven to 10-year history on all candidates for employment with the company. The SDU candidates receive this same level of background check. The following background checks are conducted on every SMI employee.

Table 4-25: Background Checks. The following background checks are conducted on every SMI employee.

Background Checks	Description
SSN Trace	Verifies the candidate is who they say they are, reveals the names and addresses associated with a SSN and can help detect an incorrect or compromised SSN
Criminal Felony and Misdemeanor	Performs fundamental criminal searches that reveal felonies and misdemeanors by searching county courthouse records corresponding to an applicant's address history; the search finds, confirms, and reports a candidate's felony and misdemeanor records history





Background Checks	Description
Federal Criminal	Reveals criminal records for incidents that are prosecuted in the U.S. District Courts  Searches for crimes that do not fall under local laws, such as tax evasion, embezzlement, counterfeiting, bank robbery, and other crimes
Widescreen Plus National Criminal Search	Searches a proprietary database of millions of criminal records including but not limited to felonies, misdemeanors, traffic violations, and sex offender records
Credit Check	Reviews the comprehensive credit history of a candidate  Provides information about delinquencies, repossessions, charge-offs, and bankruptcy to determine if there is a financial risk to employing the candidate

Some positions, including specific SDU positions, require even further background investigation, depending upon the nature of the job sought:

- Driver license history—Verify the insurability of the candidate if they will be required to drive a company vehicle
- Professional license verification—Verify the candidate's professional licenses
- Technical certification verification—Verify the candidate's technical certifications
- International searches (where necessary)—Research the background of a candidate who is going through the work visa process

In addition to our internal background checks, SMI will work with the Agency to implement additional background checks required by West Virginia. As necessary, we will coordinate with appropriate law enforcement to obtain necessary information, including fingerprints, for prospective employees. We have experience implementing State-specific requirements regarding background checks for each of our SDUs.

The outcome of the background check will determine whether the applicant is considered for employment. Those applicants convicted of a felony or crimes related to mishandling money, including theft, fraud, or forgery will not be considered for employment.

Our Human Resources Department will make a conditional job offer to the top candidate(s). After acceptance, the candidate has 24 hours to submit to a pre-employment drug screening. SMI provides a drug-free workplace. All job applicants are tested for the presence of illegal drugs as a condition of employment. SMI also participates in random drug screening as required by Department of Labor standards. Employees may also be screened if there are circumstances that cause reasonable suspicion. Any employee who is under the influence of alcoholic beverages at any time while on company business, whether on SMI premises or not, is subject to termination. All drug screening results are posted to the employee's personnel file. If the drug screen results are



favorable, the candidate may be considered for employment pending the outcome of any pending background checks.

## Employee Relations and Retention

SMI strives to create an atmosphere where communication is open between employees and management. There are regular staff meetings to discuss changes in processes, reorganization, events, and corporate issues. Communication regarding ongoing topics such as paid time off (PTO) and performance are facilitated by the direct supervisor or manager of the employee.

Additional key employee relations and retention procedures and beliefs are listed, as follows:

- Consistent, open communication with employees at the management level, as well as, the supervisory level—we encourage an “open-door” policy
- Employees need to feel appreciated for their work—we present awards on a regular basis to deserving employees; employees are nominated by their supervisor or co-workers
- Encourage individual career development and growth; we put forth efforts to promote within, to allow employees to advance in their career and skills-set
- We are committed to fair and consistent treatment of employees
- Problem resolution and employee grievance process
- Competitive compensation and comprehensive benefit plan
- Employee recognition awards—service awards
- Engaging company culture
- Provide the necessary tools/training to support employees in their jobs and foster teamwork
- “Family” atmosphere—helps illustrate that we believe in our employees and truly want the best for them
- New Employee Orientation to educate and engage new employees, increasing day-one readiness

SMI provides eligible employees with a wide range of benefits. Several programs such as Social Security, workers’ compensation, and unemployment insurance cover all employees in the manner prescribed by law. Benefits eligibility is dependent upon certain factors, including employee classification. Below is a list of benefit programs currently available to eligible employees. This list is subject to change:

- Health Insurance: Medical, Dental, Vision, and Prescription Drug Plans
- Health Savings Account with Employer “Seed” Money Contribution
- Life Insurance: Basic, Accidental Death and Dismemberment, and Supplemental
- Short-Term Disability
- Long-Term Disability
- Telemedicine
- 401(k) Safe Harbor Plan with Safe Harbor Employer Matching Contribution



- 401(k) Loan Program
- Profit Share
- Cafeteria Plan—Dependent Care and Medical Flexible Spending Account
- Employee Assistance Program
- Voluntary Benefits: Accident, Hospital Indemnity, Critical Illness
- Additional Benefits: Identity Theft, Legal Counsel, Pet Insurance
- Health Maintenance Program
- Wellness Program
- Paid Holidays
- PTO

Some benefit programs require contributions from the employee. However, many are fully paid by SMI. Our culture is not only beneficial to employees but also to West Virginia.

## Conflict of Interest

All employees are required to sign the *Conflict of Interest Disclosure Form* as a condition of employment. In any case where a conflict of interest appears to exist, it is the duty of the employee to disclose those interests. The employee must reveal any interest that results in a benefit to the employee, a family member, or interested party from the employee's association with the SDU. For example, if an employee reports they are a participant in a child support case, whether they are the payee or the payor, the Project Manager reviews payments made to the case during the quarter to ensure that payments were handled appropriately. Failure to disclose a conflict of interest may lead to disciplinary action, up to and including termination of employment.

The Project Manager conducts a quarterly review of any case where a conflict of interest has been reported. A quarterly report of the activities conducted for conflict of interest will be submitted to the Vice President of Child Support Services. It is a critical part of our internal Quality Assurance process for reviewers to check for any potential fraud or conflict of interest and to report any issues to SMI management immediately. Our team's reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards.

Supervisors who perceive the existence of a conflict of interest must make a full and prompt disclosure to the Corporate Human Resources Department of the facts, circumstances, relationships, and/or transactions relating to that conflict of interest. The following figure shows the *SMI Conflict of Interest Disclosure Form*.



## Conflict of Interest Disclosure Form



### 1 – Employee Information

Employee Name:

Last Four Digits of SSN:

### 2 – Conflict of Interest Information

I understand that during the course of my employment at Systems and Methods, Inc. (SMI), I may handle materials or information that affects me, a family member, or a close friend/ acquaintance.

I also understand that a relationship with another SMI employee may create a conflict of interest which could interfere with my duties or responsibilities.

I further understand that failure to disclose and/ or notify my supervisor of any conflict of interest may result in my immediate termination.

Please indicate below any current or known possible conflicts:

Child Support Disclosure - I pay or receive child support payments handled by an SDU; or I know or have a relationship with the person(s) below who have access to alter sensitive information.

Name of Individual/ Organization	Relationship to Employee*	Address of Individual/ Organization	Comments or Notes

\*Example: self, spouse, ex-spouse, child.

Relationship Disclosure - I have a personal relationship with the person(s) below.

Name of Individual/ Organization	Relationship to Employee*	Address of Individual/ Organization	Comments or Notes

\*Example: self, spouse, ex-spouse, child.

### 3 – Authorization – Submit completed form to your supervisor.

Employee Signature:

Date:

Figure 4-175: Conflict of Interest Disclosure Form. All employees are required to complete this form as a condition of employment.

If at any point throughout an employee's employment, a conflict of interest arises, the employee must disclose that conflict of interest. SMI also requires employees to certify compliance with any existing child support orders.



## Confidentiality

SMI understands the confidential nature of the information obtained and used for the purpose of providing services. The data received, researched, or compiled for the West Virginia SDU will only be used by SMI, its employees, partners, and our subcontractors for the fulfillment of the contract. We acknowledge and agree to the requirements in the General Terms and Conditions and Section 4.1.3 of the RFQ. SMI takes the confidentiality of information and data very seriously and ensures that all our employees do so as well. Clear expectations are provided from the point of employment and are a critical part of new employee orientation and training.

To maintain confidentiality of all the information received in conjunction with operating the program, SMI will institute our proven internal control functions. These internal controls reflect SMI's commitment to a system that provides confidentiality and accountability for each area of responsibility as well as procedures that assure tasks performed under the contract meet performance requirements. The following are included in our internal control measures:

- Operating procedures outlining processes and procedures SMI follows are written and agreed upon
- Background checks are performed on each employee prior to hiring
- Employees must sign a Confidentiality Agreement regarding non-disclosure of information
- Handbooks containing company policies are provided
- Performance management plans for each staff position are conducted annually for each employee
- All employees of SMI are bonded
- A username and password are required to use Customer Service Center systems
- Access to the SDU is controlled using security access cards
- Cameras monitor critical areas of the SDU
- Data centers employ the highest level of security
- All mail is kept in a secure zone accessible only by security access card
- A username and password are required to use **SMART** to scan mail, process payments, create ICLs, create batch transfer files, or perform any other duty in the SDU
- Operators are required to lock their machines when they leave them unattended; all machines automatically lock after 15 minutes of inactivity

Given our experience working with child support agencies, we know that any child support information, as well as federal and State tax-related information, is confidential and must be maintained in accordance with the State and federal confidentiality requirements including IRS Publication 1075 Safeguarding Procedures. Such information will be used by SMI solely for the purposes of administering this project.



SMI further requires all personnel authorized to handle any type of tax-related information to view the IRS Safeguarding Confidentiality video, as well as sign an IRS Confidentiality Form. Employees must receive security and confidentiality training annually, which includes the IRS training.

The West Virginia SDU will include a security component to ensure confidential information is protected. Training outlines the penalties for failing to comply with confidentiality requirements. All employees are also required to sign a Confidentiality/Non-Disclosure Agreement as a condition of employment. Improper disclosure of confidential information is subject to disciplinary action, up to and including, termination. Our employees are informed of the confidentiality of child support data and the penalties involved if a breach occurs.

Additional methods to protect confidential information include proper security and logon procedures that are maintained so that the requesting party receives only the appropriate information. Supervisory monitoring and our QA processes also ensure strict adherence to confidentiality regulations.

**4.2.2.6.13.5 Training New Personnel:** The Vendor shall be responsible for staffing the centralized collection and distribution function with trained personnel. In order to take advantage of the Agency's specialized training, the Vendor shall commit sufficient personnel for the formal and on-the-job training offered by the Agency in accordance with the transition plan. The Vendor shall be responsible for monitoring the training of its personnel during the transition period. The Vendor shall also be responsible for notifying Management Information Services (MIS) within 24 hours when any staff terminate employment at the State Disbursement Unit (SDU).

#### **4.2.2.6.13.5 Training New Personnel**

SMI has a fully-trained and experienced staff in place and functioning at an optimal level of service. The State agency will not need to expend any resources to train SMI's SDU staff on OSCAR or the child support program. However, should the Agency believe additional training is necessary or beneficial, we will ensure all appropriate staff participate in such training made available by the State.

#### **Training Strategy**

SMI's experience with the SDU and OSCAR does not diminish our need for a comprehensive training program. SMI understands that training and managing staff is a critical ingredient for the overall success of the SDU operations. We are committed to providing our staff with the latest and best technology, as well as the job skills necessary to be successful in their work. That commitment translates into a training program that:

- Begins at initial employment
- Includes refresher training, as needed
- Provides information and skills development as operations are enhanced
- Includes training on new technology, policies, and procedures





- Includes cross-training so the employee has a deeper understanding of the overall operation
- Provides developmental training so the employee can grow with SMI and the West Virginia SDU

Training is not just a function performed when staff is initially hired, but an integral component of the ongoing operations and a part of staff development offered to our employees.

## Curriculum

As the current provider of SDU services, SMI has in place a training program with curriculum specific to the West Virginia SDU. Our training program for the West Virginia SDU staff incorporates child support fundamentals, as well as job-specific courses, including but not limited to courses on OSCAR.

The technical training program is designed and delivered by individuals who possess real-world experience in all areas of child support. The program is comprised of the following components:

- Curriculum
- Training materials
- Training database
- Training simulations
- Training team
- Training evaluation

During and after the initial training period, staff have access to a library of user manuals, flow diagrams, and continued on-site support. The manuals include both policy and system procedures. Structured refresher training is utilized for any staff that fails to meet our strict quality assurance standards.

The SMI training team updates and delivers specific curriculum for the staff of the SDU when there is new project scope. Training is based on the specific needs assessment conducted by Jerre Taylor, SMI's Director of Training and Documentation, and is built upon the proven curriculum SMI employs in the transition of payment receipting and customer service operations. The existing training curriculum that is updated as appropriate includes:

- Security and Confidentiality
- Child Support Fundamentals
- Professionalism in the Workplace
- Customer Service Fundamentals
- SDU Fundamentals
- Debit card Fundamentals
- **SMART** Access and Overview





- Position Specific Training; for example, researching unidentified payments (including OSCAR, if applicable)
- Production Simulation (as needed)

Each employee will receive a personal training plan based on their position. The training plan is used for regular quality training sessions, computer-based training and all other training related to our internal processes and procedures. SMI provides specialized job-related training for each position within an SDU. The following example shows a training plan for the Scanning Operator.




<b>Training Plan</b> Scanning Operator			
<b>1 – Employee Information</b>			
Employee: <input type="text"/>	Position: <input type="text"/>		
Trainer: <input type="text"/>	Date: <input type="text"/>		
<b>2 – Resources</b>			
Gather the following materials in preparation for training your new employee.			
<input type="checkbox"/> CSE & SDU Fundamentals training materials	<input type="checkbox"/> Professionalism in the Workplace training materials		
<input type="checkbox"/> Security and Confidentiality training materials	<input type="checkbox"/> Customer Service Fundamentals training materials		
<input type="checkbox"/> SMART System Overview training materials	<input type="checkbox"/> Quick Reference (QR): Scanning Operator		
<input type="checkbox"/> System Access training materials	<input type="checkbox"/> SMART System User Manual: Processing Parameters and Mail Processing and Scanning chapters		
<b>3 – Background Information</b>			
Review the following training materials with your new employee.			
1. CSE & SDU Fundamentals	4. Security and Confidentiality		
2. SMART System Overview	5. System Access		
3. Customer Service	6. Professionalism in the Workplace		
<b>4 – Activities to Perform</b>			
Perform the following activities with your new employee.			
1. Show your employee the mail sorting area and explain how mail is retrieved and sorted prior to distribution.	10. Explain the importance of watching the screen to make sure mail is scanned correctly.		
2. Remind your employee of the different types of documents that are received at the SDU: checks, money orders, remits, and correspondence.	11. Use a scanned payment instrument and remit to explain the numbers that are sprayed on the back.		
3. Show your employee their work area and explain how it should be arranged for maximum productivity.	12. Help your employee end a batch.		
4. Describe the various components of the scanner.	13. Explain how checks and remits are placed in separate trays and picked up periodically throughout the day.		
5. Help your employee log on to the scanner.	14. Explain the cash handling and foreign currency process.		
6. Give your employee the QR and explain the different types of scan jobs.	15. Help your employee log off the scanner.		
7. Help your employee create a batch.	16. Demonstrate how to clean the work area at the end of the day.		
8. Explain the order in which documents must be scanned.	17. Demonstrate how to perform routine cleaning and preventive maintenance on the scanner.		
9. Describe how to navigate in the application.	18. Explain how to review remits for payment instruments and complete the Remittance Bundle Checklist.		
<b>5 – Sign-off</b>			
All of the activities in sections three and four have been completed.			
Employee: <input type="text"/>	Date: <input type="text"/>		
Trainer: <input type="text"/>	Date: <input type="text"/>		

Figure 4-176: Training Plan. SMI provides each employee with a training plan that outlines the training materials, and activities for their specific plan.

All SMI employees are required to attend security and confidentiality training including *IRS Safeguarding Confidentiality* upon hire and annually. They must all sign an *IRS Confidentiality Form* prior to being given system access. Each employee receives a personal training plan based on their position.



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## Training Materials

During the training development phase, our standard curriculum is tailored and augmented as planned during the training design phase, including desktop aids that can be used by staff once transition training has been completed. In addition, new training materials are developed based on OSCAR and other West Virginia specific training provided by BCSE, if applicable.

All our training materials have a standard “look and feel” so that staff knows where and how to use the materials provided in each course. Trainer Guides include trainer notes to guide the instructor.

SMI understands the importance of having fully documented procedures to guide the work within the SDU and Customer Service Centers and uses these in each of our current SDU and Call Center operations. Operational procedures manuals are developed that encompass detailed procedures for the different aspects of the operation, including coordination between the various entities involved in the process and defining the responsibilities of each entity.

The operational procedures manuals form the basis for our training materials and include, as appropriate, user and technical documentation, as well as samples of screens, letters, and reports. They are developed from system documentation and analysis of the business processes within the operation and are utilized in initial training and ongoing refresher training. They also provide an easy reference for the staff as they perform their job functions. Having appropriate procedures clearly documented ensures that workers are trained to perform tasks in a consistent manner, and our State partners are fully aware of how we perform tasks within the operations. Since the manuals are living documents, these are updated as new processes are added or approved changes are made to current processes.

Training material development is dependent upon subject matter. Modules are presented in either lecture/discussion format or as lecture/demonstration/hands-on training. Regardless of the presentation medium, each module is comprised of a trainer’s script, module objectives, student guide (user manual), and exercises. Graphics, flow charts, and handouts are used where appropriate. A training database is used for hands-on training during delivery.

## Delivering the Training

Our instructor-led training is conducted in a dynamic, highly interactive classroom environment, using a wide variety of instructional methods to make sure that all participants are engaged and invested in the learning process. One-on-one training may also be conducted for job-specific tasks and will be paced according to the individual trainee’s needs.

Customer Service Center staff are required to complete all training before they receive or make telephone calls. Training for our Customer Service Center staff includes the standard training curriculum. Training for customer service staff includes:

- Classroom training
- Reviews of desk top aids including Frequently Asked Questions



- Extensive side-by-side staff to supervisor and staff to experienced staff training
- Role-playing (irate callers)
- Customer Service training

When training with a supervisor or experienced staff, CSRs are able to listen to live calls, view the use of available systems in responding to calls, and view the use of appropriate procedures for documenting the call and completing all necessary follow up and wrap up activities.

Our training database is a key component of our technical training program. The training database allows the staff to actually process payments in a “real-life” environment and affords us the opportunity to ensure the staff has a thorough understanding of their job function. The training database allows transactions to be processed through each SDU application in a controlled environment. The staff practices in the training database until their quality and performance meet our stringent quality assurance standards.

Since the training database mirrors the production environment, the staff has an opportunity to become proficient with the extensive features built into each application. Because the applications are built on a Windows platform, there is an immediate level of comfort among the staff because they are working in applications that are very similar to other Windows products they may have previously used. The extensive use of shortcut keys, radio buttons, check boxes, drop-down menus, and lists of options from which to select provide the staff with an interface that is readily learned and easily used.

In addition to the training database, SMI’s training includes conducting production simulations, when appropriate. Production simulations involve complete payment processing and receipting starting from mail opening and proceeding through data entry, quality assurance, ICL creation, balancing, and creation of Receipt Files. These production simulations also serve as the final user acceptance test of the processing system. SMI has found the use of a training database and production simulations to be an efficient and meaningful training tool.

In addition to the classroom training provided to our staff, on-site support will be available in the form of trainers and experienced staff that will temporarily work with inexperienced employees and assist them in their job-specific tasks. Courses and modules completed by each employee will be added to their personnel file. In addition, a training database is maintained that identifies the courses and modules that each employee has taken.

## **Determining the Success of the Training**

Training participants must complete evaluations after each course is completed. A sample of one of our training evaluation forms follows.



## Training Evaluation Data Entry



### 1 – Training Information

Trainer Name: <input type="text"/>	Trainee Name: <input type="text"/>
Location: <input type="text"/>	Date: <input type="text"/>

2 – Course Objectives		Yes	No	N/A
1	I understand the concept of MICR Profile.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	I understand the purpose of the Credit Entry queue.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	I understand the how to process a payment instrument in Credit Entry.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	I understand the concept of Credit Detail.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	I understand the valid payment instrument criteria.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	I understand the purpose of the Debit Entry queue.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	I understand how to process a payment in Debit Entry.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	I understand how to use the F3 search in Debit Entry.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	I understand how to use OCR to process long remittance documents.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	I understand the purpose of the Document Log and how to review and update it.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	I understanding the payment posting rules.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	I understand the different types of correspondence received at the SDU.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	I understand how to process correspondence in the application.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. What subjects, if any, should be addressed in more detail?

2. What would you like more help with?

Figure 4-177: Sample Training Evaluation. Training evaluations help us to design, develop, and deliver the best materials for future trainings.

The comments and feedback are then used to help us design, develop, and deliver the best materials for future trainings.



SMI will notify MIS within 24 hours when any staff terminate employment at the SDU. Such notice will be provided in the manner prescribed by the Agency.

4.2.2.6.13.6 Disaster Plan: The disaster plan presented as part of the transition plan shall be developed into a fully functional and documented plan during the transition period. Backup equipment shall be tested for compatibility and capacity and any identified shortcomings shall be resolved. Any backup facility shall also be tested to show that it can process at least 120,000 payment transactions per month for a minimum of two months.

#### 4.2.2.6.13.6 Disaster Plan

SMI has developed a *Business Continuity Plan* for the West Virginia SDU that encompasses both continuity of business and disaster recovery. The *Business Continuity Plan* describes how the West Virginia SDU will continue to provide services in the event of losing critical resources or other emergencies. Backup equipment and facilities are tested at least once a year and have been shown to meet the needs of the West Virginia SDU for two months or longer if needed.

Our banking and debit card partners also have established disaster recovery plans that have the capacity to include the West Virginia debit card volumes.

#### SDU Business Continuity Plan

Critical elements of the *Business Continuity Plan* that relate specifically to Disaster Recovery include redundant infrastructure, data backups and backup facilities. These elements are described in more detail here.

#### West Virginia SDU Redundant Infrastructure

The following redundant infrastructure is in place at the West Virginia SDU:

- Scanners – There are two OPEX scanners at the West Virginia SDU. If one of the two scanners is unavailable, the mail can be scanned on the remaining scanner.
- Check Printers and Sealers – There are two check printers and sealers at the SDU. If one of the two printers or sealers is unavailable, checks can be printed on the remaining printer or sealer.
- Workstations - There are spare, fully configured, workstations at the SDU that can be used by staff experiencing problems with their workstation.
- Connectivity - There is a secure VPN tunnel to SMI's Atlanta Data Center configured on a redundant high-volume internet connection at the West Virginia SDU facility. This VPN tunnel provides the same network services as the Multiprotocol Label Switching (MPLS) data link and connects the SDU network back to resources at the Atlanta Data Center.

#### Atlanta Data Center Redundant Infrastructure

The following redundant infrastructure is in place at the Atlanta Data Center:



- **Servers** - The Atlanta Data Center server clusters automatically migrate the virtual machines (VMs) to a healthy host server any time it discovers a problem with one of the host servers. In the event of an abrupt host outage, the fault tolerance feature transfers the state of the VMs (including memory state) to the healthy host in the cluster and activates the VMs on that host. The VM will continue running normally, with an expected outage time of less than 30 seconds. All virtual servers at the Atlanta Data Center, except for the database servers, are backed up daily to the local virtual host cluster and to the secondary cluster in San Antonio. Database servers are backed up every Sunday morning. All servers at the Atlanta Data Center are monitored with Solarwinds software which alerts SMI IT Support as well as the Server Support Team in the event of any outages.
- **Network Equipment** - All servers at the Atlanta Data Center have two network connections, each to a separate switch. In the event of one of the switches failing the servers will remain connected to the redundant switch. There are two firewalls at the Atlanta Data Center that are configured for automatic failover for redundancy. Firewall state information is constantly being passed between the two devices on a direct link to ensure both systems have up-to-date status and configurations. In the event one of the firewall appliances fails, the other device automatically takes over. Firewall configurations are backed up every time a change is made to them. All network equipment at the Atlanta Data Center is monitored with Solarwinds software which alerts SMI's Network Operations Center in the event of any outages.
- **Connectivity** - There is a VPN tunnel between the Atlanta and San Antonio data centers. This redundant connectivity provides access to SMI's MPLS WAN via the San Antonio Data Center MPLS endpoint. The internet gateway at SMI's Atlanta Data Center consists of two load-balanced, redundant internet circuits, provided by SyncGlobal and Verizon. The SDU can also reach the internet through San Antonio Data Center internet gateway.

## Data Backups

All transactions run on the databases are stored in log files that are backed up every 15 minutes to the Atlanta network attached storage (NAS) appliance and a full database backup is captured each night to the same path. The database backup location is synced to the San Antonio NAS appliance. Daily database backups are retained for 30 days. A weekly data base backup is taken every Sunday night and retained for fifty-two 52 weeks.

All images are imported to the database and copied to two different locations asynchronously during import. One copy is placed on the Atlanta storage server while a second copy goes to the San Antonio storage server.

## Secondary SDU Operations – Raleigh, North Carolina

SMI's Raleigh Processing Center, located in Raleigh, North Carolina, is the secondary site for SDU scanning and data entry, and will be activated in the event of abandoning the West Virginia SDU facility.

The Raleigh Processing Center is equipped with OPEX scanners and workstations, each of which can be configured for West Virginia SDU scanning and data entry. For short-term abandonment of the SDU facility, mail will be picked up at the post office in Charleston and transported to the Raleigh Processing Center using SMI's corporate jet. For long-term facility abandonment, mail forwarding will be set up with the USPS.





The Raleigh Processing Center is stocked with all the inventory and supplies necessary for West Virginia SDU processing. Most of these supplies are common across all of SMI's SDU operations so they are readily available.

SMI will send emergency staffing teams to the Raleigh Processing Center to carry out critical processing during a disaster. These teams consist of DHHR-approved SMI Operational Support staff and with the appropriate skill sets for the situation.

Security measures at the Raleigh Processing Center and all other SMI offices where West Virginia SDU disaster recovery processing may be carried out conform to the same security standards as the primary West Virginia SDU facility in Charleston. National Institute of Standards and Technology (NIST) guidelines and IRS 1075 control audits are carried out regularly at all disaster recovery locations.

### **Secondary Check Printing Site – Washington DC**

The secondary location for SDU check printing will be SMI's Washington DC SDU, known as the DC CSC office. There are two check printers and sealers at the DC CSC office that can be configured for West Virginia SDU check printing.

### **Secondary Data Center – San Antonio, Texas**

SMI's San Antonio Data Center, located at 13526 Nacogdoches Road, San Antonio, Texas, acts as the secondary data center for SDU applications, websites, and data. The virtual servers and data at the Atlanta Data Center are regularly backed-up to the San Antonio Data Center in order to allow for failover to the San Antonio Data Center in the event of a disaster at the Atlanta Data Center.

There is a redundant VPN tunnel between SMI's San Antonio Data Center and the West Virginia DHHR network that allows files to be exchanged with DHHR in the event of a major disaster at our Atlanta Data Center.

File transfers with the bank and other Vendors take place using Secure FTP over the internet. In this way, files can be easily transferred with third parties from either the primary or secondary data center in the event of a major telecommunications or facility outage.

SMI IT Support and Network Operations Center will work with DHHR and other Vendors to verify the correct operation of secondary interfaces during a major outage and will carry out any additional configuration necessary.

Security measures at the San Antonio Data Center conform to the same security standards as the Atlanta Data Center. NIST guidelines and IRS 1075 control audits are carried out regularly at all disaster recovery locations.

### **Disaster Recovery for Banking Services**

As an integral part of normal business operations within J.P.Morgan, managers in the firm are responsible for developing and maintaining resiliency plans as part of J.P.Morgan wide Resiliency



Management Program and part of the firm's Global Business Resiliency department. Resiliency activities of J.P.Morgan must comply with and are governed by several agencies that have laws, rules and regulations. Within J.P.Morgan's policy, requirements have been defined for each critical business process to provide essential business and technology service levels to comply with resiliency requirements of the Office of the Comptroller of the Currency, the Federal Financial Institutions Examination Council (FFIEC), the Interagency White Paper on Sound Practices to Strengthen the Resilience of the U. S. Financial System and regulatory agencies within the different geographic regions. Within the industry, resiliency planning is also commonly referred to as business continuity, disaster recovery, and contingency planning; they all represent the process whereby financial institutions ensure the maintenance or recovery of operations and service to their clients.

Resiliency plans explicitly address the business, operations, and technology components of a business process, including those critical processes and functions provided by outside service providers and industry utilities. Contingency locations are an integral part of resiliency planning. In combination with J.P.Morgan's testing program, contingency locations ensure that the business resiliency plans remain accurate, relevant, and operable to minimize disruption to clients. Critical resiliency plans are tested annually, at a minimum, to verify the effectiveness of alternate locations and to demonstrate that the plans remain accurate and executable.

J.P.Morgan's resiliency plans are subject to risk-based examinations by J.P.Morgan's internal auditors. The plans address and comply with documented organizational requirements. All findings are escalated to the business units, risk management, and division executives for review. J.P.Morgan's Board of Directors reviews the status of the overall resiliency program on an annual basis.

J.P.Morgan's exercises commercially reasonable efforts to ensure that J.P.Morgan meets our obligations to all their clients. Their resiliency program provides comprehensive business impact analysis, risk assessment, resiliency planning and testing to ensure they can manage their risk and their clients' risk within a reasonable time period.

## Disaster Recovery for Debit Card Services

Galileo Processing Inc., our debit card processing partner, maintains a *Disaster Recovery and Business Continuity Plan* for its operations and data centers. The plan outlines the company's response to a variety of catastrophic internal or communications infrastructure failures. Disaster recovery team members possess essential recovery training, bolstered by regular tabletop exercises to deal with hypothetical disaster situations. These exercises help to fine-tune team communications and operations. The network is monitored and architected to ensure that if at any time a particular site should take all transactions, there will be sufficient capacity at that site. This is determined by measuring the overall bandwidth and response times against predetermined thresholds.

Galileo's primary data center is located in Salt Lake City, Utah. Galileo's secondary data center is located in Denver, Colorado, and provides a fully functional "mirror" of the primary data center in



an active/active relationship, where any transaction may be routed to either site and then immediately mirrored to the other. The secondary site meets several critical objectives, providing a failover location in the event of disaster, and redundancy of primary systems in the event of equipment failure.

Galileo's disaster recovery response is tested on at least an annual basis. The results are documented in a manner that can be shared with clients.

Our banking partner for debit card services, The Bancorp Bank, has developed a *Disaster Recovery and Business Continuity Plan* that applies to all Bancorp staff, facilities, and IT systems at all locations. Bancorp has prepared for multiple scenarios, including but not limited to, natural disaster, power outage, hardware/telecommunications failures, data corruption, explosives and chemical disasters, cyber-attacks, biological and nuclear hazards, and pandemics. These events may be local in nature, rendering only a single facility inaccessible, or could have regional impact, with multiple facilities in a geographic region becoming inaccessible.

Bancorp participates in regularly scheduled audits consisting of both internal as well as external audits, including Regulatory and State reviews. The key audit areas include: Program Governance, Plan Design, Plan Prioritization, Plan Updating, Plan Testing, Training, Plan Reporting, and Plan Compliance with leading industry practices (FFIEC).

From a technology perspective, Bancorp leverages leading-edge technology and procedures across the Bancorp main data centers in Wilmington, Delaware, and Sioux Falls, South Dakota. Data is replicated continuously through the two centers. Two-way replication between the Sioux Falls and Wilmington data centers provides a faster means of recovering the data in the event of a disaster.

Arroweye Solutions, our card production and distribution partner, has a *Disaster Recovery and Business Continuity Plan* in place that ensures that all reasonable precautions have been taken to prevent or mitigate any business interruption that affects Arroweye Solutions' ability to provide products and services to customers. The plan outlines the procedures that must take place to sustain critical business processes in the interim following a disaster and during the recovery process to restore full normal business operations.

Arroweye's Kentucky facility will be the primary location for card fulfillment, with their Nevada facility being the secondary location. Arroweye will pre-produce and stock at a backup personalization and fulfillment partner's facility, a sufficient plastic inventory to support four weeks of expected demand, or approximately 10,000 cards, to be prepared should a disaster occur. All paper collateral artwork will be housed at Arroweye's backup personalization and fulfillment partner's facility and will be produced in an on-demand fashion.

SMI will manage debit card file transfers with DHHR, Galileo, and Arroweye on a set of MFT servers at our Atlanta Data Center, located in Atlanta, Georgia. These servers are backed-up once a week to our San Antonio Data Center in Texas, where they can be restored in the event of a disaster at the Atlanta Data Center.



Debit card customer service applications are hosted on a cloud-based voice platform with automatic failover between two data centers and redundant connectivity to SMI's Atlanta and San Antonio data centers. Debit card customer service calls can be routed to agents at multiple SMI call centers in the event of staff shortages or facility outages.

4.2.2.6.13.7 Continuity of Operations: The continuity of operation plan presented as part of the transition plan shall be developed into a fully functional and documented plan during the transition period. Vendor's continuity of operations plan must give consideration to the unavailability of its workforce over extended periods of time and should employ strategies to cope with such an eventuality, including but not limited to: moving work instead of staff, permitting or increasing telecommuting, or dividing business units over multiple sites.

#### 4.2.2.6.13.7 Continuity of Operations

SMI has developed a *Business Continuity Plan* for the West Virginia SDU that encompasses both continuity of business and disaster recovery. The *Business Continuity Plan* describes in detail the following contingency plans for the unavailability of our workforce.

##### Emergency Staffing

All positions at the West Virginia SDU have at least one replacement person that can take over that position in the absence of staff members. In the case of large staff shortages, emergency staffing teams will be sent to the West Virginia SDU to carry out critical processing. These teams consist of DHHR-approved SMI Operational Support staff with the appropriate skill sets for the situation.

SDU personnel and emergency staffing teams can also carry out critical processing remotely, accessing the SDU applications from any location with a connection to the Atlanta Data Center, including internet connections via VPN. Only scanning must be done on site at the West Virginia SDU facility, all other functions (data entry, balancing etc.) can be done remotely from another location. If long-term abandoning of the West Virginia SDU should occur, SMI is able to relocate operations to a secondary operations facility.

SMI's Operational Support will provide replacement personnel with training and documentation for all aspects of SDU operations. User guides and other procedural documentation are stored on a secure cloud-based document management system that is easily accessible by SMI personnel at all times.

Debit card customer service calls can be routed to agents at multiple SMI call centers in the event of staff shortages or facility outages.

##### Relocate Operations to Secondary Operations Facilities

For long-term absences of critical staff, SDU operations can be moved to SMI's Raleigh Processing Center in North Carolina. SMI's Raleigh Processing Center in North Carolina is equipped with OPEX scanners and workstations, each of which is configured for SDU scanning and data entry. Additional workstations can be sent to the Raleigh Processing Center from SMI's corporate office



in Carrollton, Georgia. For short-term abandonment of the West Virginia SDU facility, mail will be picked up in Charleston and transported to Raleigh using SMI's corporate jet. For long-term facility abandonment mail forwarding will be set up with the USPS.

SMI's Washington DC CSC office is the secondary check printing facility for the West Virginia SDU. There is a West Virginia SDU check print workstation already set up at the DC CSC office. A replacement check printer and sealer can be set up at the DC CSC office if the SDU check printers and sealers are unavailable. DC CSC staff will be available to print and mail West Virginia SDU checks.

## Emergency Response Plan

There is an *Emergency Response Plan* in place for the West Virginia SDU that provides procedures for staff when responding to emergencies such as building evacuation, severe weather and hazardous materials incidents. The Emergency Response Team at the SDU consists of the Emergency Response Coordinator, who directs shelter-in-place and evacuation activities, and Area Monitors, who assist staff members during an emergency.

## Pandemic Plan

SMI has a *Pandemic Plan* in place to monitor and respond to epidemics and pandemics. Soap, tissue, hand sanitizer and cleaning supplies are stockpiled in advance and provided to employees as pandemic conditions escalate. SMI has policies and practices in place for distancing employees from each other, customers, and the general public. All employees are encouraged to stay at home if infected with a pandemic illness. Unessential travel to locations with high illness transmission rates is discontinued. Situations that permit or require employees, customers, and visitors (including family members) to enter the workplace are discouraged.

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### 4.2.2.6.13.8 Milestones and Deliverables:

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### 4.2.2.6.13.8 Milestones and Deliverables

Our draft *Project Schedule* provided in Appendix A. includes the tasks, milestones, and deliverables associated with all phases of the project. Our schedule outlines such items in a manner that provides a clearly understandable reference point for all stakeholders during all phases of the project. Deliverables are clearly identified and each milestone is denoted within the schedule with an "M" (milestone) preceding its task name. SMI will accomplish the work plan milestones and deliverables in accordance with the schedule required by the RFQ and approved by the Agency.

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4.2.2.6.13.8.1 Transition Plan for Test of Operating Procedures: The Vendor shall deliver to the Agency for its review and approval a detailed plan outlining any and all activities and staffing levels required during the transition period. This plan shall include a method for ensuring the complete review of operational procedures and acceptance testing of each of the centralized collection and distribution process functions.

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#### 4.2.2.6.13.8.1 Transition Plan for Test of Operating Procedures

SMI will deliver to the Agency, for its review and approval, a detailed plan outlining all activities and staffing levels required during the transition period. This plan will include a method for ensuring the complete review of operational procedures and acceptance testing of each of the centralized collection and distribution process functions.

Our test strategy is a comprehensive approach that has allowed SMI to develop a payment processing system that is unmatched in the industry. In West Virginia, since we have a fully functioning **SMART** solution, already configured to West Virginia's specifications, our testing will be limited to system and interface changes deemed necessary for reimplementation and the transition of debit card services.

The SMI testing methodology was created based on the Software Engineering Institute (SEI) Capability Model and ITIL (Information Technology Infrastructure Library) and has been modified based on our real-world experience providing child support services. The key elements of our methodology are:

- Employ both verification and validation processes
- Maintain all products under a change management policy to ensure that testing occurs on the proper version
- Test cases are documented and performed by Quality Assurance Analysts who are experienced child support operations staff separate from the development group
- Validate the connectivity between SMI and Agency components, confirming that interfaces can be accessed

By maintaining these testing norms, we can ensure the testing is consistent and appropriate.

Application changes will be verified through six stages of internal testing. Before the system goes live, as part of staff training, we will conduct production simulations, when appropriate. The six testing stages are:

- Reviews
- Unit testing
- System testing
- Volume/performance load and stress testing
- User acceptance testing
- Regression testing

Our testing approach provides complete application software confidence for the SDU operation. While this level of testing does not mean there will never be a problem, it does give us a better opportunity to identify and understand problems early and completely so we can resolve them and avoid recurrence.



Our testing and validation methodology extends to all aspects of the SDU including application software, hardware, network, security, and documentation. Our operation will be secure and thoroughly tested by trained and experienced personnel who have experience in transitioning multiple SDUs.

## Reviews

SMI reduces defect migration by using early life cycle testing techniques. It has been estimated that over half of all errors are introduced in the requirements stage. Throughout the development process, SMI will conduct reviews on all requirements, source code, design specifications, project plans, test plans, user manuals, and other documents. The primary goals of reviews and inspections are to:

- Verify that contractual requirements are met
- Detect defects in system architecture early in the development process
- Identify erroneous requirements

SMI will use both peer reviews and inspection.

## Unit Testing

Unit testing is designed to demonstrate that the program logic of a given unit or component performs according to program specifications. During the unit test phase, Developers will develop and modify code on their individual workstations. They will develop and execute test cases to verify the code is correct, stable, and can sustain additional testing. As code is developed and repaired, the Development Manager will select a time when all code will be packaged and deployed into the unit test environment. Once the package has been successfully installed, the predetermined unit test cases are executed by the Developers.

After the test cases are successfully executed, a quick end-to-end test is executed to verify a transaction will successfully follow through the applications. At a selected time, the Development Manager will conduct code/peer reviews against code before it is released to system test. Unit testing will verify:

- Features and functionality adhere to requirements
- Internal components work as described in the design document
- Proper implementation of interface design specification
- Proper handling of valid and invalid data input
- Output generated

The Development Manager works with his team to correct any issues found in the reviews.

## System Testing

The objective of system testing is to provide confidence that the applications are able to interoperate successfully with other internal and external application interfaces. System testing





ensures related applications function properly when linked together and verifies the unit interfaces have been appropriately implemented in a production-like environment. This testing will also verify the application is properly packaged and deployed as it would be in a production environment. The Quality Assurance Analysts will develop system test cases from the requirements and the design documents. The Development Manager will be responsible for reviewing and approving system test cases. System testing ensures:

- System faults have been identified and fixed
- The application meets interface and functionality requirements
- Performance requirements are met or exceeded
- System components maintain compatibility with new functionality

The Development Manager and Quality Assurance Analysts will determine when the release has successfully passed the system test.

### **Volume/Performance Testing**

Volume/performance testing is completed for each workstation, server, and database. Volume testing will be performed against data volume as well as user volume. System performance metrics that capture the time it takes to complete each process will be compared to benchmarks. The benchmarks are determined based on performance at our current West Virginia operations and our other SDU operations.

Early volume tests occur in test scenarios with mock data imports and file copies, comparing system performance with current baselines. Later simulation scenarios stress the system with batch and payment volumes exceeding the maximum expected, such as on a holiday weekend. The following figure from our Texas SDU transition demonstrates how we record results for performance tests.



	Tool Type	Test Type	SMART Payment Processing Performance Indicator	Acceptable Range	Result	Date Measured
			NOTE: Comments and tips are embedded in this column			
A	User-Timed Stress Test	PP	Prod Simulation volume: Collections/payment file total processing time to generate and create  TX baseline stress volume = 600,000 payments processed for one file.	< 25 mins	<b>Mark Carlson:</b> Using SQLIO, capture 120 second tests (8K random R/W, 64K sequential R/W, Database and Logs volumes), and capture average of all 8 tests. Right-click in the Excel's cell and choose "Hide Comment" to remove this box.	
B	User-Timed Stress Test	Disb	Prod Simulation volume: ICL total processing and transmission time.	?	<b>Mark Carlson:</b> Using SQLIO, capture 120 second tests (8K random R/W, 64K sequential R/W, Database and Logs volumes), and capture average of all 8 tests. Right-click in the Excel's cell and choose "Hide Comment" to remove this box.	
1	SQL IO	SVR	Disk IOPS	> 10,000 IOPS		<b>Mark Carlson:</b> Using SQLIO, capture 120 second tests (8K random R/W, 64K sequential R/W, Database and Logs volumes), and capture average of all 8 tests. Right-click in the Excel's cell and choose "Hide Comment" to remove this box.
2	SQL IO	SVR	Disk Throughput	> 300-MB/s		
3	SQL IO	SVR	Disk Latency	< 10 ms		
4	SimpliVity	SVR	Reserve VM Memory Capacity	>16 GB		
5	SimpliVity	SVR	Reserve VM CPU Capacity	> 8 vCPUs		<b>Mark Carlson:</b> SQL 2012 R2 standard has a 128GB RAM limit. This is the VM assigned memory subtracted from this amount. Right-click in the Excel's cell and choose "Hide Comment" to remove this box.
6	SolarWinds	SVR	SMART Web Services Response Time	< 500 ms		
7	?		ACH Credit file import time	< 3 sec per first 100 images		
8	User-Timed		SMART log in time	< 5 secs		
9	User-Timed		'Begin Work' display time	< 5 secs		<b>Mark Carlson:</b> Using vCenter, calculate number of vCPUs assigned on entire cluster, subtracted from the total number of vCPUs available (64 vCPUs per cluster) Right-click in the Excel's cell and choose "Hide Comment" to remove this box.
10	User-Timed		'Switch Queue' display time	< 5 secs		
11	User-Timed		Collection/Payment Debit gather time (Refresh)	< 5 mins per 100,000 work items		
12	User-Timed		Collection/Payment file creation time	< 5 mins per 100,000 work items		
13	User-Timed		ICL Creation and transmission time	< 3 mins per 2,000 items		
14	User-Timed		Report display time for receipt file and mail box	< 30 secs		<b>Mark Carlson:</b>

Figure 4-178: Performance Test Results. System performance metrics that capture the time it takes to complete each process will be compared to benchmarks.

Additional information regarding volume testing can be found below in the section on Production Simulations.

## Regression Testing

Regression testing is done after transition is over for all future bug fixes/enhancements before releasing to production. Each release is tested first in the ST environment and again in user acceptance testing (UAT).

SMI's application software goes through each testing stage several times. Multiple passes for each test stage facilitate regression testing of defects found in that test stage. In addition, a small subset of test cases from each test stage are documented and automated in order to be easily re-executed for each pass.

For each code fix, individual test cases that are applicable to the specific fix will be executed. In addition, the subset of automated regression test cases will be executed against the application or system. Any new test conditions created as a result of the fix will be added to the existing set of test conditions.

The UAT must demonstrate the system will perform adequately as it is intended to be used. Final tests must be done with the system configured for live use, using real-world data and realistic test scenarios. SMI's user acceptance testing will be conducted by operations staff. Operations staff will execute test cases and give approval to release the code into production. These test cases will verify the acceptance criteria have been satisfied.

## Production Simulations

An additional layer of testing and part of our training process, for a new implementation, includes production simulations that are conducted using real data that serves as a final test of the



processing system. Prior to implementing the new scope of services, we undertake production simulations, as appropriate. Staff are trained prior to the simulations and are tasked with performing them as needed. Files are sent to the State Agency for processing in the test environment as needed on an agreed upon schedule.

## Metrics

SMI uses metrics to help determine if the system exceeds performance and volume requirements. The purpose of collecting and evaluating metrics data throughout the testing process is to manage the process based on facts and facilitate continuous improvement. The test approach for each test phase determines which metrics are collected and evaluated for that test stage.

## Test Case Development and Requirements Coverage

Quality Assurance Analysts create and store test cases in Microsoft Test Manager Professional. Test Manager allows test cases to be shared across the team and provides real-time reporting on test coverage. Immediately following design sessions with the State, subject matter experts from the different areas and the technical staff meet for internal sessions to update the systems Configuration Guides. The guides are then distributed to the development team. Configuration Guides also serve as the input documents for developing test cases.

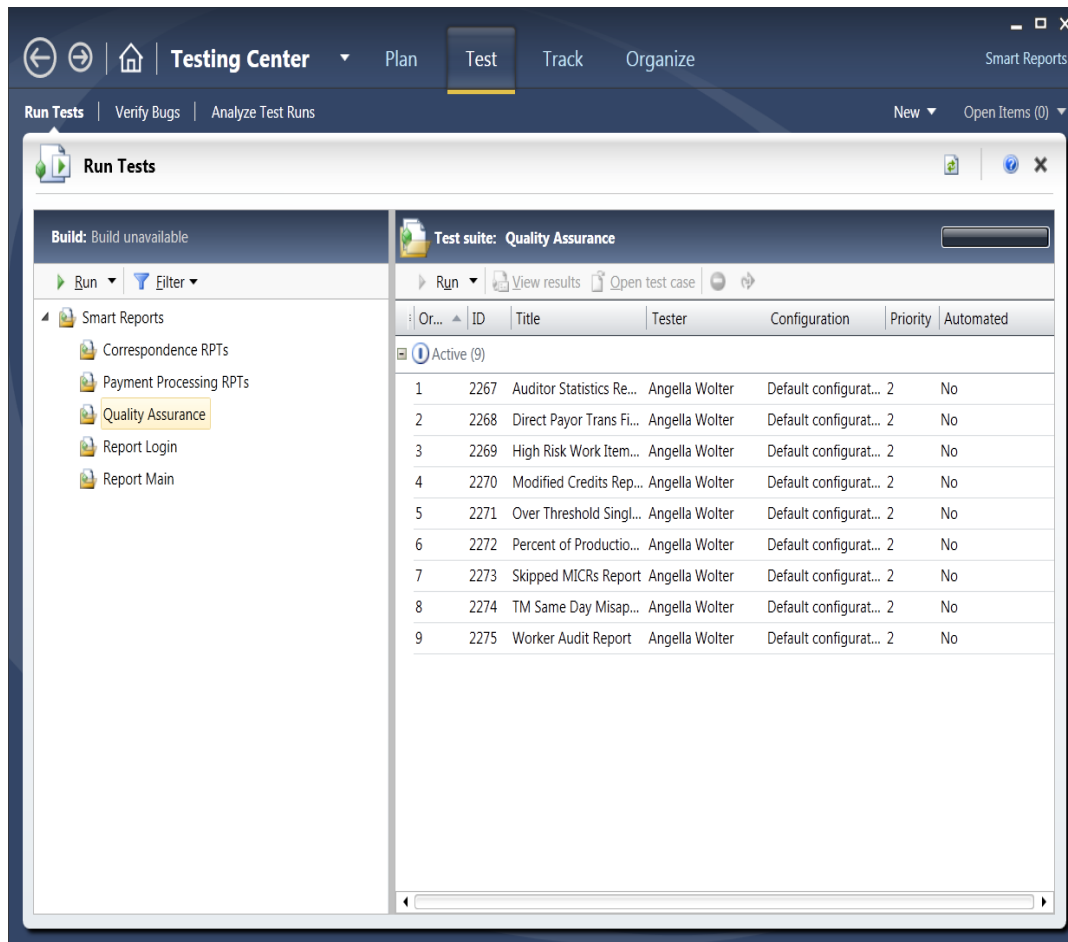


Figure 4-179: Microsoft Test Manager Professional. Test Manager allows test cases and results to be shared among the team.

Once the test cases are developed, they are mapped to the Configuration Guide to ensure adequate test coverage is provided for each requirement.

## Change Control

We rely on tightly controlled procedures executed through Microsoft Team Foundation Server (TFS), ServiceNow, and Test Manager for change control. Application changes are submitted with a formal Client Change Request through the SDU Project Manager or initiated internally with TFS through weekly Operation and Development meetings. These enhancements are triaged and scheduled to enter a test and development cycle and tracked with mandatory release numbers. Changes to the **SMART** infrastructure are submitted through an infrastructure change approval workflow for justification and impact analysis and are tracked through mandatory change request numbers. All changes progress through a controlled test and approval process before being deployed into the production environment.

**SMART** software issues are also managed as a potential change. SDU Project Managers and other staff submit issues into ServiceNow as an incident ticket, and the incident is triaged and routed to



the appropriate team to resolve. Some incidents may be resolved by the network or system administrator, as when a service may need to be restarted. Others may be migrated into the TFS system for a **SMART** software change, as when a new search criterion is discovered to be needed. Whether it is a software change request or an incident, changes follow a predictable schedule into production.

During transitions for new operations and for new scope in existing operations, as necessary, the development, data conversion, and testing phases converge into production simulations before a production release. After this final phase of exercising the system and training new users, approval is solicited from the State and given to the **SMART** teams for the first release into production. For ongoing operation, standard infrastructure changes and software releases are on a monthly cycle and major updates occur annually. After a change passes testing, we will notify the State prior to the expected release date.

To maintain control of changes to information systems, only authorized personnel based on their job responsibilities are able to implement changes to the system. This provides control over the system and the configuration and ensures that no unplanned changes are made either accidentally or intentionally. SMI management will approve and restrict individual access for those persons who are responsible for making changes to SMI information systems.

Even though the changes to systems are tested and a security impact analysis performed, the changes must be monitored to ensure that there is no impact after implementation. SMI will monitor and audit changes to information systems under their purview and conduct security impact analysis and check the security features of the system to ensure the features are still functioning properly.

SMI's change management process ensures the impact of the change request is analyzed, properly planned for, and communicated to all stakeholders. Our release creation and migration process ensure that SMI controls and consistently delivers fixes and new functionality on-time, without allowing defects or incorrect versions of software to be introduced into production along with the desired change.

## Problem Identification and Resolution

SMI will use the maintenance and control tools developed and used in each of our operations. After each new transition, we have refined and improved this system for increased effectiveness. We will continue to utilize this proven problem identification and resolution system for the West Virginia SDU.

When a potential problem or incident is reported, an impact analysis is conducted to determine if the incident will affect production. The incident is then assigned a priority and owner.

Our problem resolution approach includes the use of Microsoft TFS for application development and testing along with ServiceNow IT Service Management software infrastructure problem resolution tracking. This approach mitigates problems, so if an issue occurs, it is tracked and shared

globally with the development team and State designated staff. To provide for an effective problem resolution approach, we include five key areas:

- Roles and Responsibilities
- Problem Identification and Assessment
- Problem Resolution Tracking and Escalation
- Release Management
- Change Management

SMI provides information on each of these key areas to follow.

## Problem Resolution Roles and Responsibilities

Each Transition Team member will have an active role in the resolution of problems. By identifying the roles and responsibilities, ownership and accountability of the problem is assigned.

Table 4-26: Problem Resolution Roles and Responsibilities. By identifying the roles and responsibilities, ownership and accountability of the problem is assigned.

Team Member	Role	Responsibility
SMI Leadership Team	Oversee the project in its entirety; identify problem(s)	Provide resolution to problems affecting the critical path by offering quick decisions
Transition Manager	Communication with West Virginia designated staff  Identify and assess problems for all areas of the transition including: <ul style="list-style-type: none"> <li>▪ Facility Review</li> <li>▪ Equipment</li> <li>▪ SDU and Customer Service Staffing</li> <li>▪ System Development and Testing</li> </ul>	Provide updates on identified problems, including mitigation strategies and reports  Resolve problems using root cause analysis and working with all team members  Manage the Problem Resolution Log and oversee the Defect Tracking, assessing criticality of each problem and its effect on the overall project
IT Manager	Identify and assess technical problems	Manage network and development ensuring policies are being followed  Review the Problem Resolution Log and Defect Tracking to determine if there are problems that are associated and if resolution of the root cause will eliminate the problem
Database Manager	Identify and assess Data Conversion Problems	Manage the data conversion ensuring the plan is followed  Review the Problem Resolution log and timeline for fixes



Team Member	Role	Responsibility
		Oversee the conversion tasks, environment set up, testing and conversion
Sr. QA Analyst	Identify and assess application defects Manage the Defect Tracking Tool	Using Visual Studio Test Professional, manage testing activities including test cases, metrics, and monitoring of defects from identification to resolution  Update and monitor Defect Tracking Log  Provide reports to management of the priority of defects found and timeline for resolution
Operations Transition Manager	Identify and assess application defects and report on the Defect Tracking Tool	Develop test cases to identify defects and offer solutions to correct the defect  Test the system and move the issue to the Defect Tracking in System Service Center

All Transition Team members are responsible for problem detection and resolution.

## Problem Identification and Assessment

SMI's objective is to identify an incident or problem early to reduce the impact of the problem. We empower our staff to feel comfortable in voicing concerns about potential problems. Each area of the transition and ongoing project is documented with the tasks that must be completed and the timeline needed to complete the task. A critical path is developed so that we have indicators of potential problems. Our Transition Manager monitors each of the tasks and requires updates by the team members. Through this process, potential problems will be identified and mitigation strategies devised.

In assessing the incident/problem, we focus on resolving issues quickly while also determining the root cause in order to prevent the recurrence of the issue. SMI views each incident/problem as an opportunity to learn and improve operations. Our philosophy is:

- It is critical that everyone take a personal and active role in improving quality
- Quickly restoring a system disruption is top priority
- Finding the root cause of a problem is a disciplined process
- Identifying the problems, which are often masked for a variety of reasons
- We must be both focused and open-minded
- We must be relentless

Finding the underlying cause for a disruption is critical, yet often performed in a separate process following a quick resolution to the issue. For example, if the database fails, functionality would





quickly take over on a secondary server. This work-around saves valuable time in restoring services and allows for a more time-intensive, methodological approach to find the root cause. This method of problem resolution allows for a twofold attack on issues by quickly resuming services while continually improving system functionality.

In our problem identification and root cause analysis, we will:

- Conduct an impact analysis describing the problem
- Notify the State designated staff
- Assign a priority and owner
- Place the problem on the Problem Tracking Log
- Verify the problem through testing and/or observation
- Investigate the problem to determine why is it happening
- Apply corrective actions

In conducting our root cause analysis, we ask why a problem happened and continue asking why until we get to the element that caused the defect.

## Problem Resolution Tracking and Escalation

Whenever updates are made to **SMART**, SMI uses our proven tracking system to record and manage problem resolution issues. Any **SMART** software problems found are logged into the Microsoft TFS with ticket integration into the ServiceNow IT management solution. Both are designed around IT best practices for managing support throughout the **SMART** system lifecycle.

We integrate software and hardware support, providing a uniquely consolidated IT management system and creating a more intuitive and efficient problem resolution process from issue reporting to releasing changes into production.

When a **SMART** issue is logged, the user assigns a priority to indicate the severity of the issue and the impact it will have on the application or project. The priority levels are outlined as follows:

- Blocker: blocks development, testing, or production
- Critical: causes the system to crash, lose data, or a severe memory loss
- Major: causes a major loss of function or threatens implementation date
- Minor: causes a minor loss of function or a workaround is present
- Trivial: cosmetic issues such as misspelled words or misaligned text

An issue is moved through the system's workflow by an assigned workflow action that creates the issue status. Developers, system testers, and other individuals assigned to the project determine what action needs to be taken based on the issue status.



Table 4-27: Resolution Tracking. The following table depicts the stages and transitions an issue will pass through during the defect reporting and tracking cycle.

Worker	Workflow Action	Resulting Issue Status
Reporter	Create Issue	Open
Developer/Assignee	Start Progress	In Progress
Developer/Assignee	Send to System Test	Pending Release—System Test
Release Manager	Released to System Test	Ready for System Test
System Tester	Start Progress	In Progress
System Tester	Send to User Acceptance Test	Pending Release—User Acceptance Test
Development Manager	Released to User Acceptance Test	Ready for User Acceptance Test
UAT Tester	Start Progress	In Progress
UAT Tester	Send to Production	Pending Release—Production
Development Manager	Release to Production	Resolved
Reporter	Close Issue	Closed

Jackie Scharping will manage the resolution tracking system in conjunction with the *Project Schedule* to mitigate any potential risks.

## Release and Change Management

The **SMART** release management module helps manage our application releases and cycles effectively, which allows us to track the progress of an application release against the plan to determine if the release is on track and meets requirements.

Tracking TFS work items and organizing into a versioned release package is the primary mechanism for managing requirements, tests, test scripts, business components, and flows. The versioning control allows our teams to collaborate and manage multiple versions of test assets, while providing an audit history of changes throughout the transition cycle.

We will use base lining to capture a group of requirements, tests, or test assets at strategic points in the project lifecycle to mark specific milestones. We will compare baselines to assess the impact of changes and enable rollback of assets, if required.

SMI's objective is to be proactive in our project management by mitigating risks that cause problems and by having quality control processes in each phase of the project. By being proactive we will reduce the number of problems introduced into the environment, and we will provide a quality-focused SDU operation.



## Debit Card Testing

SMI, Bancorp, Galileo, and Arroweye require thorough and exhaustive testing prior to any debit card transition. The transition of the smiONE Card program for West Virginia will be no exception.

SMI's proposed transition to the smiONE Card includes a thorough testing period. Prior to issuing any cards to cardholders, we will perform in-depth testing to ensure:

- All files are created accurately and timely and are transmitted between J.P.Morgan and Bancorp and between SMI, Bancorp, Galileo, Arroweye, and the State
- Files are successfully transmitted, and information can be read and translated by SMI, Bancorp, Galileo, Arroweye, and the State
- Accounts are set up and cards are produced timely and accurately
- Correct amounts of funds are loaded to the correct account
- Demographic updates are processed
- POS and cash access are operational
- Fees are assessed in accordance with the approved fee schedule
- Website, mobile app, IVR, CST, and gAnalytics applications meet all required program specifications

Our test plan will ensure the timely transmission of files and accuracy of data within those files. Our draft *Project Schedule* in Appendix A. shows the detailed testing that will be required.

SMI will complete a configuration guide for the smiONE payment processing platform to detail the West Virginia debit card program setup requirements for Galileo. To validate configuration, SMI will use end-to-end tests with test cards or “white cards” that include the creation and generation of the enrollment file, successful card and collateral production, and testing of transactions, fees, and velocity limits. Test cards will be issued, and small amounts will be loaded to each card. Testers will be given test scripts to follow to ensure all aspects of the program are working. Each of the transaction items listed in the table to follow will include both in-State and out-of-State testing and will be a part of the white card testing. The following table includes test scenarios that must work as designed for this phase of the implementation to be complete.

Table 4-28: Debit Card Testing. We will conduct thorough and exhaustive testing prior to implementation.

Debit card Activity	Test Scenario
In-Network ATM Transactions	Withdrawal Balance Inquiry NSF Denial Limits for Number and Amount of Withdrawals
Out-of-Network ATM Transactions	Withdrawal Balance Inquiry



Debit card Activity	Test Scenario
	NSF Denial Fee Assessment
PIN POS	Cash Back with Purchase Retail Store Restaurant or Beauty Fuel NSF Denial Daily Usage Limits
Signature POS	Retail Store Restaurant or Beauty Online NSF Denial Daily Usage Limits
Over the Counter	Withdrawal NSF Denial Amount Limit
Text/Email Notifications	Daily, Weekly, and Monthly Balance Transaction Notice with Balance Low Balance Notice Demographic Change Notice
IVR	Activation and PIN Selection PIN Change Select Each IVR Option Ability to Transfer to CSR
Website	Registration Log-in Access Features Card Activation and PIN Set-up Set-up Notifications Online Bill Pay Account-to-Account Transfer
Mobile App	Registration Log-in Access Features



Debit card Activity	Test Scenario
	Card Activation Set-up Notifications Online Bill Pay Account-to-Account Transfer
Customer Service	Receive call from IVR CST
Reporting	Produce required reports

If any issues are identified during the testing phase, SMI will take necessary corrective actions. Prior to cutover to the smiONE Card, SMI will provide validation to the State that all components of the card program are ready for operations.

4.2.2.6.13.8.2 Completed Procedural Test Process: Weekly progress reports shall be provided to the Agency beginning two weeks after the effective date of any contract resulting from this RFQ. These progress reports shall include, but not be limited to, failure payment file transmissions, sending of duplicate payment files, natural disasters which affect payment processing, progress and/or obstacles to procedural development, current staffing levels and the status on the firing process, any problems or backlogs encountered, planned activities during the next reporting period, meeting held, and any other information deemed to be relevant by the Agency or the Vendor.

#### 4.2.2.6.13.8.2 Completed Procedural Test Process: Weekly Progress Reports

Within two weeks after the effective date of the contract, Jackie Scharping will provide a weekly progress report to the Agency. The reports will include, but not be limited to, failure payment file transmissions, sending of duplicate payment files, natural disasters which affect payment processing, progress and/or obstacles to procedural development, current staffing levels and the status on the hiring process, any problems or backlogs encountered, planned activities during the next reporting period, meetings held, and any other information deemed to be relevant by the Agency or the Vendor. The following figure shows a Status Report during our Texas transition and provides an indication of the type of information we provide in our status reporting.



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Figure 4-180: Progress Reports. SMI's progress reporting provides a comprehensive picture of the project status.

Jackie will be available to discuss any concerns that may arise from the information relayed in the report.

**4.2.2.6.13.8.3 Final Disaster Plan:** The Vendor shall provide to the Agency for its review and acceptance a final written disaster plan which shall include detailed procedures, the names of designated responsible persons and contact instructions for reaching them, test results, and a periodic test schedule. This plan is due to the Agency no later than one month prior to the Vendor's accepting full responsibility for the operation of the centralized collection and distribution process.

#### 4.2.2.6.13.8.3 Final Disaster Plan

As the current provider of collecting, tracking, and disbursement services for the West Virginia SDU, we have in place an approved *Business Continuity Plan* for the West Virginia SDU that encompasses both continuity of business and disaster recovery. Upon contract award, this plan will be updated to reflect the necessary changes. This plan will be submitted to the Agency no later than one month prior to the date SMI accepts full responsibility for the operation of the centralized collection and distribution process. Additional information regarding business continuity and disaster recovery plans is provided in Sections 4.2.2.6.13.6 and 4.2.2.6.13.7 of this proposal.

**4.2.2.6.13.8.4 Operations Staff in Place:** The Vendor shall complete the installation of experienced and trained operational staff prior to assuming responsibility for the centralized collection and distribution process.



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#### 4.2.2.6.13.8.4 Operations Staff in Place

SMI will complete installation of experienced and trained staff prior to assuming responsibility for the centralized collection and distribution process. Our draft *Project Schedule* shows the proposed date for completing these activities.

The same team that currently manages the daily operations of the West Virginia SDU will be responsible for managing operations under the next contract award. SMI proposes an ongoing operations team that is fully staffed and trained.

To ensure adequate customer service levels, one supervisor and five CSRs will be added to our current smiONE Customer Service Center operations upon contract award. In addition to our corporate staff assigned to manage daily debit card operations, SMI will have a total of 80 CSRs and nine Supervisors in our Georgia and Texas Customer Service Centers trained and ready to assist West Virginia smiONE cardholders 24/7/365.

Additional details on approach to accomplishing personnel functions is provided in Section 4.2.2.6.13.4 of our proposal.

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#### 4.2.2.6.1.4 Vendor Compensation:

4.2.2.6.14.1 The Vendor's compensation for any transition efforts associated with the testing and development of operational procedures shall be based upon an agreed fixed price. Equal monthly progress payments covering the transition costs shall be made during the transition period. Payments shall begin one month after the Agency's approval of the transition plan. Each payment shall only be made upon review and approval of a detailed invoice outlining the milestones and/or deliverables achieved during the invoice period. The transitional cost shall be included as a part of the cost proposal.

4.2.2.6.14.2 The Vendor's compensation for the term of the contract, outside of the transition period, shall be made in accordance with the State of West Virginia's purchasing rules and regulations as prescribed and enforced by the Department of Administration. The Vendor shall submit monthly invoices in arrears to the Agency summarizing the costs of the services rendered in the month prior to the billing. No payment shall be made prior to the receipt of service. No purchase will be reimbursed without the Agency's approval prior to the expenditure. Payment on the invoice will be in the form of a State warrant.

4.2.2.6.14.3 The Vendor shall pay the Agency by check any reimbursements owed for erroneous disbursements or related errors that resulted in an expense or loss to the Agency or any of the Agency's recipients of services or shall credit the Agency's distribution account with the hard dollar equivalent of the error.

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#### 4.2.2.6.14 Vendor Compensation

SMI understands and agrees that compensation for contracted transition services associated with the testing and development of operational procedures will be based on an agreed-upon fixed price, payable in equal monthly progress payments during the transition period. Our proposed costs for these services are included in our corresponding Cost Proposal. We understand that the first payment will follow one month after the Agency's approval of our *Transition Plan*. SMI will prepare





detailed invoices and submit them to the Agency for approval. Invoices will contain a list of the milestones and/or deliverables achieved during the invoice period.

SMI understands and agrees that compensation for the term of the contract, outside of the transition period, will be made in accordance with the State's purchasing rules and regulations. SMI will submit monthly invoices in arrears to the Agency for each respective previous month's activities to the Agency, summarizing the costs of the services provided. Further, we understand and agree that no payment shall be made prior to the receipt of service, no purchase will be reimbursed without the Agency's approval prior to the expenditure, and payment on the invoice will be in the form of a State warrant.

If an erroneous disbursement or related error caused by SMI occurs, we understand and agree to adjust the following monthly invoice for any loss to the Agency or to the Agency's recipients of services.

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#### 4.2.2.6.15 Technical Information:

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#### 4.2.2.6.15 Technical Information

SMI understands and agrees to each of the Technical Information requirements as discussed below. SMI has years of experience working with the State of West Virginia and connecting to State's central computer systems. We will utilize this experience to meet the requirements set forth in this section.

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4.2.2.6.15.1 The Agency uses the State's central computer system maintained by the West Virginia Office of Technology (OT). The Vendor shall install leased data communications lines between the IBM 9672-R66 Enterprise or equal server at OT and the Vendor's location, frame relay or point to point TI terminating in the OT third party room or utilize a secure Web browser provided by the West Virginia Department of Health and Human Resources to connect to the above.

The Vendor shall be responsible for all telecommunication costs.

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#### 4.2.2.6.15.1 Leased Data Communications Lines

As the current provider of centralized collection and disbursement services, SMI's facility already has data communication lines installed, and we have connectivity to the State in accordance with the State's requirements. All interfaces with the State and our banking partner, J.P.Morgan, have been tested and are functioning at more than acceptable levels. SMI will be responsible for all telecommunications costs.

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4.2.2.6.15.2 The Vendor shall be responsible for the purchase, lease, and maintenance of all equipment and software necessary to meet the requirements set forth in this RFQ, other than the equipment and software relating to OSCAR and the State's central computer system.

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#### 4.2.2.6.15.2 Purchase, Lease, and Maintenance of Equipment and Software

SMI understands and agrees that we are responsible for the purchase, lease, and maintenance of all equipment and software necessary to meet the requirements of the RFQ, except for equipment and software relating to OSCAR and the State's central computer system.

As described throughout our proposal, SMI will continue to utilize **SMART**—our nationally recognized solution for child support payment processing and other critical functions—in the delivery of SDU services. We will continue our commitment to continuous improvements, as we have done during the current contract, throughout the duration of the next contract by continuously updating our systems and hardware to ensure we are secure, working at optimum levels, and meeting the needs of West Virginia.

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4.2.2.6.15.3 The Agency shall control, account for, and monitor all child support activities through the automated statewide OSCAR system. The Vendor shall not operate, maintain, or otherwise have access to the Agency's OSCAR system or its programs other than what is required to successfully accomplish the centralized collection and distribution process. OSCAR shall continue to be operated and maintained by the Agency and will continue to perform all child support individual case accounting and case management.

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#### 4.2.2.6.15.3 Control, Accounting for, and Monitoring Through OSCAR

SMI understands and agrees that the Agency controls, accounts for, and monitors all child support activities through the OSCAR system. We will not operate, maintain or otherwise access OSCAR or its programs except when required to successfully conduct work of the centralized collection and distribution process. The Agency will continue to operate and maintain OSCAR to perform all child support individual case accounting and management activities.

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4.2.2.6.15.4 OSCAR is available from 7:00AM to 7:00PM Monday through Friday, except the first and last working day of the month when the hours are 7:00AM to 5:00PM. OSCAR is also available from 7:00AM to 5:00PM on Saturdays except for the last working day of the month, when it is not available. OSCAR is not available on the following holidays: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, the Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day, or as otherwise advised.

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#### 4.2.2.6.15.4 OSCAR Availability

We have reviewed the schedule for the availability of OSCAR for each workday, including the first and last working day of the month as well as the list of holidays. We understand that OSCAR will only be available as stated in this section. One of the many advantages of our **SMART** solution is that payment processing can continue during times OSCAR is not available.

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#### 4.2.2.6.16 Bureau for Child Support Enforcement Operations:

Although payment processing and disbursement shall be completed by the Vendor, all other functions currently being performed by the Agency shall continue to be performed by the appropriately assigned Agency units. The Vendor shall not have direct contact with any recipients



of the Agency's services without first obtaining approval from the Agency. These functions handled by the Agency shall include, but not limited to:

4.2.2.6.16.1 Establishing cases in OSCAR;

4.2.2.6.16.2 Addressing client and respondent inquiries and complaints, except for complaints relating to the Debit Card program;

4.2.2.6.16.3 Initiating and/or completing enforcement actions;

4.2.2.6.16.4 Processing adjustments to case level accounting (for error resolution, undeliverable checks, and billing statements, etc.);

4.2.2.6.16.5 Maintaining case files;

4.2.2.6.16.6 Performing bank reconciliation based on information provided by the Vendor; and

4.2.2.6.16.7 Extracting daily reports from OSCAR.

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#### **4.2.2.6.16 Bureau for Child Support Enforcement Operations**

SMI understands our responsibility for payment processing and disbursement functions and that all other functions currently being performed by the Agency will continue to be performed by the Agency. SMI will not have direct contact with any recipients of the Agency's services without first obtaining approval from the Agency. Further, we understand that the functions handled by the Agency include, but are not limited to:

- Establishing cases in OSCAR
- Addressing client and respondent inquiries and complaints, except complaints relating to the debit card program
- Initiating and/or completing enforcement actions
- Processing adjustments to case-level accounting (for error resolution, undeliverable checks, and billing statements, etc.)
- Maintaining case files
- Performing basic reconciliation based on information provided by SMI and our banking partner, J.P.Morgan
- Extracting daily reports from OSCAR

As a partner in the delivery of child support services, our focus is on delivering efficient and reliable payment processing and disbursement services so that you may focus on establishing and enforcing support orders and all the related functions necessary to operating a successful Title IV-D child support program.

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4.2.2.6.17 Operational Reports: The Vendor shall provide the Agency with operational reports on a daily basis. These reports shall provide summary information regarding the collection and disbursement functions and shall include information on daily receipts, daily disbursements, repayments, stop payments, and returned checks. The Vendor shall work with the Agency to develop other reports that may become necessary. These reports are to summarize the collection and distribution process and shall be used to assist the Agency in monitoring the Vendor's



performance. The Vendor shall also provide online cash management information. This information shall include summaries of account activity such as: beginning, closing, and available balances, as well as one (1) day float and extended float data.

#### 4.2.2.6.17 Operational Reports

SMI makes the task of monitoring West Virginia SDU operations convenient and transparent by providing immediate, on-demand access to operations data through secure, web-based reporting tools.

SMI's reporting capabilities are robust, flexible, and current. We will use the tools described in the table that follows to provide operational reports and data that exceed the RFQ's requirements.

Table 4-29: SMI Reporting Tools. The following tools provide SDU and smiONE Card reports.

Reporting Tool	Information Provided
<b>SMART Reports</b>	Data on SDU operations
gAnalytics	Data on smiONE Cards, card usage, and calls to the smiONE IVR
Customer Service Tool (CST)	Data on individual smiONE Card accounts and cardholders; including program loads and cardholder demographics; excluding transactional data
CIC Interaction Reporter	Detailed call records, both inbound and outbound, and smiONE Customer Service Center call performance metrics

Our online reporting tools include **SMART Reports** for comprehensive SDU data, gAnalytics for smiONE Card and IVR data, the CST for non-transactional card account data, and CIC Interaction Reporter for smiONE Card customer service data. Each of these tools provides ad hoc reporting capabilities in addition to standard report generation. Additionally, we will continue to use customized Microsoft Excel Workbook files to compile data from our reporting tools into formats that meet Agency needs.

The following figure illustrates the **SMART Reports** Menus that are available to Agency-designated staff: Payment Processing, Correspondence, Quality Assurance, Financial, Electronic Payments, IT Monitoring, and Performance.



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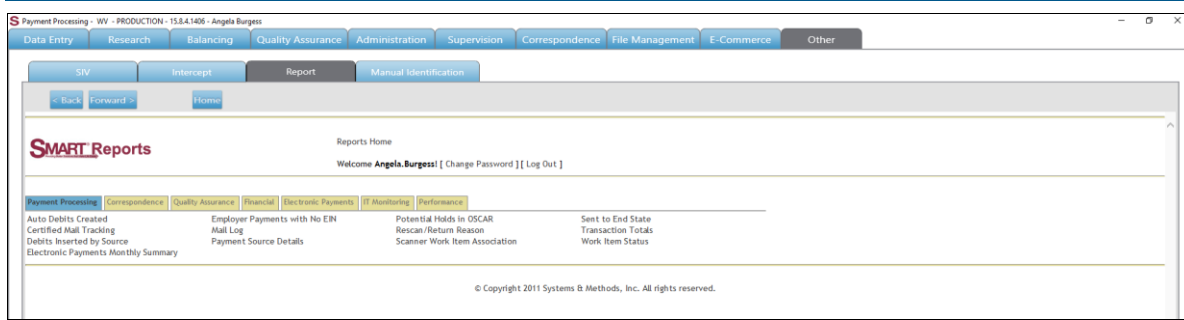


Figure 4-181: **SMART Reports** Main Menu. Menu tabs are used to access various categories of reports—Payment Processing, Correspondence, Quality Assurance, Financial, Electronic Payments, IT Monitoring, and Performance—allowing SMI and the Agency to oversee SDU operations.

The following Receipt File Report is an example of daily receipts information available online to Agency-designated staff through **SMART Reports**. This report provides item counts and dollars collected for each type of receipt category received, deposited, and transmitted on the Receipt Files to OSCAR.

Receipt File								
This report was generated 06/26/2018 at 02:40:49 by Angela.Burgess using the following criteria: Start Date: 06/26/2018 End Date: 06/26/2018								
6/26/2018 2:40:38 PM Receipt File								
Transaction Type	Identified Dollars	Unidentified Dollars	Total Dollars	% Dollars Identified	Identified Transactions	Unidentified Transactions	Total Transactions	% Transactions Identified
Paper Transactions	\$ 108,953.74	\$ 202.38	\$ 109,156.12	99.81%	681	2	683	99.71%
ACH Debit Employer Transactions	\$ 6,654.26	\$ 0.00	\$ 6,654.26	100.00%	32	0	32	100.00%
ACH Credit Transactions	\$ 254,515.23	\$ 0.00	\$ 254,515.23	100.00%	2,189	0	2,189	100.00%
State Auditor's ACH Credit Transactions	\$ 238.00	\$ 0.00	\$ 238.00	100.00%	1	0	1	100.00%
WV Interactive Transactions	\$ 12,610.04	\$ 0.00	\$ 12,610.04	100.00%	101	0	101	100.00%
Pay Connexion ACH Debit Direct Transactions	\$ 3,591.65	\$ 0.00	\$ 3,591.65	100.00%	9	0	9	100.00%
Pay Connexion Credit/Debit Card Transactions	\$ 29,309.78	\$ 0.00	\$ 29,309.78	100.00%	104	0	104	100.00%
Totals	\$ 415,872.70	\$ 202.38	\$ 416,075.08	99.95%	3,117	2	3,119	99.94%

Figure 4-182: Daily Receipts. The Receipt File Report generated through **SMART Reports** provides the Agency with information on each day's receipts.

We designed the For Repayment Only Items Report specifically for the Agency's repayment lockbox reporting needs. This report can be generated for a specific day or a range of dates, and it is available online to Agency-designated staff to access when needed.



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Payment Processing - WV - PRODUCTION - 15.8.4.1406 - Angela Burgess

Data Entry Research Balancing Quality Assurance Administration Supervision Correspondence File Management E-Commerce Other

SVI Intercept Report Manual Identification

Back Forward Home

**SMART Reports**

Reports Home > Financial > Balancing > For Repayment Only Items

Welcome **Angela.Burgess** [ Change Password ] [ Log Out ]

Display Search Options

24 4 1 of 1 > 100% Find | Help

**For Repayment Only Items**

This report was generated 07/03/2018 at 11:21:57 by Angela Burgess using the following criteria:  
Start Date: 06/29/2018  
End Date: 06/29/2018

WI Date	WI Seq	Credit Seq	Amount
06/29/18	1527	1	\$ 124.00
	1528	1	\$ 50.00
	1529	1	\$ 50.00
	1530	1	\$ 25.00
	1531	1	\$ 200.00
	1532	1	\$ 350.00
	1533	1	\$ 300.00
	1561	1	\$ 250.00
	Daily Totals	8	\$ 1,349.00
Grand Totals		8	\$ 1,349.00

Figure 4-183: Repayments. Agency-designated staff can generate this report of repayment items daily or as needed.

**SMART** also stores information and provides reporting on disbursements. We will provide a daily disbursements report that addresses all disbursement methods, with the report designed to the Agency's specifications. The following Disbursement Summary Report is an example of daily disbursement information we produce for other SDU operations.



Display Search Options

1 of 1 100% Find | Next

### Disbursement Summary

This report was generated 05/09/2017 at 04:37:22 by holden.strauch using the following criteria:  
Start Date: 05/09/2017  
End Date: 05/09/2017

DSB Method	Deposit Type	Count	Amount
Check			
	IVD	1,821	\$ 384,491.44
	Non-IVD	1,610	\$ 317,343.19
	CDU	725	\$ 223,767.71
	Total	4,156	\$ 925,602.34
Debit Card			
	IVD	26,254	\$ 3,428,719.96
	Non-IVD	0	\$ 0.00
	CDU	0	\$ 0.00
	Total	26,254	\$ 3,428,719.96
Direct Deposit			
	IVD	18,516	\$ 3,550,818.27
	Non-IVD	3,663	\$ 1,284,272.35
	CDU	1,710	\$ 1,047,703.03
	Total	23,889	\$ 5,882,793.65
EFT			
	IVD	5,710	\$ 605,908.76
Total			
	IVD	52,301	\$ 7,969,938.43
	Non-IVD	5,273	\$ 1,601,615.54
	CDU	2,435	\$ 1,271,470.74

Figure 4-184: Daily Disbursements. The Disbursement Summary Report or another disbursement report we customize for West Virginia through **SMART** Reports will provide daily disbursement information to the Agency.

Online cash management information and banking services reporting, including stop payments and returned checks, will continue to be available to SMI and the Agency through J.P.Morgan's electronic banking portal, ACCESS® Online. This secure portal's Reports module allows authorized users to view, print, or download reports with balance, transaction, cash concentration, disbursement, funds transfer, and liquidity information.



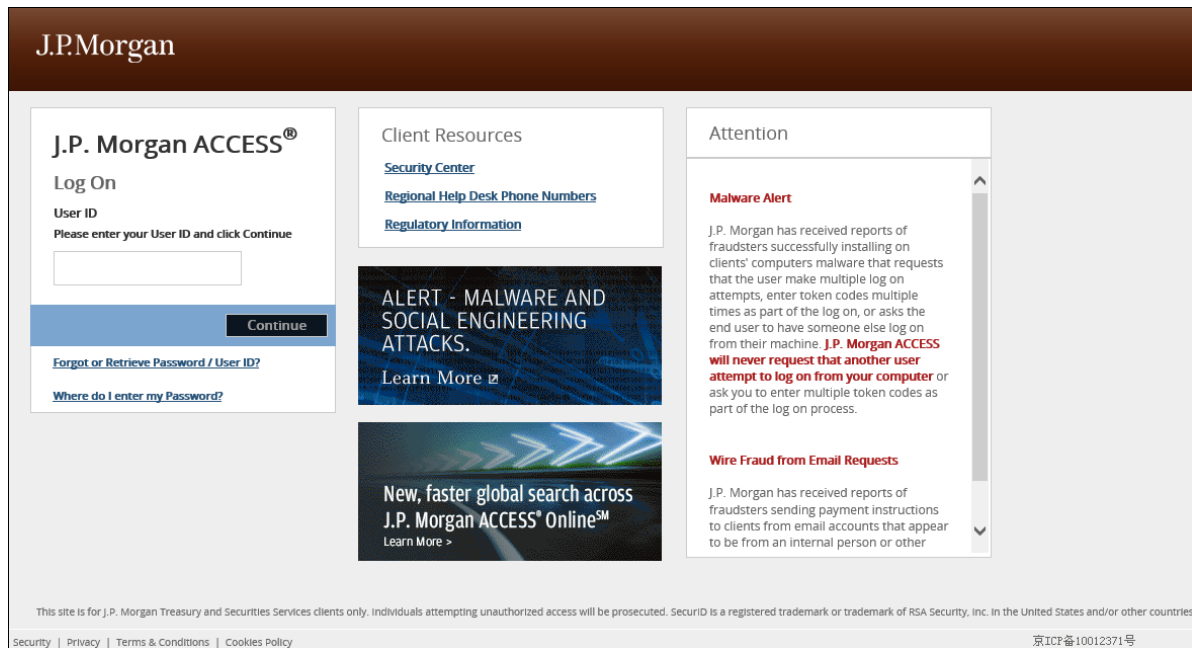


Figure 4-185: Online Cash Management Information. As the State's current banking partner, J.P.Morgan's online cash management and reporting services will be familiar to Agency staff.

J.P.Morgan's interactive reporting features gives authorized SMI and Agency staff the ability to further customize transaction reports by moving, adding, or hiding columns, filtering and/or sorting one or more multiple columns, and then saving the customization as a unique report.

Compiled Excel reports and other documentation will continue to be available online to Agency-designated staff via the West Virginia Project Management Portal, as previously described.

At a minimum, SMI and J.P.Morgan will provide the Agency with daily operational reports for:

- Summary information regarding the collection and disbursement functions
- Daily receipts
- Daily disbursements
- Repayments
- Stop payments
- Returned checks

We believe the flexibility and responsiveness of our reporting solution set SMI apart from other SDU Vendors. We will work with the Agency to develop any other reports that may become necessary during the contract term.

#### 4.2.2.6.18 Error Resolution:



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#### 4.2.2.6.18 Error Resolution

SMI's business model focuses on activities at the front-end to reduce payment processing errors. Every component of **SMART** is built on this premise so fewer processing errors are caused that require adjustments. We also understand that issues and circumstances occur that will require adjustments. Therefore, we work to automate functionality and reduce the need for adjustments within the child support system.

Our error-free payment processing rate of 99.99 percent is achieved based on validation of the payment during every step of processing in **SMART**. Our suite of integrated **SMART** modules is built to not only post a payment quickly, but also post it with meticulous accuracy.

We have a unique approach to auditing staff performance to ensure that we maintain our high accuracy standards in all phases of the operation. SMI's approach is multi-pronged, making it more thorough and effective. In addition to conducting random-sample audits, we dedicate resources to auditing processing areas where errors are more likely to occur based on management's continuous review of performance. Then we go even further than random-sample and targeted audits by following GAAS to monitor extensively whether SDU staff are adhering to standard operating procedures developed to ensure SMI's compliance with GAAP.

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4.2.2.6.18.1 Errors detected during payment processing shall be corrected by the Vendor, prior to completing the specific process. The Vendor shall modify any process necessary to ensure that the error does not occur again.

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##### 4.2.2.6.18.1 Errors Detected During Payment Processing

In our work, we realize the immediate value of validating the accuracy of our payment processing to avoid potential errors. We know how critical child support payments are to households with children, and that payors deserve appropriate and timely credit for their payments. We also know that processing errors create unnecessary telephone calls and added work for child support staff who are already overburdened. With our background in child support, we developed **SMART QA** to provide an additional verification of processing accuracy prior to completing processing each business day. This approach to delivery of SDU services has led to SMI's industry-leading accuracy rates for our contracted SDU operations.

As detailed in the Section 4.1.4.7 discussion of SMI's comprehensive QA/QC program for the West Virginia SDU, **SMART QA** provides the ability for our SDU managers to complete targeted audits within the framework of the payment processing day and prior to transmitting the Receipt Files to OSCAR. This allows us to further validate payments and resolve any discrepancies prior to entry of payments into OSCAR for distribution, thereby avoiding harm to families and the need for adjustments in OSCAR.

In addition to our random sampling discussed previously, within each of our SDU operations, we have customized business rules that determine if a payment transaction is a high-risk transaction requiring review. Each payment that meets a high-risk category is identified by **SMART** and



presented to the QA reviewer. By building rules into the system to identify transactions that could be in error, we can reduce the number of errors made in payment processing.

Because we review high-risk payment transactions before transmission to OSCAR, any error found will be corrected within **SMART** prior to payment distribution and disbursement. SMI's Project Manager and Operations Supervisor will regularly review the SDU's high-risk business rules to ensure that rules are modified as needed. When a worker error occurs, the managers will work with the Operations Specialist who made the error to avoid repeated errors, and provide remedial and refresher training, as appropriate.

4.2.2.6.18.2 Errors detected by the Vendor or the Agency after payment processing is complete shall, in most cases, be corrected by the Agency. In the event that the Vendor identifies an error after payment processing is complete, it shall notify the Agency within 24 hours. In those instances where the Agency determines corrective action must be completed by the Vendor, the Vendor shall follow the Agency's recommended action. The Vendor is required to provide the Agency with written documentation within two business days that details the action taken to resolve the problem or documents that the Agency's instructions were carried out. The Vendor shall initiate action to modify any and all procedures and internal controls necessary to ensure that the error does not occur again. Any loss incurred by the Agency or recipients of the Agency's service shall be reimbursed by the Vendor on a dollar for dollar basis upon presentation of appropriate verifying documentation. This shall include, but is not limited to, incorrect distributions that result in reimbursements by the Agency to custodial parents, non-custodial parents, payment remitters, etc.

#### 4.2.2.6.18.2 Errors Detected After Payment Processing

SMI will continue to email the Misapplied Payment Notification Form and, if applicable, the Error Report generated through **SMART** QA, to notify the Agency within 24 hours of SMI identifying an error after payment processing is complete.

<b>Misapplied Payment Notification Form</b>		West Virginia Bureau of Child Support Enforcement
<b>1 – General Information</b>		
Payment Located by: <input type="checkbox"/> WV Child Support Staff <input type="checkbox"/> WV SDU Staff		
Employee Name:	Date:	
Phone Number:		
<b>2 – Posting Information</b>		
Posting Date:	Work Item Sequence Number:	
Debit Amount:	Misapplied Amount:	
Name of NCP Who Received Credit:		
Identifiers for NCP Who Received Credit:		
Name of NCP Who <b>Should</b> Have Received Credit:		
Identifiers for NCP Who <b>Should</b> Have Received Credit:		
<b>Notes</b>		

Figure 4-186: Error Notification to the Agency. SMI emails the Misapplied Payment Notification Form to notify the Agency when we identify an error after the payment is transmitted on the Receipt File to OSCAR.

For instances where the Agency determines corrective action by SMI is necessary, we will follow the Agency's recommended action and, within two business days, provide written documentation of the action we took to resolve the problem or that Agency instructions were followed. We will also modify procedures and internal controls as necessary to ensure the error does not occur again.

Any worker error identified by SMI or Agency staff is immediately corrected in **SMART**. The reason for the error is evaluated and the error is documented in the system, which automatically updates the work item's Document Log with error details and generates an Error Report. The Operations Supervisor reviews the Error Report with the Operations Specialist who made the

error. The Error Report allows for immediate notification to the Specialist before similar errors are made. Following is an example of an Error Report from our test environment.

*Quality Assurance Error Report*

5/4/2017 2:05:02 PM

Work Item Date: 4/21/2017

Work Item Sequence: 41

QA Operator: Holden Strauch

Remarks:

Error Reason: Debit Error

Error Note: THIS IS A TEST

Debit Key: 1

Date Found: 05/04/17

Amount Misapplied: 138.48

Error user : [REDACTED]

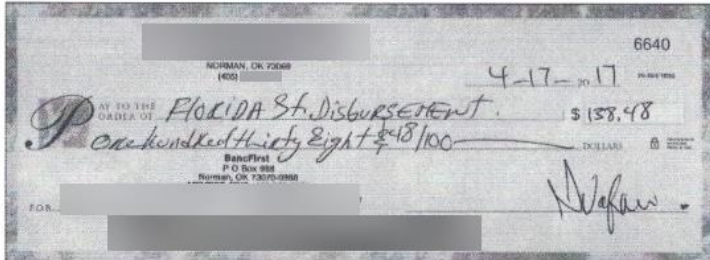


Figure 4-187: Quality Assurance Error Report. SDU managers generate an error report for each error identified. The report provides details concerning the error and the person or process responsible for the error.

SDU managers provide additional training and information regarding errors to all employees to prevent future occurrences. Our management staff continually perform needs analysis for training activities to enhance our employees' abilities and proficiencies but especially to eliminate errors. If errors continue after re-training activities, progressive discipline begins, up to and including termination.

Additionally, every employee is provided an annual Performance Management Plan that includes performance and quality goals specific to the employee's job functions. Managers meet with employees regularly to review their performance.



When presented with appropriate verifying documentation, SMI will reimburse the Agency or child support program recipient, on a dollar for dollar basis, for any loss incurred because of our error. We understand the requirement for us to reimburse a loss includes situations in which incorrect distributions resulted in reimbursements by the Agency to custodial parents, non-custodial parents, and payment remitters.



## Section 5. Contract Award

### 5. Contract Award

5.1 Contract Award: The Contract is intended to provide Agency with a purchase price for the Contract Services. The Contract shall be awarded to the Vendor that provides the Contract Services meeting the required specifications for the lowest overall total cost as shown on the Pricing Pages.

5.2 Pricing Page: Vendor should complete the Pricing Page via the directions on Attachment B. Vendor should complete the Pricing Page in full as failure to complete the Pricing Page in its entirety may result in Vendor's bid being disqualified.

If entering in wvOasis there is an Excel Pricing Page attached with multiple tabs attached. Please make sure you fill out all tabs on the Excel Spreadsheet and follow the instructions provided on attached Exhibit B.

Vendor should type or electronically enter the information into the Pricing Pages through wvOASIS, if available, or as an electronic document. In most cases, the Vendor can request an electronic copy of the Pricing Pages for bid purposes by sending an email request to the following address:

SMI understands the contract will be awarded to the Vendor that provides the contract services meeting the required specifications for the lowest overall total cost as shown on the Pricing Pages.

SMI has completed the Pricing Page in accordance with the directions on Attachment B. We have completed the Pricing Page in full and understand failure to complete the Pricing Page in its entirety may result in a Vendor's bid being disqualified. We understand that within wvOasis there is an Excel Pricing Page attached with multiple tabs attached. We have filled out all tabs on the Excel Spreadsheet and followed the instructions provided on attached Exhibit B. We have electronically entered the information into the Pricing Pages through wvOASIS.





## Section 6. Performance

**6 PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.

SMI has included our draft *Project Schedule* as Appendix A. to our proposal. Upon contract award, we will work with the Agency to update it to an agreed upon schedule. The schedule will include all contract services and deliverables required by the Agency, the RFQ, and the resulting contract. SMI's performance shall be in accordance with any release orders that may be issued against the contract.



## Section 7. Payment

7 PAYMENT: Agency shall pay monthly via detailed invoices, in arrears, as shown on the Pricing Pages, for all Contract Services performed and accepted under this Contract. The Agency reserves the right to reject any or all invoices for which proper documentation has not been provided. Progress payments shall be made at the option of the Agency based on percentage of work completed. Any provision for progress payments must also include language for a minimum of 10% retainage until the final deliverable is accepted. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.

SMI understands the Agency will pay the Contractor monthly via detailed invoices, in arrears, as shown on the Pricing Pages, for all contract services performed and accepted under this Contract. We understand the Agency reserves the right to reject any or all invoices for which proper documentation has not been provided. We understand progress payments shall be made at the option of the Agency based on percentage of work completed and that any provision for progress payments must also include language for a minimum of 10% retainage until the final deliverable is accepted. SMI agrees to accept payments in accordance with the payment procedures of the State of West Virginia.



## Section 8. Travel

8 TRAVEL: Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat fee or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.

SMI will be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. We understand any anticipated mileage or travel costs may be included in the flat fee or hourly rate listed on our bid and that such costs will not be paid separately by the Agency.



## Section 9. Facilities Access

9 FACILITIES ACCESS: Performance of Contract Services may require access cards and/or keys to gain entrance to Agency's facilities. In the event that access cards and/or keys are required:

9.3 Vendor shall notify Agency immediately of any lost, stolen, or missing card or key.

9.4 Anyone performing under this Contract will be subject to Agency's security protocol and procedures.

9.5 Vendor shall inform all staff of Agency's security protocol and procedures.

SMI understands performance of contract services may require access cards and/or keys to gain entrance to the Agency's facilities. If access cards and/or keys are required, SMI will notify the Agency immediately of any lost, stolen, or missing card or key. SMI understands that anyone performing duties under this Contract will be subject to the Agency's security protocol and procedures. SMI will inform all staff of the Agency's security protocol and procedures.



## Section 10. Vendor Default

### 10 VENDOR DEFAULT:

10.1 The following shall be considered a vendor default under this Contract.

10.1.2 Failure to perform Contract Services in accordance with the requirements contained herein.

10.1.3 Failure to comply with other specifications and requirements contained herein.

10.1.4 Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

10.1.5 Failure to remedy deficient performance upon request.

10.2 The following remedies shall be available to Agency upon default.

10.2.2 Immediate cancellation of the Contract.

10.2.3 Immediate cancellation of one or more release orders issued under this Contract.

10.2.4 Any other remedies available in law or equity.

SMI has reviewed and understands the terms of the RFQ that will be considered a Vendor default under the contract.



## Section 11. Miscellaneous

### 11 MISCELLANEOUS:

11.1 Contract Manager: During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Angela Burgess, with 12 years' West Virginia SDU experience, will serve as SMI's Contract Manager. Following is her contact information:

Table 11-1: SMI Contract Manager. Angela Burgess, with 12 years' West Virginia SDU experience, will serve as SMI's Contract Manager.

Contract Manager	
Contract Manager:	Angela Burgess
Telephone Number:	855.363.1751
Fax Number:	770.834.7306
Email Address:	angela.burgess@smimail.net

Angela will serve as SMI's primary contract manager responsible for overseeing our responsibilities under this Contract. Angela will be available during normal business hours to address any customer service or other issues related to this Contract.



































## Appendix A. Project Schedule

To follow, we provide our draft *Project Schedule* outlining the necessary tasks and activities critical to meeting milestone and deliverable deadlines. For reference in our response, we have estimated a contract award date of September 3, 2018, and a go-live date of February 1, 2019. The Request for Quotation (RFQ) indicates in Section 4.2.6.12.2 that there will be a maximum six-month transition period. Our team has experience transitioning a new State Disbursement Unit (SDU) in as little as 90 days. The six-month transition timeline set forth in the RFQ will allow more than adequate time for updating and delivering required deliverables and transitioning debit card services. The dates within the *Project Schedule* will be adjusted accordingly upon contract award.



## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qtr
1			<b>West Virginia SDU/Debit Card Implementation</b>	<b>166 days</b>	<b>Mon 9/3/18</b>	<b>Mon 4/22/19</b>			
2			<b>Predesign Phase (4.1.4.8.1.1)</b>	<b>110 days</b>	<b>Mon 9/3/18</b>	<b>Fri 2/1/19</b>			
3			<b>Contracting</b>	<b>5 days</b>	<b>Mon 9/3/18</b>	<b>Fri 9/7/18</b>			
4			Contract Award	1 day	Mon 9/3/18	Mon 9/3/18			
5			Contract Negotiated and Signed	3 days	Tue 9/4/18	Thu 9/6/18	4		
6			Contract Start Date	1 day	Fri 9/7/18	Fri 9/7/18	5		
7			<b>Kick Off Meetings</b>	<b>2 days</b>	<b>Mon 9/10/18</b>	<b>Tue 9/11/18</b>			
8			Internal Meeting	2 days	Mon 9/10/18	Tue 9/11/18	6		
9			<b>Internal Design Sessions</b>	<b>6 days</b>	<b>Wed 9/12/18</b>	<b>Wed 9/19/18</b>			
10			Review Project Scope	0.5 days	Wed 9/12/18	Wed 9/12/18	8		
11			Review Project Deliverables	0.5 days	Wed 9/12/18	Wed 9/12/18	10		
12			Review Project Schedule	0.5 days	Wed 9/12/18	Wed 9/12/18	10		
13			Review Current Requirements Traceability Matrix	0.5 days	Wed 9/12/18	Wed 9/12/18	8		
14			Review Current Configuration Guides	1 day	Wed 9/12/18	Wed 9/12/18	8		
15			Review Current GSDs	1 day	Wed 9/12/18	Wed 9/12/18	8		
16			Perform OPS & IS Reviews	3 days	Thu 9/13/18	Mon 9/17/18	13,14,15		
17			Prepare for Joint Design Sessions	2 days	Tue 9/18/18	Wed 9/19/18	16,10,11,12,13,14,15		
18			<b>Joint Design Sessions</b>	<b>8 days</b>	<b>Fri 9/21/18</b>	<b>Tue 10/2/18</b>			
19			Review Current Schedule/Staffing/Deliverables	1 day	Fri 9/21/18	Fri 9/21/18	17FS+1 day		
20			smiONE Card Session	1 day	Mon 9/24/18	Mon 9/24/18	19		
21			IVR and Customer Service	1 day	Tue 9/25/18	Tue 9/25/18	20		
22			Review Current Payment Processing	1 day	Fri 9/28/18	Fri 9/28/18	21FS+2 days		
23			Review Current Banking, Disbursements and Printing Processes	1 day	Mon 10/1/18	Mon 10/1/18	22		
24			Review Current Connectivity, Data Transfers, and Wrap up	1 day	Tue 10/2/18	Tue 10/2/18	23		
25			<b>Facility (Current)</b>	<b>12 days</b>	<b>Mon 9/10/18</b>	<b>Tue 9/25/18</b>			
26			Facility Review	2 days	Mon 9/10/18	Tue 9/11/18	6		
27			Security Review	2 days	Mon 9/10/18	Tue 9/11/18	6		
28			State Approval	10 days	Wed 9/12/18	Tue 9/25/18	26,27		
29			<b>Administration</b>	<b>106 days</b>	<b>Fri 9/7/18</b>	<b>Fri 2/1/19</b>			
30			<b>Weekly Progress Reports</b>	<b>106 days</b>	<b>Fri 9/7/18</b>	<b>Fri 2/1/19</b>			
53			<b>Bonded Courier Service</b>	<b>11 days</b>	<b>Wed 9/12/18</b>	<b>Wed 9/26/18</b>			

































## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qty
54			Review Current Service	1 day	Wed 9/12/18	Wed 9/12/18	8		
55			State Approval	10 days	Thu 9/13/18	Wed 9/26/18	54		
56			M-Predesign Phase Complete	0 days	Tue 10/2/18	Tue 10/2/18	24,28,55		
57			<b>Design Phase (4.1.4.8.1.2)</b>	<b>35 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/20/18</b>			
58			<b>Technical Documentation</b>	<b>35 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/20/18</b>			
59			<b>Functional Design Document</b>	<b>35 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/20/18</b>			
60			Update Functional Design Document	15 days	Wed 10/3/18	Tue 10/23/18	24		
61			State Review	10 days	Wed 10/24/18	Tue 11/6/18	60		
62			Document Revision	5 days	Wed 11/7/18	Tue 11/13/18	61		
63			State Re-review	5 days	Wed 11/14/18	Tue 11/20/18	62		
64			<b>Detail Design Document</b>	<b>30 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/13/18</b>			
65			Update Detail Design Document	10 days	Wed 10/3/18	Tue 10/16/18	24		
66			State Review	10 days	Wed 10/17/18	Tue 10/30/18	65		
67			Document Revision	5 days	Wed 10/31/18	Tue 11/6/18	66		
68			State Re-review	5 days	Wed 11/7/18	Tue 11/13/18	67		
69			<b>System Integration Test Plan</b>	<b>30 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/13/18</b>			
70			Update System Integration Test Plan	10 days	Wed 10/3/18	Tue 10/16/18	24		
71			State Review	10 days	Wed 10/17/18	Tue 10/30/18	70		
72			Document Revision	5 days	Wed 10/31/18	Tue 11/6/18	71		
73			State Re-review	5 days	Wed 11/7/18	Tue 11/13/18	72		
74			<b>User Acceptance Test Plan</b>	<b>30 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/13/18</b>			
75			Update System Integration Test Plan	10 days	Wed 10/3/18	Tue 10/16/18	24		
76			State Review	10 days	Wed 10/17/18	Tue 10/30/18	75		
77			Document Revision	5 days	Wed 10/31/18	Tue 11/6/18	76		
78			State Re-review	5 days	Wed 11/7/18	Tue 11/13/18	77		
79			<b>Operations Manual</b>	<b>30 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/13/18</b>			
80			Update Operations Manual	10 days	Wed 10/3/18	Tue 10/16/18	24		
81			State Review	10 days	Wed 10/17/18	Tue 10/30/18	80		
82			Document Revision	5 days	Wed 10/31/18	Tue 11/6/18	81		
83			State Re-review	5 days	Wed 11/7/18	Tue 11/13/18	82		
84			<b>Security Plan</b>	<b>30 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/13/18</b>			































## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qtr
85			Update Security Plan	10 days	Wed 10/3/18	Tue 10/16/18	24		
86			State Review	10 days	Wed 10/17/18	Tue 10/30/18	85		
87			Document Revision	5 days	Wed 10/31/18	Tue 11/6/18	86		
88			State Re-review	5 days	Wed 11/7/18	Tue 11/13/18	87		
89			<b>Quality Assurance Plan</b>	<b>30 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/13/18</b>			
90			Update Quality Assurance Plan	10 days	Wed 10/3/18	Tue 10/16/18	24		
91			State Review	10 days	Wed 10/17/18	Tue 10/30/18	90		
92			Document Revision	5 days	Wed 10/31/18	Tue 11/6/18	91		
93			State Re-review	5 days	Wed 11/7/18	Tue 11/13/18	92		
94			<b>Backup and Disaster Recovery Plan</b>	<b>30 days</b>	<b>Wed 10/3/18</b>	<b>Tue 11/13/18</b>			
95			Update Backup and Disaster Recovery Plan	10 days	Wed 10/3/18	Tue 10/16/18	24		
96			State Review	10 days	Wed 10/17/18	Tue 10/30/18	95		
97			Document Revision	5 days	Wed 10/31/18	Tue 11/6/18	96		
98			State Re-review	5 days	Wed 11/7/18	Tue 11/13/18	97		
99			M-Design Phase Complete	0 days	Tue 11/20/18	Tue 11/20/18	63,68,73,78,83,88,93,98		
100			<b>Development Phase (4.1.4.8.1.3)</b>	<b>108 days</b>	<b>Mon 9/10/18</b>	<b>Wed 2/6/19</b>			
101			<b>Disbursement Process</b>	<b>12 days</b>	<b>Wed 10/3/18</b>	<b>Thu 10/18/18</b>			
102			Review Current Process	7 days	Wed 10/3/18	Thu 10/11/18	24		
103			State Review	5 days	Fri 10/12/18	Thu 10/18/18	102		
104			<b>Balance Reporting System</b>	<b>12 days</b>	<b>Wed 10/3/18</b>	<b>Thu 10/18/18</b>			
105			Review Current Process	7 days	Wed 10/3/18	Thu 10/11/18	24		
106			State Review	5 days	Fri 10/12/18	Thu 10/18/18	105		
107			<b>ACH Funds Transfer Process</b>	<b>12 days</b>	<b>Wed 10/3/18</b>	<b>Thu 10/18/18</b>			
108			Review Current Process	7 days	Wed 10/3/18	Thu 10/11/18	24		
109			State Review	5 days	Fri 10/12/18	Thu 10/18/18	108		
110			<b>Check Print Services</b>	<b>12 days</b>	<b>Wed 10/3/18</b>	<b>Thu 10/18/18</b>			
111			Review Current Process	7 days	Wed 10/3/18	Thu 10/11/18	24		
112			State Review	5 days	Fri 10/12/18	Thu 10/18/18	111		
113			Inventory Check Stock	1 day	Fri 10/12/18	Fri 10/12/18	111		
114			<b>Payment Processing System</b>	<b>12 days</b>	<b>Wed 10/3/18</b>	<b>Thu 10/18/18</b>			
115			Review Current Software	7 days	Wed 10/3/18	Thu 10/11/18	24		













## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qty
116			State Review	5 days	Fri 10/12/18	Thu 10/18/18	115		
117			<b>Telecommunication Infrastructure</b>	<b>12 days</b>	<b>Wed 10/3/18</b>	<b>Thu 10/18/18</b>			
118			Review Current Infrastructure	7 days	Wed 10/3/18	Thu 10/11/18	24		
119			State Review	5 days	Fri 10/12/18	Thu 10/18/18	118		
120			<b>Payment Processing System Hardware</b>	<b>12 days</b>	<b>Wed 10/3/18</b>	<b>Thu 10/18/18</b>			
121			Review Current Hardware	7 days	Wed 10/3/18	Thu 10/11/18	24		
122			State Review	5 days	Fri 10/12/18	Thu 10/18/18	121		
123			<b>smiONE Card implementation</b>	<b>108 days</b>	<b>Mon 9/10/18</b>	<b>Wed 2/6/19</b>			
124			<b>Program Startup</b>	<b>73 days</b>	<b>Tue 9/25/18</b>	<b>Thu 1/3/19</b>			
125			<b>Program Setup</b>	<b>3 days</b>	<b>Tue 9/25/18</b>	<b>Thu 9/27/18</b>			
126			Complete Partner Setup Form	3 days	Tue 9/25/18	Thu 9/27/18	20		
127			Complete Program Setup form	3 days	Tue 9/25/18	Thu 9/27/18	20		
128			Complete Product Setup Form	3 days	Tue 9/25/18	Thu 9/27/18	20		
129			Complete Parameters Form	3 days	Tue 9/25/18	Thu 9/27/18	20		
130			M-Statement of Work Signed	0 days	Thu 9/27/18	Thu 9/27/18	126,127,128,129		
131			<b>Customer Information Questionnaire (CIQ)</b>	<b>15 days</b>	<b>Fri 9/28/18</b>	<b>Thu 10/18/18</b>			
132			CIQ Submitted	5 days	Fri 9/28/18	Thu 10/4/18	130		
133			Bancorp Approval	5 days	Fri 10/5/18	Thu 10/11/18	132		
134			Program Approval-Visa	5 days	Fri 10/12/18	Thu 10/18/18	133		
135			M-smiONE Program Approved	0 days	Thu 10/18/18	Thu 10/18/18	133,134		
136			<b>Requirements and Use Cases</b>	<b>10 days</b>	<b>Fri 10/19/18</b>	<b>Thu 11/1/18</b>			
137			Use Cases Drafted	5 days	Fri 10/19/18	Thu 10/25/18	135		
138			Use Cases Approved by Cross Functional Team	3 days	Fri 10/26/18	Tue 10/30/18	137		
139			Use Cases Finalized	2 days	Wed 10/31/18	Thu 11/1/18	138		
140			<b>Bancorp Requirements and Approval</b>	<b>20 days</b>	<b>Fri 10/19/18</b>	<b>Thu 11/15/18</b>			
141			Program Approved	5 days	Fri 10/19/18	Thu 10/25/18	135		
142			Fee Schedule Approved	5 days	Fri 10/19/18	Thu 10/25/18	141SS		
143			New BIN Assigned	15 days	Fri 10/26/18	Thu 11/15/18	142		
144			<b>Association Approval (Visa)</b>	<b>35 days</b>	<b>Fri 11/16/18</b>	<b>Thu 1/3/19</b>			
145			Program Setup	5 days	Fri 11/16/18	Thu 11/22/18	143		
146			BIN Live (pushed to acquiring banks)	15 days	Fri 11/23/18	Thu 12/13/18	145		





























## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qty
147			ATM Networks Live (Allpoint)	15 days	Fri 12/14/18	Thu 1/3/19	146		
148			M-BIN Live	0 days	Thu 1/3/19	Thu 1/3/19	146,147		
149			<b>Platform Setup and Development</b>	<b>43 days</b>	<b>Tue 9/25/18</b>	<b>Thu 11/22/18</b>			
150			<b>Raw Data File (RDF) Setup</b>	<b>40 days</b>	<b>Tue 9/25/18</b>	<b>Mon 11/19/18</b>			
151			Specify RDF Recipients	3 days	Tue 9/25/18	Thu 9/27/18	20		
152			Add BIN to RDF	2 days	Fri 11/16/18	Mon 11/19/18	143		
153			<b>SFTP Setup</b>	<b>5 days</b>	<b>Tue 9/25/18</b>	<b>Mon 10/1/18</b>			
154			Setup SFTP Directory	5 days	Tue 9/25/18	Mon 10/1/18	20		
155			Specify IP Address	1 day	Tue 9/25/18	Tue 9/25/18	20		
156			Exchange PGP Keys	3 days	Tue 9/25/18	Thu 9/27/18	20		
157			Verify Username and Password	1 day	Tue 9/25/18	Tue 9/25/18	20		
158			<b>Platform Setup</b>	<b>10 days</b>	<b>Fri 9/28/18</b>	<b>Thu 10/11/18</b>			
159			Program Setup	5 days	Fri 9/28/18	Thu 10/4/18	130		
160			Product Setup	7 days	Fri 9/28/18	Mon 10/8/18	130		
161			Database Setup	7 days	Fri 9/28/18	Mon 10/8/18	130		
162			Setup CVK Keys for CVV Calculations	5 days	Fri 10/5/18	Thu 10/11/18	159		
163			<b>API Development</b>	<b>15 days</b>	<b>Tue 9/25/18</b>	<b>Mon 10/15/18</b>			
164			Hold API Integration Meeting	1 day	Tue 9/25/18	Tue 9/25/18	20		
165			Identify API Changes	2 days	Wed 9/26/18	Thu 9/27/18	164		
166			Complete Changes	10 days	Fri 9/28/18	Thu 10/11/18	165		
167			Certification Worksheet Approved	2 days	Fri 10/12/18	Mon 10/15/18	166		
168			M-API Complete	0 days	Mon 10/15/18	Mon 10/15/18	167		
169			<b>Platform Development</b>	<b>33 days</b>	<b>Tue 10/9/18</b>	<b>Thu 11/22/18</b>			
170			Add Client to RDF Process	3 days	Tue 11/20/18	Thu 11/22/18	152		
171			Back End Development	10 days	Fri 10/12/18	Thu 10/25/18	162		
172			Turn On Account Setup	2 days	Fri 10/26/18	Mon 10/29/18	171		
173			Turn on Emboss Process	1 day	Fri 10/26/18	Fri 10/26/18	171		
174			Add DB, Program, and Product ID to Data Warehouse	5 days	Tue 10/9/18	Mon 10/15/18	159,160,161		
175			Turn on ACH Process	2 days	Fri 10/26/18	Mon 10/29/18	171		
176			Verify Alert Parameters	2 days	Fri 10/26/18	Mon 10/29/18	171		
177			M-Platform Setup and Development Complete	0 days	Mon 10/29/18	Mon 10/29/18	158,163,171,172,173,17		

## Appendix A. Project Schedule
































ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qty
178			<b>Customer Service Tool Setup</b>	<b>12 days</b>	<b>Tue 10/9/18</b>	<b>Wed 10/24/18</b>			
179			Setup URL for each Tool (CS and State)	5 days	Tue 10/9/18	Mon 10/15/18	159,160		
180			Configure CST	3 days	Tue 10/16/18	Thu 10/18/18	179		
181			gAnalytics Setup	3 days	Tue 10/16/18	Thu 10/18/18	174		
182			Issue RSA Token	2 days	Fri 10/19/18	Mon 10/22/18	180		
183			Install Certificates	2 days	Tue 10/23/18	Wed 10/24/18	182		
184			M-CST Live	0 days	Wed 10/24/18	Wed 10/24/18	183		
185			<b>Enrollment File Processing Setup</b>	<b>19 days</b>	<b>Tue 9/25/18</b>	<b>Fri 10/19/18</b>			
186			File Layout to Galileo	2 days	Tue 9/25/18	Wed 9/26/18	20		
187			Response File Layouts to Galileo	2 days	Tue 9/25/18	Wed 9/26/18	20		
188			Transfer Process Setup	2 days	Thu 9/27/18	Fri 9/28/18	186,187		
189			Processing Schedule Updated	2 days	Mon 10/1/18	Tue 10/2/18	188		
190			Galileo Development	15 days	Mon 10/1/18	Fri 10/19/18	188		
191			M-Enrollment Process Live	0 days	Fri 10/19/18	Fri 10/19/18	190		
192			<b>Platform Testing</b>	<b>11 days</b>	<b>Tue 10/30/18</b>	<b>Tue 11/13/18</b>			
193			smiONE Platform QA Testing	5 days	Tue 10/30/18	Mon 11/5/18	177,184,191		
194			smiONE Platform UA Testing	5 days	Tue 11/6/18	Mon 11/12/18	193		
195			smiONE Platform Production Deploy	1 day	Tue 11/13/18	Tue 11/13/18	194		
196			<b>Production Testing</b>	<b>5 days</b>	<b>Fri 1/4/19</b>	<b>Thu 1/10/19</b>			
197			Transactional Testing	5 days	Fri 1/4/19	Thu 1/10/19	148,195		
198			System Testing	5 days	Fri 1/4/19	Thu 1/10/19	148,195		
199			M-smiONE Processing Platform Ready	0 days	Thu 1/10/19	Thu 1/10/19	197,198		
200			<b>smiONE File Processing &amp; Setup</b>	<b>36 days</b>	<b>Tue 9/25/18</b>	<b>Tue 11/13/18</b>			
201			File Transfer Process Setup	5 days	Tue 9/25/18	Mon 10/1/18	20		
202			File Processing Development	10 days	Tue 10/2/18	Mon 10/15/18	201		
203			UA Testing	10 days	Tue 10/16/18	Mon 10/29/18	202		
204			UA Validation	5 days	Tue 10/30/18	Mon 11/5/18	203		
205			End to End Testing	5 days	Tue 11/6/18	Mon 11/12/18	204		
206			Production Deploy	1 day	Tue 11/13/18	Tue 11/13/18	205		
207			M-Batch file Process Ready	0 days	Tue 11/13/18	Tue 11/13/18	206		
208			<b>smiONE Website Implementation</b>	<b>35 days</b>	<b>Tue 9/25/18</b>	<b>Mon 11/12/18</b>			

## Appendix A. Project Schedule

































ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qtr
209			Development	20 days	Tue 9/25/18	Mon 10/22/18	20		
210			UA Testing	7 days	Tue 10/23/18	Wed 10/31/18	209		
211			Production Deploy	1 day	Thu 11/1/18	Thu 11/1/18	210		
212			Production Testing	5 days	Fri 11/2/18	Thu 11/8/18	211		
213			Signoff & Approval	2 days	Fri 11/9/18	Mon 11/12/18	212		
214			M-smiONE Website Ready	0 days	Mon 11/12/18	Mon 11/12/18	213		
215			<b>smiONE Mobile App Implementation</b>	<b>35 days</b>	<b>Tue 9/25/18</b>	<b>Mon 11/12/18</b>			
216			Development	20 days	Tue 9/25/18	Mon 10/22/18	20		
217			UA Testing	7 days	Tue 10/23/18	Wed 10/31/18	216		
218			Production Deploy	1 day	Thu 11/1/18	Thu 11/1/18	217		
219			Production Testing	5 days	Fri 11/2/18	Thu 11/8/18	218		
220			Signoff& Approval	2 days	Fri 11/9/18	Mon 11/12/18	219		
221			M-smiONE Mobile Ready	0 days	Mon 11/12/18	Mon 11/12/18	220		
222			<b>smiONE IVR Implementation</b>	<b>63 days</b>	<b>Mon 9/10/18</b>	<b>Wed 12/5/18</b>			
223			<b>IVR Design</b>	<b>36 days</b>	<b>Mon 9/10/18</b>	<b>Mon 10/29/18</b>			
224			Create IVR Flow	10 days	Tue 9/25/18	Mon 10/8/18	20		
225			Bank& Association Approval	5 days	Tue 10/9/18	Mon 10/15/18	224		
226			IVR Approval-WV	10 days	Tue 10/16/18	Mon 10/29/18	225		
227			M-IVR approved	0 days	Mon 10/29/18	Mon 10/29/18	226		
228			Obtain Toll Free Number	7 days	Mon 9/10/18	Tue 9/18/18	6		
229			Obtain Local Number	14 days	Mon 9/10/18	Thu 9/27/18	6		
230			Obtain Transfer Number	5 days	Mon 9/10/18	Fri 9/14/18	6		
231			<b>IVR Development</b>	<b>27 days</b>	<b>Tue 10/30/18</b>	<b>Wed 12/5/18</b>			
232			Development (External)	15 days	Tue 10/30/18	Mon 11/19/18	227		
233			Development (Internal)	15 days	Tue 10/30/18	Mon 11/19/18	227		
234			UA Testing	5 days	Tue 11/20/18	Mon 11/26/18	232,233		
235			Production Deploy	1 day	Tue 11/27/18	Tue 11/27/18	234		
236			Production Testing	5 days	Wed 11/28/18	Tue 12/4/18	235		
237			Signoff & Approval	1 day	Wed 12/5/18	Wed 12/5/18	236		
238			M-smiONE IVR Ready	0 days	Wed 12/5/18	Wed 12/5/18	237		
239			<b>Final System Test &amp; Validation</b>	<b>8 days</b>	<b>Fri 1/11/19</b>	<b>Tue 1/22/19</b>			




































## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qty
240			Production Testing-SMI	5 days	Fri 1/11/19	Thu 1/17/19	199,207,214,221,238		
241			Production Testing-Bank	3 days	Fri 1/11/19	Tue 1/15/19	240SS		
242			Final System Walk Through/WV Acceptance Testing	2 days	Fri 1/18/19	Mon 1/21/19	240,241		
243			System Signoff & Approval	1 day	Tue 1/22/19	Tue 1/22/19	242		
244			M-smiONE Platform Live	0 days	Tue 1/22/19	Tue 1/22/19	243		
245			<b>Arroweye Setup</b>	<b>57 days</b>	<b>Tue 9/25/18</b>	<b>Wed 12/12/18</b>			
246			Master Setup Form complete	7 days	Tue 9/25/18	Wed 10/3/18	20		
247			Emboss Keys Exchanged	5 days	Fri 10/12/18	Thu 10/18/18	162		
248			Collateral Proofs Delivered	2 days	Tue 11/6/18	Wed 11/7/18	268		
249			Arroweye Development	10 days	Tue 11/6/18	Mon 11/19/18	246,247,268		
250			UA Package Fulfillment Test	5 days	Tue 11/20/18	Mon 11/26/18	249		
251			UA Testing Approved	5 days	Tue 11/27/18	Mon 12/3/18	250		
252			Visa-BIN Testing	7 days	Tue 12/4/18	Wed 12/12/18	251		
253			M-Arroweye Live	0 days	Wed 12/12/18	Wed 12/12/18	251,252		
254			<b>smiONE Call Center Setup</b>	<b>85 days</b>	<b>Tue 9/25/18</b>	<b>Mon 1/21/19</b>			
255			<b>Technical Setup</b>	<b>58 days</b>	<b>Tue 9/25/18</b>	<b>Thu 12/13/18</b>			
256			Transfer Number Acquired	5 days	Tue 9/25/18	Mon 10/1/18	20		
257			IVR Transfer Complete	3 days	Thu 12/6/18	Mon 12/10/18	238		
258			Queue Setup	3 days	Tue 12/11/18	Thu 12/13/18	257		
259			<b>Call Center Staffing</b>	<b>23 days</b>	<b>Thu 12/20/18</b>	<b>Mon 1/21/19</b>			
260			smiONE Supervisor Hired& Trained	10 days	Thu 12/20/18	Wed 1/2/19	298SS,319SS		
261			smiONE CSRs Hired& Trained	15 days	Tue 1/1/19	Mon 1/21/19	312SS,320SS		
262			M-Call Center Live	0 days	Mon 1/21/19	Mon 1/21/19	258,260,261		
263			<b>smiONE Collateral Development</b>	<b>30 days</b>	<b>Tue 9/25/18</b>	<b>Mon 11/5/18</b>			
264			<b>Card Usage Materials</b>	<b>30 days</b>	<b>Tue 9/25/18</b>	<b>Mon 11/5/18</b>			
265			Develop Materials	10 days	Tue 9/25/18	Mon 10/8/18	20		
266			State Review	10 days	Tue 10/9/18	Mon 10/22/18	265		
267			Revision	5 days	Tue 10/23/18	Mon 10/29/18	266		
268			State Re-review	5 days	Tue 10/30/18	Mon 11/5/18	267		
269			<b>Card Notification Materials</b>	<b>30 days</b>	<b>Tue 9/25/18</b>	<b>Mon 11/5/18</b>			
270			Develop Materials	10 days	Tue 9/25/18	Mon 10/8/18	20		





















## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qtr
271			State Review	10 days	Tue 10/9/18	Mon 10/22/18	270		
272			Revision	5 days	Tue 10/23/18	Mon 10/29/18	271		
273			State Re-review	5 days	Tue 10/30/18	Mon 11/5/18	272		
274			M-smiONE Card Collateral Ready	0 days	Mon 11/5/18	Mon 11/5/18	268,273		
275			<b>smiONE Prepaid Program Live</b>	<b>7 days</b>	<b>Wed 1/23/19</b>	<b>Thu 1/31/19</b>			
276			Final Walk Through	1 day	Wed 1/23/19	Wed 1/23/19	244,253,262,274		
277			Test Production Enrollment File Created (10 Cards)	1 day	Thu 1/24/19	Thu 1/24/19	276		
278			Card Packages Created and Mailed	3 days	Fri 1/25/19	Tue 1/29/19	277		
279			Transactional Testing	2 days	Wed 1/30/19	Thu 1/31/19	278		
280			M-Program Live	0 days	Thu 1/31/19	Thu 1/31/19	279		
281			<b>Cardholder Notification</b>	<b>4 days</b>	<b>Fri 2/1/19</b>	<b>Wed 2/6/19</b>			
282			Print Notification Letters	3 days	Fri 2/1/19	Tue 2/5/19	280		
283			Mail Notification Letters	1 day	Wed 2/6/19	Wed 2/6/19	282		
284			M-Existing Cardholders Notified	0 days	Wed 2/6/19	Wed 2/6/19	283		
285			<b>Transition Phase (4.1.4.8.1.4)</b>	<b>85 days</b>	<b>Tue 9/25/18</b>	<b>Mon 1/21/19</b>			
286			<b>Staffing</b>	<b>61 days</b>	<b>Mon 10/8/18</b>	<b>Mon 12/31/18</b>			
287			<b>Recruitment &amp; Selection- Managers/Supervisors (smiONE)</b>	<b>53 days</b>	<b>Mon 10/8/18</b>	<b>Wed 12/19/18</b>			
288			Advertise Positions	10 days	Mon 10/8/18	Fri 10/19/18	6FS+20 days		
289			Source Applicants	10 days	Mon 10/22/18	Fri 11/2/18	288		
290			Interviews	4 days	Mon 11/5/18	Thu 11/8/18	289		
291			Background Screening	10 days	Fri 11/9/18	Thu 11/22/18	290		
292			Contingent Job Offers/Candidate Acceptance	5 days	Fri 11/23/18	Thu 11/29/18	291		
293			<b>Onboarding</b>	<b>14 days</b>	<b>Fri 11/30/18</b>	<b>Wed 12/19/18</b>			
294			Drug Screenings	10 days	Fri 11/30/18	Thu 12/13/18	292		
295			Reference Checking	10 days	Fri 11/30/18	Thu 12/13/18	292		
296			HR Paperwork	10 days	Fri 11/30/18	Thu 12/13/18	292		
297			New Hire Orientation	3 days	Fri 12/14/18	Tue 12/18/18	296		
298			Logon ID Request Forms Completed	1 day	Wed 12/19/18	Wed 12/19/18	297		
299			<b>Recruitment &amp; Selection-smiONE Staff</b>	<b>56 days</b>	<b>Mon 10/15/18</b>	<b>Mon 12/31/18</b>			
300			Advertise Positions	10 days	Mon 10/15/18	Fri 10/26/18	6FS+25 days		
301			Source Applicants	10 days	Mon 10/29/18	Fri 11/9/18	300		

## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qty
302			Internal Job Fair	2 days	Mon 11/12/18	Tue 11/13/18	301		
303			External Job Fair	2 days	Mon 11/12/18	Tue 11/13/18	301		
304			Interviews	5 days	Wed 11/14/18	Tue 11/20/18	302,303		
305			Background Screening	10 days	Wed 11/21/18	Tue 12/4/18	304		
306			Contingent Job Offers/Candidate Acceptance	5 days	Wed 12/5/18	Tue 12/11/18	305		
307			<b>Onboarding</b>	<b>14 days</b>	<b>Wed 12/12/18</b>	<b>Mon 12/31/18</b>			
308			Drug Screenings	10 days	Wed 12/12/18	Tue 12/25/18	306		
309			Reference Checking	10 days	Wed 12/12/18	Tue 12/25/18	306		
310			HR Paperwork	10 days	Wed 12/12/18	Tue 12/25/18	306		
311			New Hire Orientation	3 days	Wed 12/26/18	Fri 12/28/18	310		
312			Logon ID Request Forms Completed	1 day	Mon 12/31/18	Mon 12/31/18	311		
313			<b>Documentation &amp; Training</b>	<b>85 days</b>	<b>Tue 9/25/18</b>	<b>Mon 1/21/19</b>			
314			<b>smiONE Documentation</b>	<b>20 days</b>	<b>Tue 9/25/18</b>	<b>Mon 10/22/18</b>			
315			Complete First Draft of smiONE Documentation	10 days	Tue 9/25/18	Mon 10/8/18	20		
316			Review smiONE Documentation	5 days	Tue 10/9/18	Mon 10/15/18	315		
317			Finalize smiONE Documentation	5 days	Tue 10/16/18	Mon 10/22/18	316		
318			<b>Training</b>	<b>18 days</b>	<b>Thu 12/20/18</b>	<b>Mon 1/14/19</b>			
319			Train smiONE Supervisors	10 days	Thu 12/20/18	Wed 1/2/19	298,317		
320			Train smiONE Staff	10 days	Tue 1/1/19	Mon 1/14/19	312,317		
321			M-Training Complete	0 days	Mon 1/14/19	Mon 1/14/19	319,320		
322			M-smiONE Call Center Live	0 days	Mon 1/21/19	Mon 1/21/19	262,321		
323			<b>Operations Phase (4.1.4.8.1.5)</b>	<b>57 days</b>	<b>Fri 2/1/19</b>	<b>Mon 4/22/19</b>			
324			<b>M-Go Live</b>	<b>57 days</b>	<b>Fri 2/1/19</b>	<b>Mon 4/22/19</b>			
325			Continue Ongoing SDU Operations (First Month Review)	22 days	Fri 2/1/19	Mon 3/4/19			
326			<b>smiONE Card Enrollments</b>	<b>5 days</b>	<b>Fri 2/1/19</b>	<b>Thu 2/7/19</b>			
327			Daily New Enrollments Start	1 day	Thu 2/7/19	Thu 2/7/19	280,284,322		
328			<b>Card Transition</b>	<b>1 day</b>	<b>Fri 2/1/19</b>	<b>Fri 2/1/19</b>			
329			Receive Card Transition File	1 day	Fri 2/1/19	Fri 2/1/19	280,322		
330			Load Transition File	1 day	Fri 2/1/19	Fri 2/1/19	329SS		
331			<b>Transition Card Rollout</b>	<b>5 days</b>	<b>Fri 2/1/19</b>	<b>Thu 2/7/19</b>			
332			Transition Enrollments Sent	2 days	Fri 2/1/19	Mon 2/4/19	330SS		

## Appendix A. Project Schedule

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Jun	Qtr
333			Transition Enrollments Produced & Mailed	3 days	Tue 2/5/19	Thu 2/7/19	332		
334			<b>Monthly Status Meeting</b>	<b>56 days</b>	<b>Mon 2/4/19</b>	<b>Mon 4/22/19</b>			
347			<b>Monitoring</b>	<b>22 days</b>	<b>Fri 2/1/19</b>	<b>Mon 3/4/19</b>			
348			Daily Management Status Reports/ Briefings	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
349			Daily Software Performance Analysis	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
350			Daily Data Base Performance Analysis	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
351			Daily Quality Assurance Review	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
352			Procedures Analysis	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
353			Security Policy Analysis	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
354			Weekly Executive Review of Implementation	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
355			Staffing and Training Analysis	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
356			Re-Train as Needed	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
357			Update Detail Design documents	22 days	Fri 2/1/19	Mon 3/4/19	325SS		
358			<b>Transition Team Phase Out</b>	<b>4 days</b>	<b>Fri 2/8/19</b>	<b>Wed 2/13/19</b>			
359			Phase Out Transition Team	4 days	Fri 2/8/19	Wed 2/13/19	333		
360			<b>Closeout Phase</b>	<b>4 days</b>	<b>Fri 2/8/19</b>	<b>Wed 2/13/19</b>			
361			Project Review	2 days	Fri 2/8/19	Mon 2/11/19	333		
362			Project Documentation Closeout	2 days	Tue 2/12/19	Wed 2/13/19	361		



## Appendix B. Corporate Size, Structure, and Capacity

In response to Sections 3.1.2.1.1 and 3.1.2.1.3 of the Request for Quotation (RFQ), we provide documentation regarding Systems & Methods Inc.'s (SMI's) corporate size, structure, and capacity in the following memo.



July 27, 2018

Heather Bundrage  
Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

RE: Solicitation No. CRFQ 0511 CSE1800000001, Banking Services-Child Support Enforcement, Specification 3.1.2.1.1 and 3.1.2.1.3, Corporate Size, Structure, and Capacity

Dear Ms. Bundrage:

Systems and Methods, Inc. (SMI) respectfully submits the following documentation in response to Sections 3.1.2.1.1 and 3.1.2.1.3 of the Request for Quotation (RFQ):

### **Corporate Size, Structure, and Capacity**

SMI's State partners know that when they call, we respond. When they speak, we listen. SMI is not a typical corporation with thousands of employees and is not encumbered by a large management bureaucracy. Our structure allows us to respond quickly to our clients and to any change needed to ensure the uninterrupted delivery of quality services.

SMI is a privately owned and operated business with a 46-year history of providing services to government agencies across the country. Founded in 1971, SMI is a for profit S-Corporation incorporated in the State of Georgia. SMI has been family owned and operated for 46 years. There are no plans to change the ownership structure. SMI's financial stability and success can be attributed to our continuity of corporate ownership and management. The owners of our company actively manage the company. When a decision is needed, there are no corporate barriers or profit margin goals to hinder timely and necessary decisions. Our owners are at SMI working and making critical decisions each and every day.

SMI has maintained controlled growth to ensure that we provide consistent and quality services to the agencies we serve. We have implemented State Disbursement Unit (SDU) operations in 15 States during the last 18 years, and we continue to provide SDU services in each of these 15 States. We have approximately 560 employees. Over 95 percent of our business is focused on delivering SDU services including payment receipting and processing, disbursements, and customer service. We do not stretch or over extend our resources by attempting to satisfy every genre of government outsourcing—SDUs are our primary business.

### **Board of Directors**

SMI's founder, Bob Stone, currently serves as Chairman of SMI's Board of Directors. SMI's Board of Directors maintains the interests of the company and shareholders, designates company executives, and delegates authority to the Chief Executive Officer to commit the company to contracts. The members of the Board are thoroughly knowledgeable about corporate financial matters and operations, and they establish auditing and quality control standards to which the company's accounting personnel adhere. Our

Board, shown in the following table, is comprised of professionals with experiences underpinning their ability to oversee management, foresee regulatory impacts, and provide guidance on specialized topics.

[SMI Board of Directors. Our Board has extensive and varied experience to lead our organization.](#)

Board Member	Title
Robert J. “Bob” Stone, Sr.	Chairman of the Board
Robert J. “Joe” Stone, Jr.	Chief Executive Officer
William W. “Bill” Stone	President/Chief Financial Officer
James B. “Bart” Stone	Chief Technology Officer
Karen Middlebrooks	Secretary/Chief Marketing Officer
Andy Hornsby	Director
Tim Warren	Director
Robert David Perry	Director
Dr. George Manners	Director
Lititia Stone	Director
Cindy Moss	Director

Our Board Members’ experience includes extensive human resources management, banking and financial operations management, and State and federal government program administration. These differing experiences and viewpoints provide a broad perspective for overseeing the organization.

## Executive Team

SMI is now in its second generation of family ownership with Joe Stone serving as Chief Executive Officer, Bill Stone serving as President and Chief Financial Officer, Bart Stone serving as Chief Technology Officer, and Karen Stone Middlebrooks serving as Chief Marketing Officer. Also serving in key leadership roles are Lou Hall serving as Chief Operating Officer and Rahul Musunuri serving as Chief Information Officer. The following provides an overview of SMI’s Executive Team qualifications.





## Leadership in the SDU Industry



**Joe Stone**  
CEO

### Commitment to Honesty, Hard Work, and Accountability

- Award-winning executive with collaborative spirit and a passion for innovation and growth
- Visionary who thrives on providing superior technology solutions to meet the challenges of the dynamic Human Services community
- Committed to continuing the legacy of honesty, hard work, and accountability founded and nurtured by his father
- Completed Executive MBA program through the nationally recognized Coles College of Business at Kennesaw State University



**Lou Hall**  
COO

### Leading Successful Operations that Build Long-Term Partnerships

- Over 35 years of operations and project management experience in the Human Services community with 17 years focused on SDU operations
- Expert in blending system functionality with program needs to provide the most effective solution for our state partners
- Level of experience equips her with unparalleled subject matter expertise that she couples with a strong "hands on" management style, resulting in a proven track record of success
- Managed local child support offices, transitioned local child support offices to privatized services, involved in the implementation of child support systems in two states, led SMI's Child Support Services Division, and now oversees all operational divisions of SMI



**Bart Stone**  
CTO

### Demonstrated Success in Implementing Complex Technology Solutions

- Strong engineering background and extensive experience in project management
- Practical approach to the delivery of technical products and services providing cohesiveness for the solutions provided
- Ability to relate and communicate with professionals with technical and non-technical backgrounds allowing effective communications around the leading edge approaches his team delivers
- Ultimate goal is to deliver the appropriate technology solution that meets the needs of the client most effectively and efficiently



**Karen Middlebrooks**  
CMO

### Connecting SMI with Our Clients for a Customer-Centric Organization

- Highly motivated professional experienced in finance, human resources, leadership, and management
- Results-oriented leader with an entrepreneurial attitude
- Assumes the responsibility of leading SMI in the right direction to facilitate innovative solutions to support the evolving technological needs of the Human Services community
- Listens intently to customer feedback to ensure solutions are aligned with customer's needs
- Certifications in Finance, Marketing, and Organizational Psychology complement her B.S. in Management from the Georgia Institute of Technology



**Bill Stone**  
President,  
CFO

### Ensuring Financial Strength and Stable Ownership

- Highly qualified executive offering 25 years of experience overseeing financial operations
- Results-focused leader who proactively identifies and resolves problems, controls costs, maximizes productivity, and provides strategic financial planning
- Leads the company's efforts in recruiting and retaining the best possible employees to ensure the delivery of quality services
- Performs risk mitigation to reduce costs and increase efficiency
- Ensures the continual growth of SMI as a nationally recognized leader in the delivery of solutions to governmental agencies



**Rahul Musunuri**  
CIO

### Delivering Continuous Innovation for Information Solutions

- 18 years of progressive experience designing and implementing cutting-edge information solutions for various state and local government agencies across the U.S.
- Brings innovative approach to addressing the needs of children and families through technology solutions
- Certified Project Management Professional called upon to share expertise and best practices at numerous national conferences
- B.S. in Mechanical Engineering from the Indian Institute of Technology; M.B.A. from University of Arizona

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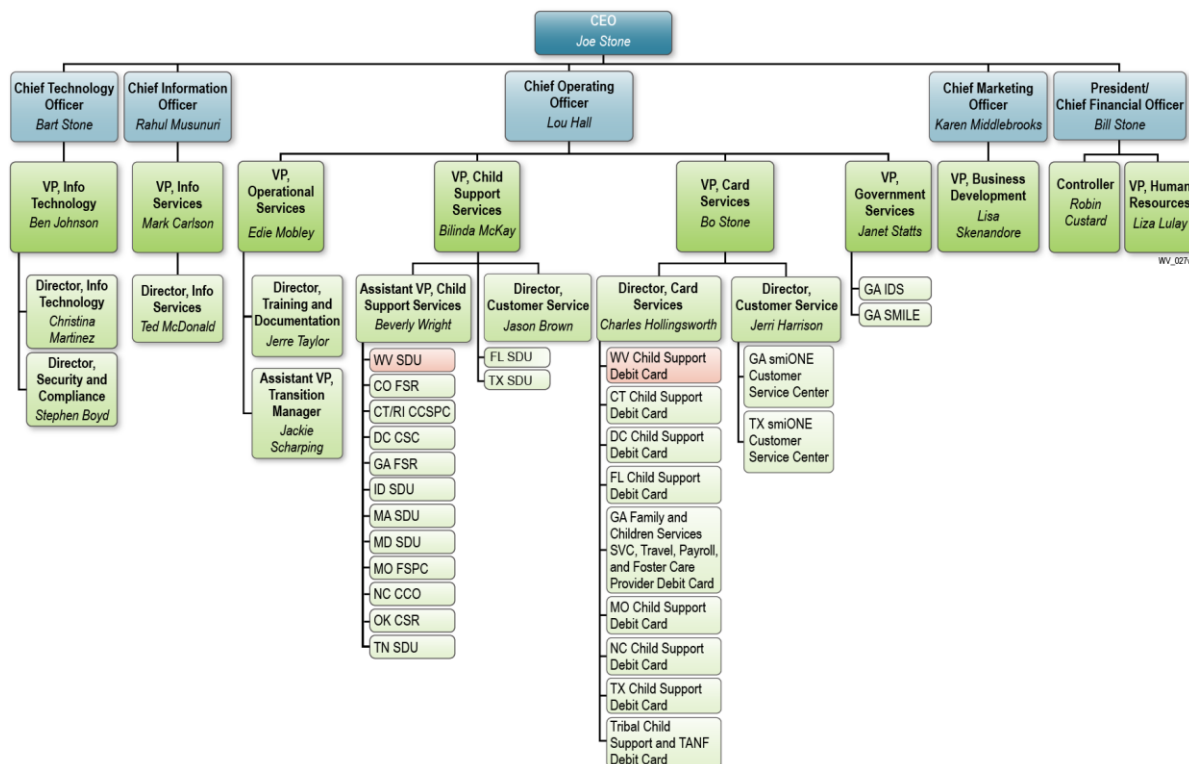
SMI's Executive Team. Providing unparalleled leadership in the SDU industry.

SMI's executive team is fully committed to delivering our SDU solution and unmatched services to West Virginia and its citizens.

## Leadership Team

Our corporate Leadership Team is responsible for the day-to-day management of the company. Members of this team are actively involved in implementations and transitions and are extremely responsible and accountable to our State partners. We structure the best possible project teams to ensure our philosophy of high-quality service and top-notch project performance is carried out in each of our sites. With on-site visits and the use of extensive reporting, all levels of SMI management are involved in the oversight of our operations.

The chart to follow shows our current structure and where West Virginia fits into our overall corporate structure.



SMI's Organizational Structure. SMI's Corporate Leadership is accessible, responsive, and responsible for the direction of all divisions.

We collaborate with our State partners to gain a thorough understanding of their environment and to customize our work to reach ideal solutions. Our approach consistently includes:

- Hands-on, direct involvement from members of our executive and leadership teams from the beginning of the procurement process to a smoothly functioning operation—proposal development, implementation, and ongoing operations
- In-depth understanding of program requirements by involving program experts representing all aspects of the program

We are proud of our history and the positive, cooperative working relationships we have established with each of our State partners. Our unique approach to partnership has led to a high level of success for our

operations. We understand this success comes from our close working relationships with our State partners and their willingness to involve SMI leadership in critical communication and decision-making processes.

## Capacity

SMI has the capacity to provide the specific work requirements outlined in this RFQ to the State of West Virginia, processing an estimated 100,000 incoming receipts and outgoing disbursement transactions a month.

## Average Monthly Transaction Volume

During 2017, using our **SMART** solution, SMI lockbox operations processed more than 67 million child support payment transactions (incoming receipts) totaling \$11.9 billion while maintaining a combined posting accuracy rate of 99.99 percent—a true industry benchmark. The following table provides the annual total volume and average monthly volume of payments processed for each of our State SDU clients in 2017.

**Incoming Receipts.** SMI processed 67.1 million incoming receipts in 2017 totaling \$11.9 billion for a monthly average of 5,598,029 incoming transactions.

SDU	Paper	Electronic	Total	Average Monthly
Colorado	867,374	1,209,031	2,076,405	173,034
Connecticut	623,411	1,388,131	2,011,542	167,629
District of Columbia	124,925	264,645	389,570	32,464
Florida	2,006,334	9,128,136	11,134,470	927,873
Georgia	2,056,662	3,426,797	5,483,459	456,955
Idaho	543,181	18,554	561,735	46,811
Maryland	791,178	2,272,237	3,063,415	255,285
Massachusetts	819,192	2,372,941	3,192,133	266,011
Missouri	1,648,899	2,659,942	4,308,841	359,070
North Carolina	2,214,543	1,898,228	4,112,771	342,731
Oklahoma	996,776	1,436,998	2,433,774	202,815
Rhode Island	221,991	395,290	617,281	51,440
Tennessee	1,892,396	2,789,863	4,682,259	390,188
Texas	5,378,512	16,423,932	21,802,444	1,816,870
West Virginia	490,918	815,333	1,306,251	108,854
Total	20,676,292	46,500,058	67,176,350	5,598,029

As shown in the above table, SMI has experience with operations of all sizes. Our **SMART** solution is scalable and designed to handle the largest and the smallest of volumes with the same level of accuracy.

SMI has provided paper and electronic funds transfer (EFT) disbursement services for child support customers for more than 18 years, and we have issued debit card disbursements for more than 12 years. During 2017, we issued 32.9 million disbursements valued at more than \$5.8 billion with a monthly average of 2,474,858 outgoing disbursements. Our 2017 disbursement volumes by type and by SDU are shown in the following table.

**Outgoing Disbursements.** During 2017, we issued 32.9 million disbursements valued at more than \$5.8 billion with a monthly average of 2,474,858 outgoing disbursements.

SDU	Paper	EFT	Debit Card	Total	Average Monthly
Connecticut	101,179	950,538	905,204	1,956,921	163,077
District of Columbia	68,361	158,210	107,994	334,565	27,880
Florida	816,340	5,438,863	5,149,784	11,404,987	950,416
Missouri	86,055	1,132,063	2,888,913	4,107,031	342,253
North Carolina	N/A	N/A	3,298,469	3,298,469	274,872
Texas	*	N/A	11,830,616	11,830,616	985,885
West Virginia	41,706	N/A	N/A	41,706	3,476
Totals	1,113,641	7,679,674	24,180,980	32,974,295	2,747,858

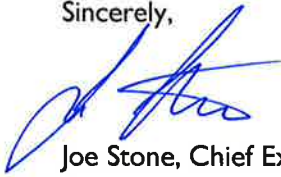
\*Although we don't issue paper check disbursements in Texas, we do insert and mail State-written checks and handle related follow-up for the Texas SDU. During 2017, we inserted and mailed 771,014 paper checks for the Texas SDU operation.

We have extensive experience with electronic and paper disbursements and a strong record of success in providing highly efficient and accurate disbursement services to support payees. As shown in the above table, we issue paper check disbursements in Missouri, Connecticut, the District of Columbia, West Virginia, and Florida. We provide electronic disbursement services, including Automated Clearing House (ACH) and debit cards, in North Carolina, Missouri, Connecticut, the District of Columbia, Texas, and Florida.

In addition to SDU disbursements, we also provide disbursement services via the smiONE Card to the Delaware, Eastern Band of Cherokee, Lac Courte Oreilles, Modoc, Muscogee Creek Nation, Ponca, and Winnebago Tribes for child support payments and to the Georgia Division of Family and Children Services (DFCS) for payroll and foster care provider payments. We also provide direct deposit and check issuance for DFCS.

We value our six-year relationship and look forward to a continued partnership with the State in serving the families of West Virginia.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Joe Stone', with a stylized flourish extending from the end.

Joe Stone, Chief Executive Officer  
Systems & Methods, Inc.



## Appendix C. Support Terms and Conditions

In response to Section 4.1.1.16 of the Request for Quotation (RFQ), to follow we provide J.P.Morgan's Sample Integrated Receivables & Payables Connect Service Terms. The sample document provided covers the comprehensive set of services that may be offered to J.P.Morgan's clients in general, and many of those in the standard package may not apply to the services currently proposed to West Virginia. During the transition period and based on the specific services the Agency elects to use, J.P.Morgan will provide the applicable agreements to be executed by the Agency, if necessary.

## INTEGRATED RECEIVABLES & PAYABLES CONNECT SERVICE TERMS

JPMorgan Chase Bank, N.A. (the "Bank") will provide the Customer with the Service described herein, which includes the Bank's Integrated Receivables Connect Service, Integrated Payables Connect Service, access to Connect Website, IVR, Call Center, Point-of-Sale, file transmission, API, reporting and analysis capabilities, in accordance with the provisions of these Service Terms. These Service Terms supplement the account documentation, including the Account Terms, ACH Origination Service Terms, Check Print Service Terms and other applicable Service Terms, as amended from time to time (collectively, the "Account Documentation"). By acknowledging or signing the applicable Account Documentation or by using or continuing to use the Service, the Customer agrees to these Service Terms. If and to the extent there is a conflict between the Account Documentation and these Service Terms, the provisions of these Service Terms shall prevail. Capitalized terms used herein and not otherwise defined shall have the meanings specified in the Account Documentation.

### 1. Definitions.

**"ACH"** means the automated clearing house system.

**"Debit Entry" and "Credit Entry"** shall have their meanings set forth in the NACHA Rules.

**"API"** means Application Programming Interface.

**"Authorized User"** means any person who has been designated by a written notice from the Customer to act on behalf of the Customer under these Service Terms.

**"Authorization"** means an authorization from the Payer or Payee to the Customer that may be obtained (i) by the Bank on behalf of the Customer through Connect Website, IVR or Call Center, or (ii) by the Customer, in either case before originating a Debit Entry or Credit Entry to the Payer's or Payee's deposit account.

**"Call Center"** means the Bank's call center operations that provides privately branded call center support for the Customer's customer.

**"Card"** means a physical card used to access an account or account number through which Payment Brand payment services are delivered, authorized and established between a Payer and a Payment Brand, or representatives or members of a Payment Brand that the Customer accepts from Payers as payment for goods or services. Cards include, but are not limited to, credit or debit cards, stored value cards, loyalty cards, and electronic gift cards.

**"Connect Website"** means the Bank hosted website that allows Payers and Payees to Enroll in order to make or receive Electronic Payments.

**"Connect Website Terms and Conditions"** means the terms and conditions which may be provided by the Bank to the Payer or Payee which govern the Payer's or Payee's use of or access to the Connect Website.

**"Convenience Fee"** means a charge to a Payer's Card, checking account or savings account for the convenience of using the Technology.

**"Electronic Payment"** means the payment of amounts specified by the Customer to be paid (i) by the Payer to the Customer or (ii) by the Customer to the Payee, through ACH or Card.

**"Enroll" or Enrollment"** means the process through which the Payees or Payers provide their bank account or Card details using the Technology in order to make or receive Electronic Payments.

**"Integrated Payables Connect Service"** means a Service that enables the Customer to make an Electronic Payment using the Technology.

**"Integrated Receivables Connect Service"** means a Service that enables the Customer to receive an Electronic Payment using the Technology.

**"IVR"** means the Bank provided Interactive Voice Response (IVR) system.

**"Merchant Processor"** means the provider of services necessary to authorize, process and settle, as applicable, Payers' Card transactions contemplated hereunder.

**"NACHA"** means the National Automated Clearing House Association.

**"NACHA Rules"** means the operating rules and guidelines of NACHA.

**"Payee"** means either a consumer or business customer of the Customer to whom an Electronic Payment is made by the Customer once the Payee completes the Enrollment.

**"Payee Information"** means information related to a Payee that is either (i) obtained by the Customer or (ii) obtained by the Bank directly from the Payee in connection with the Enrollment.

**"Payer"** means either a consumer or business customer of the Customer who makes an Electronic Payment to the Customer by completing the Enrollment.

**"Payer Information"** means information related to a Payer or the Payer's Card that is either (i) obtained by the Customer or the Bank from the Payer's Card or (ii) obtained by the Bank directly from the Payer in connection with the Enrollment.

**"Payment Brand"** is any payment method provider whose payment method is accepted by Merchant Processor for processing,



including, but not limited to Visa, U.S.A., Inc., MasterCard International, Inc., Discover Financial Services, LLC, American Express and other credit and debit card providers, and debit network providers.

**“Payment Instructions”** means the Instructions provided by the Customer to the Bank to originate Debit or Credit Entries to the checking or savings account of each Payer or Payee or process Card payments, as applicable, as per the Enrollment.

**“Paper Check Payments”** means the service by which the Bank prints and mails check payments on behalf of the Customer for Payees who have not completed Enrollment.

**“Point-of-Sale” or “POS”** means an electronic payment terminal provided by the Bank to the Customer to accept Card payments from the Payers at the point of sale.

**“Pre-registration Inbound File”** means the file provided by the Customer that may include Payee Information or Payer Information that the Bank uses to register Payees or Payers on the Connect Website.

**“Rules and Regulations”** means the NACHA Rules, the Payment Brand rules, standards and guidelines, including without limitation security standards relating to privacy, data security or other applicable association or clearinghouse rules and all other applicable laws, regulations and industry rules, each as amended from time to time.

**“Settlement Account”** means the designated account of the Customer held with the Bank used for settlement purposes.

**“Technology”** means the Bank’s (or its licensor’s) IVR, API, Point-of-Sale and/or Connect Website, as applicable, which have been designed to facilitate payments between Payees or Payers and the Customer, using as applicable, Cards or ACH.

- 2. Integrated Receivables Connect Service.** The Customer shall use the Integrated Receivables Connect Service to facilitate Electronic Payments from Payers to the Customer using the Technology relating to various transactions entered into between the Payer and the Customer. The Payer may choose not to Enroll or cancel an existing Enrollment at its discretion. If the Payer completes the Enrollment, the Bank will process the Electronic Payments through ACH or Card, as applicable.
- 2.1 ACH Processing.** If the Payer chooses to make Electronic Payments through a bank account, the Bank will initiate Debit Entries to the checking or savings accounts of Payers. All Electronic Payments originated through ACH shall be governed by the ACH Origination Service Terms.
- 2.2 Card Processing.** If the Payer chooses to make Electronic Payment using a Card, such transactions will be submitted to the Merchant Processor according to its formats and procedures. In processing and transmitting Electronic Payments through Cards, the Bank’s sole responsibility will be to transmit such files to the Merchant Processor. The Bank will have no responsibility for applying any payments on such file to a Payer’s Card account or for any other credit card processing functions, nor will the Bank have any responsibility for any action or inaction of the Merchant Processor.
- 2.3 Obligations of the Customer.** In connection with the Integrated Receivables Connect Service, the Customer shall have the following obligations:
  - (a) The Customer shall provide the Bank with all information and materials reasonably necessary to implement the Integrated Receivables Connect Service for use by the Customer.
  - (b) The Customer may provide to the Bank, a Pre-registration Inbound File, in a format and through a secure channel acceptable to the Bank, using such security procedures as the Bank may prescribe. The Pre-registration Inbound File shall include the name, email address, mailing address for each Payer and any other information agreed upon by the Bank and the Customer. The Bank may reject or delay processing of the Pre-registration Inbound File if it is incomplete or otherwise does not meet the standards the Bank specifies for acceptance. The Customer will promptly notify the Bank of any changes to any such information provided by the Customer to the Bank.
  - (c) The Customer shall provide the Bank with Payment Instructions to originate Debit Entries to the checking or savings account of each Payer as per the Enrollment.
  - (d) Except as otherwise provided in (f), the Customer (as the Originator of each Debit Entry originated hereunder) authorizes the Bank to obtain an Authorization on the Customer’s behalf from each Payer when the Payer uses Connect Website, IVR or Call Centre for initiating Electronic Payments.
  - (e) If applicable, the Customer shall provide consumer Payers with all required disclosures pursuant to the Rules and Regulations and as otherwise agreed to by the parties, including but not limited to, where the Customer is accepting POS transactions, ensuring that all required disclosures relating to Convenience Fees are made by the Customer to each Payer at the point-of-sale. The Customer shall certify its compliance with the disclosure requirements in writing to the Bank on an annual basis.
  - (f) The Customer shall obtain an Authorization from each Payer when the Payer directly provides the bank account or Card details to the Customer.
  - (g) The Customer shall execute any additional documents related to payment processing by Merchant Processor as provided by the Bank.
- 2.4 Obligations of the Bank.** In connection with the Integrated Receivables Connect Service, the Bank shall have the following obligations:
  - (a) The Bank shall provide the form of Authorization when the Payer uses Connect Website, IVR or Call Centre for initiating Electronic Payments. The Payer must agree to the Authorization prior to making an Electronic Payment.

- (b) The Bank will manage the Enrollment of the Payers and processing of the Payment Instructions from the Customer.
- (c) The Bank shall comply with the Rules and Regulations applicable to the Bank as provider of the Service.

**2.5 Convenience Fees.** Convenience Fees shall be charged to the Payer in relation to the Service if mutually agreed upon by the Customer and the Bank. The Bank may initiate a separate transaction for the collection of Convenience Fees and will submit the transaction to the Merchant Processor or ACH, as applicable. Convenience Fees will either be retained by the Bank or the Customer, as mutually agreed upon by the parties. The party retaining the Convenience Fee shall be responsible for paying any applicable fees and taxes related to the Convenience Fees.

**3 Integrated Payables Connect Service.** The Customer shall use the Integrated Payables Connect Service to initiate Electronic Payments by either providing the Bank with Payee Information or enabling the Payee to complete Enrollment using the Technology. The Payee may choose not to Enroll or cancel an existing Enrollment at its discretion. If the Payee completes the Enrollment, the Customer authorizes the Bank to initiate Credit Entries to the checking or savings account of the Payee as per the Enrollment. If the Payee does not complete the Enrollment or cancels the Enrollment before the Customer instructs the Bank to make the Electronic Payment, the Customer may authorize the Bank to make Paper Check Payments to the Payee, if applicable. All Electronic Payments processed through ACH shall be governed by the ACH Origination Service Terms. All Paper Check Payments shall be governed by the Check Print Service Terms.

**3.1 Obligations of the Customer.** In connection with the Integrated Payables Connect Service, the Customer shall have the following obligations:

- (a) The Customer shall provide the Bank with all information and materials reasonably necessary to implement the Integrated Receivables Connect Service for use by the Customer.
- (b) The Customer may provide to the Bank a Pre-registration Inbound File, in a format and through a secure channel acceptable to the Bank, using such security procedures as the Bank may prescribe. The Pre-registration Inbound File may include the name, email address, mailing address for each Payer and any other information agreed upon by the Bank and the Customer. The Bank may reject or delay processing of the Pre-registration Inbound File if it is incomplete or otherwise does not meet the standards the Bank specifies for acceptance. The Customer will promptly notify the Bank of any changes to any such information provided by the Customer to the Bank.
- (c) The Customer is responsible for validating the bank account information provided by the Payee in the Enrollment before providing Payment Instructions to the Bank.
- (d) The Customer shall provide the Bank Payment Instructions to originate Credit Entries to the checking or savings account of each Payee as per the Enrollment or as per the Payee Information provided by the Customer, as applicable.
- (e) Except as otherwise provided in (f), the Customer (as the Originator of each Credit Entry originated hereunder) authorizes the Bank to obtain an Authorization on the Customer's behalf from each Payee during Enrollment on Connect Website.
- (f) The Customer shall obtain an Authorization from each Payee when the Payee directly provides the bank account details to the Customer.

**3.2 Obligations of the Bank.** In connection with the Integrated Payables Connect Service, the Bank shall have the following obligations:

- (a) The Bank shall provide the form of Authorization when the Payee uses the Connect Website to complete an Enrollment and Connect Website Terms and Conditions. The Payee must agree to the Authorization and accept the Connect Website Terms and Conditions prior to receiving Electronic Payment as per the Enrollment.
- (b) The Bank will manage the Enrollment of the Payee and processing of the Payment Instructions from the Customer.
- (c) The Bank shall comply with the Rules and Regulations applicable to the Bank as provider of the Service.

**4 Settlement Account.** The Customer agrees not to close the Settlement Account without giving the Bank at least five (5) banking days' prior written notice and substitution of another Settlement Account at the Bank. The Customer authorizes the Bank to initiate electronic debit and credit Entries and adjustments to the Settlement Account in connection with the Electronic Payments. This authorization shall remain in full force and effect until termination of these Service Terms.

**5 Chargebacks/ Return /Reversals.** The Customer shall have full liability if any Card or ACH transactions for which the Customer or any Payee/ Payer has been given provisional credit is the subject of a chargeback, return or reversal, or if final settlement is not received by the Bank or Merchant Processor for any reason. In such event, where applicable, the Bank will charge back the amount to the Settlement Account or claim a refund from the Customer. The Bank will credit the Settlement Account for the amount of any returned Credit Entries upon receipt by the Bank of settlement and after any applicable resubmissions are completed.

**6 Additional Responsibilities of the Customer.** In connection with the Service, the Customer agrees to:

- (a) Maintain the Customer's IVR, API and website, as applicable, as well as any related actual links and session transfer capabilities.
- (b) Maintain the URLs to which Payers or Payees are returned after completing an Electronic Payment or Enrollment, as applicable, through Connect Website.
- (c) Procure and maintain, at its sole expense, all hardware and browser capabilities, software and telecommunications equipment necessary to access and use the Service, including any updates or upgrades required by the Bank in order to continue performing the

Service, in accordance with the Bank's recommended system configuration.

(d) Use commercially reasonable efforts to ensure that its vendors, if applicable, cooperate fully with the Bank to achieve inter-operability of the Technology and Service with the Customer's or its vendor's hardware and software. The Bank will have the right to, at its discretion, reject any data file that it reasonably believes will interfere with the ability of the Technology or Service to process data in accordance with these Service Terms.

(e) Advise each Authorized User of his or her obligations under these Service Terms.

(f) Provide appropriate and sufficient data to authenticate Payers/Payees, as applicable, including but not limited to delivery of data that will be: (1) used to validate a Payer/ Payee when attempting to access Connect Website; (2) used to authenticate Payer/ Payee when the Bank is not performing the authentication; and (3) used to validate the Payer/Payee, as applicable, after a successful session transfer.

(g) Maintain the confidentiality of any passwords, codes, digital certificates, security devices and related instructions for use of the Services, which may be revised from time to time upon notice to the Customer, and if the Customer believes or suspects that any such information or instructions have been accessed by unauthorized persons, the Customer shall promptly notify the Bank and advise the Bank as to the effect of the security breach and the corrective actions to be taken to restore or verify security.

- 7 Representation, Warranties and Covenants.** The Customer represents, warrants and covenants to the Bank that (a) the Customer shall comply with the Rules and Regulations applicable to the Customer; (b) each Payer or Payee as applicable has agreed and authorized that their mailing address, email address, telephone number and bank account details, as applicable and available, will be shared with the Bank and the Bank's agents and vendors in connection with the Service; (c) the Customer shall not use the Service for international ACH transactions or cross border payments, which are prohibited under these Service Terms; and (d) in relation to the Integrated Payables Connect Service, the Customer has verified the accuracy of the information in the Enrollment and the Bank is authorized to make an Electronic Payment as per the Enrollment or Paper Check Payment on behalf of the Customer, as applicable. The Customer agrees to indemnify and hold the Bank, its agents, employees, officers and directors, harmless from and against any and all claims, damages, demands, judgments, liabilities, losses, costs and expenses (including attorneys' fees) resulting directly or indirectly from the Customer's breach of any representation, warranty or covenant under these Service Terms.
- 8 Intellectual Property Ownership.** These Service Terms do not transfer to the Customer any ownership, intellectual property or proprietary rights in the Technology, Service or any work or any part thereof, or any copyright, trademark, patent right, etc., and all right, title and interest in and to the Technology, Service and intellectual property will remain solely with the Bank or its licensors. The Bank hereby grants the Customer a non-exclusive, non-assignable, non-transferable, non-sub licensable, revocable right to display the J.P. Morgan or Chase Logo (collectively "Logo"): (a) in a form to be provided by the Bank, and (b) solely on the Customer's Internet website; and solely in connection with the Customer's use of the Service as described in these Service Terms and (c) in accordance with any quality standards and specifications supplied or approved by the Bank. Upon the Bank's request, the Customer will: (i) submit to the Bank for prior approval all proposed uses of the Logo; and (ii) provide to the Bank samples of all uses of the Logo and any other documents or information which may permit the Bank to determine if the Customer's use of the Logo meets quality standards and specifications and directions supplied or approved by the Bank. Ownership of the Logo and the goodwill relating thereto shall remain vested in the Bank both during the period of these Service Terms and thereafter. Any use of the Logo by the Customer shall inure to the benefit of the Bank. The Customer grants the Bank a non-exclusive limited license to use the Customer's name, trademarks, service marks, symbols, logos, domain names and trade names, as applicable, for use in connection with the provision of the Service.
- 9 Reliance on Information.** Without limitation of the foregoing, the Bank is authorized to rely on the content, accuracy and completeness of all information and data received from the Customer or any Payer or Payee. The Bank will not be liable for any loss or damage arising out of the inaccuracy thereof, including any errors in the Payer Information or Payee Information and any resulting erroneous Electronic Payments. The Customer shall be solely responsible for the security and integrity of all information and data supplied or transmitted to the Bank including during transmission to the Bank.
- 10 DISCLAIMER.** THE SERVICE IS PROVIDED "AS IS" AND "AS AVAILABLE". TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, ALL WARRANTIES AND REPRESENTATIONS, EXPRESS, STATUTORY OR IMPLIED, WITH REGARD TO THE TECHNOLOGY OR SERVICE ARE HEREBY DISCLAIMED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND COURSE OF DEALING OR USAGE OF TRADE OR WARRANTIES OF NON-INFRINGEMENT OR WARRANTIES AS TO ANY RESULTS TO BE OBTAINED FROM THE USE OF THE SERVICE. THE BANK DOES NOT WARRANT OR GUARANTEE THE SECURITY, SEQUENCE, TIMELINESS, ACCURACY, PERFORMANCE OR COMPLETENESS OF THE DATA OR THAT ANY PART OF THE SERVICE WILL BE ERROR-FREE, WITHOUT DELAY OR UNINTERRUPTED. CUSTOMER ACKNOWLEDGES THAT THERE ARE CERTAIN SECURITY, CORRUPTION, TRANSMISSION ERROR, AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING OPEN NETWORKS SUCH AS THE INTERNET AND CUSTOMER ASSUMES ALL SUCH RISK. CUSTOMER SHALL MAKE AN INDEPENDENT ASSESSMENT OF THE ADEQUACY OF THE INTERNET IN USE OF THE SERVICE PURSUANT TO THE BANK'S PROCEDURES.
- 11 Withdrawal of Access/Suspension of Service.** The Bank may, in its reasonable discretion, instruct the Customer to terminate access to any Authorized User or individual and the Customer agrees to promptly comply with such instructions. The Bank reserves the right to deny, suspend or revoke access to the Service, in whole or in part, if the Bank believes the Customer and/or its Authorized Users are in breach of these Service Terms or are otherwise using or accessing the Service inconsistent with the terms and conditions hereof. The Bank may, at any time, in its sole discretion, cancel or suspend a Payer's or Payee's use of or access to Technology and Service, as may be required by applicable law, rule or regulation or by the Bank's policies and procedures.
- 12 Customer Agreement with Payer/ Payee.** The Customer acknowledges and agrees that the Bank shall not be deemed to have any knowledge (imputed or otherwise) of any of the terms or conditions of any agreement between the Customer and any Payer or Payee

nor for the performance thereof. Notwithstanding the foregoing, in the event the Bank becomes aware that the content of any communication or agreement between the Customer and any Payer or Payee relating to the Service is incorrect or contains information that the Bank in its reasonable discretion finds objectionable, the Bank shall have the right to require the Customer to modify or amend such communication or agreement to the Bank's reasonable satisfaction.

- 13 Fees.** The Bank may impose, and the Customer will pay, fees for the Service, including but not limited to, any applicable maintenance fees.
- 14 Termination.** Upon termination of these Service Terms as provided in the Account Terms, all rights to the Service and Technology, including, but not limited to use and access, will automatically terminate. The Customer will discontinue its use of the Service and Technology, and upon request from the Bank, will return to the Bank any and all Services, equipment, software, documentation, Technology or other deliverables provided to the Customer by the Bank, including any copies thereof held by the Customer.

SAMPLE

**SUPPLEMENTAL SERVICE TERMS FOR AMERICAN EXPRESS®CARD ACCEPTANCE FOR INTEGRATED RECEIVABLES & PAYABLES CONNECT SERVICE WITH CONVENIENCE FEES**

These Supplemental Service Terms ("Supplemental Terms" or "AEXP Terms") supplement the Integrated Receivables and Payables Connect Service Terms ("Connect Service Terms") and set forth the terms and conditions that apply if and to the extent the Customer (also referred to as "Sponsored Merchant" in the Merchant Regulations) accepts credit cards issued by American Express Travel Related Services Company, Inc. ("American Express" or "AEXP"), from Payers as a method of payment, with AEXP Convenience Fees (hereinafter defined), for goods and services offered by the Customer and JPMorgan Chase Bank, N.A. ("Bank") may capture AEXP Transaction Data from Cardmembers for AEXP Transactions initiated using the Integrated Receivables and Payables Connect Service ("Connect") on behalf of the Customer. These AEXP Terms pertain to all AEXP Transactions submitted and processed through the Connect or POS. Capitalized terms used in these Supplemental Terms, unless otherwise defined herein, shall have their meanings set forth in the Connect Service Terms or the Merchant Regulations, except as modified herein.

**1. DEFINITIONS.**

- (a) **AEXP Advance Payment Charges** means an AEXP Charge for which full payment is made in advance of Customer providing the goods and/or rendering the services to the Cardmember.
- (b) **AEXP Card** means (a) any card, account access device, or payment device or service bearing the brand of American Express or any of its affiliates, or (b) an AEXP Card Number.
- (c) **AEXP Card Number** means the unique identifying number that the AEXP Issuer assigns to the AEXP Card when it is issued.
- (d) **AEXP Charge** means a payment or purchase made on the AEXP Card through the Payment Services. Unless otherwise specified, AEXP Charge includes AEXP Convenience Fees.
- (e) **AEXP Charge Record** means the reproducible (both paper and electronic) record of an AEXP Charge that complies with AEXP requirements and contains the AEXP Card Number, AEXP Transaction date, dollar amount, approval, and Cardmember signature (if applicable), and other information.
- (f) **AEXP Chargeback** when used as a verb, means (i) AEXP's reimbursement for the amount of an AEXP Charge subject to such right, or (ii) AEXP's reversal of a Charge for which AEXP has not paid Customer; when used as a noun, means the amount of an AEXP Charge subject to reimbursement or reversal.
- (g) **AEXP Convenience Fee** means a charge to an AEXP Card for the convenience of using the payment channels offered via the Payment Services, which include the Internet, Point-of-Sale, IVR, Call Center, and API, as applicable, where such charge is charged and collected by, and settled to, Bank.
- (h) **AEXP Credit** means the amount of the AEXP Charge refunded to Cardmembers for purchases or payments made on the AEXP Card.
- (i) **AEXP Issuer** means any entity (including AEXP and its affiliates) licensed by AEXP or its affiliates to issue AEXP Cards and to engage in the AEXP Card issuing business.
- (j) **AEXP Reserve** means a fund established by AEXP as security for Customer's obligations to AEXP under the AEXP Terms and Merchant Regulations.
- (k) **AEXP Transaction** means an AEXP Charge or AEXP Credit completed by the means of an AEXP Card on which an associated AEXP Convenience Fee is charged and collected by, and settled to, Bank.
- (l) **AEXP Transaction Data** means all information required by AEXP, evidencing one or more AEXP Transactions, including information obtained at point-of-sale, information obtained or generated during authorization and submission, and any AEXP Chargeback.
- (m) **Applicable Law** means, with respect to Customer, Bank, and AEXP or any of their respective affiliates (i) any law, statute, regulation, ordinance, or subordinate legislation in force from time to time to which they are subject, (ii) the common law as applicable from time to time, (iii) any court order, judgment, or decree that is binding on them, and (iv) any directive, policy, rule or order that is binding on them and that is made or given by a regulator or other government or government agency of any territory, or other national, federal, commonwealth, state, provincial, or local jurisdiction.
- (n) **Cardmember** means an individual or entity (a) that has entered into an agreement establishing an AEXP Card account with an AEXP Issuer, or (b) whose name appears on the AEXP Card.
- (o) **Cardmember Information** means any information about Cardmembers and AEXP Transactions, including but not limited to, AEXP Transaction Data, and Cardmember name, addresses, AEXP Card numbers, and AEXP Card identification numbers.
- (p) **Claim** means any claim (including initial claims, counterclaims, cross claims and third party claims), dispute or controversy between Customer and AEXP, or among Customer, Bank and AEXP, arising from or relating to the AEXP Terms, or the relationship resulting therefrom, whether based in contract, tort (including negligence, strict liability, fraud or otherwise), statutes, regulations, or any other theory, including any question relating to the existence, validity, performance, construction, interpretation, enforcement, or termination of the AEXP Terms, or the relationship resulting therefrom, except for the validity, enforceability, or scope of Section c of Exhibit 1, attached hereto and incorporated by reference.
- (q) **Disputed Charge** means an AEXP Charge about which a claim, complaint or question has been brought.
- (r) **Establishments** means any or all of Customer's locations, outlets, websites, online networks, IVR, call centers, customer service centers, point-of-sale, API and mobile applications and all other methods for accepting payments from Cardmembers through Bank's Payment Services for goods and services sold by Customer, including methods that Customer adopts in the future.
- (s) **Marks** means names, logos, service marks, trademarks, trade names, taglines, or other proprietary designs or designations.
- (t) **Merchant Number** (sometimes called the "Merchant ID" or "Establishment" or "SE" number in AEXP materials) means a unique number AEXP assigns to Bank on behalf of Customer's Establishments.
- (u) **Merchant Regulations** means the American Express Merchant Regulations – U.S., which are available as set forth in section .2.2 below.
- (v) **Other Payment Products** means any charge, credit, debit, stored value or smart cards, account access devices, or other payment cards, services, or products other than the AEXP Card.
- (w) **Payment Service Provider** means Bank as provider of Payment Services to Customer.
- (x) **Payment Services** means the provision of payment services in connection with AEXP Transactions between Cardmembers and Customer through Bank's Connect Service whereby Bank, the entity providing such services (and not Customer), is the merchant of record and submits AEXP Transactions on behalf of such Customer, or in the case of POS, the AEXP Transactions are submitted at the point-of-sale by Customer) and whereby Bank as the merchant of record also charges and collects AEXP Convenience Fees on AEXP Charges.
- (y) **Paymenttech** means Paymenttech, LLC, Bank's merchant processor and an affiliate of Bank.
- (z) **Sponsored Merchant Agreement** as referenced in the Merchant Regulations and as modified in Bank's agreement with AEXP means the standard form agreement governing Bank's provision of Payment Services (which is in the form of these AEXP Terms that are an supplemental to the Connect Service Terms governing Bank's provision of payment services related to Other Payment Products through

Connect ), and which must be executed by the Customer pursuant to Bank's agreement with AEXP and Chapter 13 of the Merchant Regulations prior to acceptance of the AEXP Card and submission of AEXP Charges, as modified in Bank's sole discretion.

## 2. SPONSORED MERCHANT'S ACCEPTANCE OF AEXP CARDS

**2.1. Acceptance.** Customer must accept the AEXP Card as payment for goods and services (other than those goods and services prohibited in the Merchant Regulations) sold, or, if applicable, for charitable contributions made at all of Customer's Establishments that utilize Connect to accept payments from Cardmembers, except as expressly permitted by state statute. Customer expressly agrees to accept AEXP Cards in accordance with these AEXP Terms and the Merchant Regulations.

**2.2. Application of Merchant Regulations.** The Merchant Regulations set forth the policies and procedures governing the acceptance of the AEXP Card. If Customer's personnel are accepting payment from Cardmembers, Customer shall ensure their personnel are familiar with their obligations regarding acceptance of the AEXP Card. The Merchant Regulations are a part of, and are hereby incorporated by reference into, these AEXP Terms, and Customer and Bank agree to be bound by and comply with the Merchant Regulations except as modified herein and as changed by AEXP from time to time. Customer acknowledges that its agreement to be bound by the Merchant Regulations is a condition to its acceptance of AEXP Cards, and that as used in the Merchant Regulations, the terms "you" and "your" apply to Customer as the individual or entity accepting AEXP Cards. AEXP may make changes in the Merchant Regulations in scheduled changes and at any time in unscheduled changes. To obtain a copy of the Merchant Regulations, go to [www.americanexpress.com/merchantpolicy](http://www.americanexpress.com/merchantpolicy) and enter the Merchant Number that will be provided upon request from Bank. While the Customer obligations set forth in this AEXP Terms and in the Merchant Regulations are ultimately the responsibility of the Customer, the Parties acknowledge and agree that Customer has contracted with Bank under the terms of the Service Terms and these AEXP Terms for the performance of some of those obligations as expressly stated. Customer expressly authorizes Bank to submit AEXP Transactions to, and if applicable, receive settlement from, AEXP on behalf of Customer.

**2.3. Treatment of AEXP Brand.** Except as expressly permitted by Applicable Law, Customer must not: (i) indicate or imply that Customer prefers, directly or indirectly, any Other Payment Products over the AEXP Card; (ii) try to dissuade Cardmembers from using the AEXP Card; (iii) criticize or mischaracterize the AEXP Card or any of AEXP's services or programs; (iv) try to persuade or prompt Cardmembers to use any Other Payment Products, except for electronic funds transfer, or cash and check; (v) impose any restrictions, conditions, disadvantages or fees when the AEXP Card is accepted that are not imposed equally on all Other Payment Products, except for electronic funds transfer, or cash and check; (vi) suggest or require Cardmembers to waive their right to dispute any AEXP Transaction; (vii) engage in activities that harm the business of AEXP or the AEXP brand; (viii) promote any Other Payment Products more actively than the AEXP Card; or (ix) convert the currency of the original AEXP Transaction to another currency.

**2.4. Offer of Discounts.** Customer may offer discounts or in-kind incentives from its regular prices for payments in cash, ACH funds transfer, check, debit card or credit/charge card, provided that (to the extent required by Applicable Law): (x) Customer clearly and conspicuously discloses the terms of the discount or in-kind incentive to Cardmembers; (y) the discount or in-kind incentive is offered to all prospective customers, and (z) the discount or in-kind incentive does not differentiate on the basis of the issuer or, except as expressly permitted by applicable state statute, other payment card networks (e.g., Visa, MasterCard, Discover, American Express, etc.). The offering of discounts or in-kind incentives in compliance with the terms of this section 2.4 will not constitute a violation of the provisions of section 2.3.

**2.5. Treatment of Marks.** Whenever payment methods are communicated to customers or when customers ask what payments are accepted (within the scope of these AEXP Terms) Customer must indicate its acceptance of the AEXP Card and display AEXP Marks as prominently and in the same manner as any Other Payment Products. Customer must not use AEXP Marks in any way that injures or diminishes the goodwill associated with the AEXP Marks, nor in any way (without written consent from AEXP) indicate that AEXP endorses Customer's goods or services. Customer shall only use the AEXP Marks as permitted by the AEXP Terms and Merchant Regulations and shall cease using AEXP Marks upon termination of the AEXP Terms in connection with acceptance of AEXP Cards through Connect. None of AEXP, Customer, or Bank has any rights in the others Marks, except as otherwise expressly specified herein or in the Merchant Regulations, nor shall any party use another's Marks without its prior written consent, except that AEXP may use the name, address (including website addresses or URLs) and customer service telephone numbers of Customer and Bank in any media at any time.

**2.6. Prohibited Uses of the AEXP Card.** Customer must not accept the AEXP Card for any of the following: (i) adult digital content sold via internet electronic delivery; (ii) amounts that do not represent bona fide sales of goods or services (or, if applicable, amounts that do not represent bona fide charitable contributions) made at Customer's Establishments; (for example, purchases at Customer's Establishments by anyone contrived for cash flow purposes, or payments that Customer has accepted in order to advance cash to Cardmembers in connection with the AEXP Transaction); (iii) amounts that do not represent bona fide, direct sales by Customer's Establishments to Cardmembers made in the ordinary course of Customer's business; (iv) cash or cash equivalent; (v) AEXP Charges that the Cardmember has not specifically approved; (vi) costs or fees over the normal price of the goods or services (plus applicable taxes) that the Cardmember has not specifically approved; (vii) damages, losses, penalties or fines of any kind, UNLESS CUSTOMER CLEARLY COMMUNICATES TO THE CARDMEMBER IN WRITING VIA INVOICE OR THROUGH CONNECT THAT THE AEXP CHARGE IS FOR PAYMENT OF A FINE OR PENALTY (SUCH AS A TAX PENALTY) AND THE AMOUNT OF THE FINE OR PENALTY; (viii) gambling services (including online gambling), gambling chips, gambling credits, or lottery tickets; (ix) unlawful/illegal activities, fraudulent business transactions or when providing the goods or services is unlawful/illegal (e.g. unlawful/illegal online internet sales of prescription medications or controlled substances; sales of any goods that infringe the copyrights or trademarks of a third party under Applicable Law); (ix) overdue amounts or amounts covering returned, previously dishonored or stop-payment checks (e.g., where the AEXP Card is used as a payment of last resort); (x) sales made by third parties or entities conducting business in industries other than Customer's, except for Connect as provider of services hereunder; (xi) other items as determined and communicated by AEXP. Customer must not use the AEXP Card to verify its customer's age, or accept the AEXP Card for amounts that represent repayment of a cash advance including, but not limited to, payday loans, pawn loans or payday advances.

## 3. Transaction Processing, Charge Records, Card Information and Cardmember Information.

**3.1. Authorizations.** Each AEXP Card payment accepted by Customer is required to have an authorization approval code. Bank will submit all AEXP Transactions to Paymentech for authorization (except where such authorization is sent directly to Paymentech from a terminal at one of Customer's Establishments (e.g., POS.) Customer acknowledges that authorization of an AEXP Transaction indicates that the AEXP Card (i) contains a valid account number; and (ii) has an available credit balance sufficient for the amount of the AEXP Transaction; but, it does not guarantee that (w) the person making the AEXP Charge is the Cardmember; (x) the AEXP Charge is in fact valid or bona fide; (y) Customer will be paid for the AEXP Charge; or (z) the AEXP Charge will not be subject to an AEXP Chargeback.

**3.2. AEXP Charge Records and Refund Policies.** An AEXP Charge Record must be provided to the Cardmember by Customer or Bank in the form of a customer receipt. The customer receipt must disclose Customer's return and/or cancellation policies, and other information that Customer is required to maintain and disclose as required by the Merchant Regulations. The refund policy must be fair and clearly disclosed at the time of sale in compliance with Applicable Law, and must be conveyed to the Cardmember prior to completion of the AEXP Charge and printed on a copy of the customer receipt. Customer must not give cash refunds to Cardmembers for goods or services they purchase on the AEXP Card, unless required by Applicable Law. Customer's refund policy for purchases made on the AEXP Card must be at least as favorable as the refund policy for purchases made with Other Payment Products or other payment methods. Customer should document refund policies and terms and conditions in its agreement with the Cardmember or on its website, as applicable.

**3.3. Advance Payment Charges** If Customer offers the option of AEXP Advance Payment Charges for tuition, room and board, and other mandatory fees (e.g., library fees) of higher educational institutions, Customer must provide all information required by Bank in order to set up such AEXP Advance Payment Charge options for Customer and familiarize itself with the Merchant Regulations governing AEXP Advance Payment Charges, including requirements to provide details of its refund policies, obtain written consent from Cardmembers, and provide Cardmembers with written confirmation (e.g., email) of the AEXP Advanced Payment Charge, and detailed description and expected delivery date.

**3.4. Recurring Billing** For recurring AEXP Transactions, Customer must (i) obtain the Cardmember's consent to periodically charge the Cardmember on a recurring basis for the goods or services purchased, which must also disclose that Customer may receive updated AEXP Card account information from AEXP; (ii) retain this permission for the duration of the recurring services and provide it upon request to Bank or AEXP; and (iii) retain written or electronic documentation specifying the frequency of the recurring AEXP Charge and the duration of time during which such charges may be made. A recurring AEXP Transaction shall not be submitted after: (y) receipt of a cancellation notice from the Cardmember; or (z) receipt of notice from Bank, Paymentech or AEXP (via authorization code or otherwise) that the AEXP Card is not to be honored. Customer must also notify all Cardmembers for whom Recurring Billing Charges have been submitted that Customer no longer accepts AEXP Cards.

**3.5. Protecting Cardmember Information/Violation of Merchant Regulations.** Any and all Cardmember Information is confidential and the sole property of AEXP or its affiliates. Customer must protect Cardmember Information as described herein and in the Merchant Regulations, and may have additional obligations based on AEXP Transaction volume, including providing documentation to AEXP validating Customer's compliance with the PCI DSS. Except as otherwise specified herein, Customer must not disclose Cardmember Information, nor use nor store it, other than to facilitate AEXP Transactions at Customer's Establishments in accordance with these AEXP Service Terms and the Merchant Regulations. If applicable to Customer's program, the AEXP Transaction Data Customer collects to facilitate the AEXP Charges must be or have been provided directly to Customer by the Cardmember. Customer must not accept or have accepted AEXP Transaction Data from, nor shall Customer provide or have provided AEXP Transaction Data to, any third parties other than as specified hereunder. If Customer fails to comply with this requirement, in addition to AEXP's rights and remedies listed in this AEXP Terms and the Merchant Regulations, AEXP may, in its sole discretion, charge Customer non-compliance fees, suspend AEXP Card acceptance privileges at the Establishments, or instruct Bank to terminate this AEXP Terms. Customer must comply with the Security Standards, which apply to all of Customer's equipment, systems and networks on which **Cardmember Data** (which shall have the meaning given to "Cardholder Data" in the Merchant Regulations) or **Sensitive Authentication Data** (as defined in the Merchant Regulations) are stored, processed or transmitted. Customer must notify AEXP immediately, and in no case later than 24 hours after discovery of a **Data Incident** (defined as an incident involving at least one AEXP Card Number in which there is (i) unauthorized access or use of Cardmember Data or Sensitive Authentication Data (or both) that are stored, processed, or transmitted on Customer's equipment, systems, and/or networks) or the components thereof); (ii) use of such Cardmember Data or Sensitive Authentication Data (or both) other than in accordance with this AEXP Terms and the Merchant Regulations; and/or (iii) suspected or confirmed loss, theft, or misappropriation by any means of any media, materials, records, or information containing such Cardmember Data or Sensitive Authentication Data (or both), and comply with all other applicable requirements of AEXP relating to Data Incidents as set forth in the Merchant Regulations. To notify AEXP, contact the American Express Enterprise Response Program (EIRP) or email at [EIRP@aexp.com](mailto:EIRP@aexp.com). Customer must designate an individual as its contact regarding such Data Incident. Where Customer is accepting AEXP Transactions or is otherwise exposed to AEXP Cards, AEXP Transaction Data, Cardmember Information, Cardmember Data, Sensitive Authentication Data and any other sensitive information, Customer acknowledges the heightened risk associated with its access to such information, and Customer further acknowledges it must establish policies and procedures to protect such information in conformity with the Merchant Regulations, including the Security Standards, and Applicable Law. Customer further agrees to provide Bank and AEXP, upon request, with validation of Public Sector Customer's compliance with the Security Standards as may from time to time be required by AEXP. Customer acknowledges that its failure to comply with the Merchant Regulations, including the Security Standards, or the compromise of any AEXP Transaction Data, Cardmember Information, Cardmember Data, Sensitive Authentication Data or any other sensitive information may result in assessments, fines, non-compliance fees, and/or penalties by AEXP. In the event Bank or any of its affiliates incurs any damage, liability, non-compliance fee, fine, assessment or penalty ("**Loss**") as a result of Customer's breach or violation of the Merchant Regulations or Security Standards, or breach of Customer's obligation to provide disclosures relating to AEXP Convenience Fees at each Customer Point-of-Sale Establishment as set forth in the Service Terms, Customer shall reimburse Bank immediately for all such Losses. In addition to the foregoing, Customer acknowledges its obligations with respect to Data Incidents as set forth in the Merchant Regulations.

**3.6. Sharing Information.** Customer must permit AEXP or Bank, respectively, to establish a hyperlink from AEXP or Bank's website and list Customer's customer service contact information, in connection with Customer's and Bank's obligations under the Merchant Regulations to maintain customer service information that is readily available for review by Cardmembers transacting with Customer and Bank. The customer service information should provide clear instructions on how to contact Customer and Bank, including an active customer service email address and telephone number. Customer agrees to provide the information pertaining to Customer to Bank upon request. Customer acknowledges that AEXP reserves the right to use the Customer's name, address, and website address in any media from time to time. Customer agrees that Bank and AEXP may share with each other and with their affiliates, agents, subcontractors and employees Customer financial information, AEXP Transaction Data and other information that Customer provides as necessary to process the AEXP Transactions and perform their obligations and due diligence including for underwriting and credit review purposes, perform analytics and create reports, or otherwise as required or permitted by the Merchant Regulations, the Rules and Regulations and Applicable Law. Notwithstanding any contrary confidentiality obligation in the Service Terms or any other agreement, as provided in the Merchant Regulations, AEXP also has the right to disclose information about any Data Incident to Cardmembers, AEXP Issuers, other participants on the American Express Network, and the general public as required by Applicable Law; by judicial, administrative, or regulatory order, decree, subpoena, request or other process in order to mitigate the risk of fraud or other harm or otherwise to the extent appropriate to operate the American Express Network. Customer agrees that Bank may provide



a copy of these AEXP Terms to AEXP upon request. Unless otherwise prohibited by state law, Customer must keep confidential and not disclose to any third party the provisions of these AEXP Terms and any information that Customer receives from AEXP that is not publicly available.

**3.7. Split Tender Purchases.** Customer agrees it will not accept multiple forms of payment (e.g., cash, AEXP Card, prepaid products) for a single purchase.

#### **4. Settlement.**

**4.1. Customer's Settlement Account.** In order to receive settlement funds for AEXP Transactions, Customer must designate and maintain one or more accounts used primarily for business purposes at Bank (collectively, "AEXP Settlement Account"). Customer shall not close its AEXP Settlement Account without giving Bank at least thirty (30) days' prior written notice and substituting another AEXP Settlement Account. Customer authorizes Bank and AEXP to initiate electronic debit and credit entries and adjustments to the AEXP Settlement Account at any time without regard to the source of any monies in the AEXP Settlement Account, and this authority will remain in full force and effect for the term of the AEXP Terms. Bank will not be liable for any delays in receipt of funds or errors in AEXP Settlement Account entries caused by AEXP.

**4.2. Payment for Charges.** The parties acknowledge that some Public Sector Entities may desire to get paid directly by AEXP, while others may desire to receive payments directly from Bank. Payment for AEXP Charges may be settled separate from Other Payment Products, as applicable, in accordance with the following:

(a) **If Payments are Made Directly to Bank.** Bank will submit AEXP Charges and AEXP Credits in U.S. dollars, and AEXP will pay Bank in U. S. dollars for the face amount of AEXP Charges submitted minus any AEXP Credits submitted on the Customer's behalf and minus other applicable deductions in accordance with the Bank's agreement with AEXP. Promptly after Bank receives funds for settled AEXP Transactions from AEXP, Bank will fund the AEXP Settlement Account with the net amount of proceeds received from AEXP, which shall be equal to the amounts submitted to AEXP by Bank minus the sum of the following: (i) all AEXP Credits or refunds and AEXP Chargebacks, but not including any refunds or chargebacks of AEXP Convenience Fees; (ii) all fees and charges (except as otherwise provided in Section 4.3 of the Service Terms), and (iii) all assessments, fines, non-compliance fees, and/or penalties or other liabilities that may be imposed from time to time by AEXP and all related costs and expenses incurred by Bank or Paymentech as a result of Customer's breach of its obligations to provide disclosures relating to AEXP Convenience Fees at each of Customer's Point-of-Sale Establishments or Customer's breach or violation of the Merchant Regulations or Security Standards.

(b) **If Payments are made directly by AEXP to the Customer.** Bank will submit AEXP Charges and AEXP Credits in U.S. Dollars and AEXP will fund the AEXP Settlement Account directly based upon AEXP's standard funding timeframes, in U.S. Dollars. AEXP will fund the face amount of the AEXP Charges submitted by or on the Customer's behalf minus the sum of the following: (i) All AEXP Credits or refunds and AEXP Chargebacks, excluding any refunds or chargebacks of AEXP Convenience Fees; (ii) all assessments, fines, non-compliance fees, and/or penalties or other liabilities that may be imposed from time to time by AEXP and all related costs and expenses incurred by Bank or Paymentech as a result of Customer's breach of its obligations to provide disclosures relating to AEXP Convenience Fees at each of Customer's Point-of-Sale Establishments or Customer's violation of the Merchant Regulations or Security Standards; (iii) in some cases, based upon AEXP and Bank preferences, AEXP and Bank may gross AEXP Chargebacks, refunds, assessments, fines, non-compliance fees, penalties or other liabilities that may be imposed from time to time and other related costs and expenses incurred by Bank or Paymentech as a result of Customer's breach of its obligations to provide disclosures relating to AEXP Convenience Fees at each of Customer's Point-of-Sale Establishments or Customer's breach or violation of the Merchant Regulations or Security Standards into a separate debit to the AEXP Settlement Account.

**4.3. Negative Amounts.** Customer shall maintain sufficient funds in the AEXP Settlement Account to prevent the occurrence of a negative balance. In the event that the proceeds from the settled AEXP Transactions or the balance of Customer's AEXP Settlement Account are not sufficient to pay amounts due under these AEXP Terms, including the amounts reflected in section 4.2(a) and (b), in addition to any other rights and remedies Bank and AEXP may have under these AEXP Terms, Bank and AEXP may pursue one or more of the following options: (a) demand and receive immediate payment for such amounts; and if payment is not made within three (3) days of demand, debit the AEXP Settlement Account for the negative amount; (b) on an on-going basis withhold some or all of Customer's settlement funds and apply them against the negative amount; and (c) with respect to AEXP, apply funds held in Reserve against the negative amount as further described below.

#### **4.4. Protective Actions.**

(a) **Creating a Reserve.** Regardless of any contrary provision in the AEXP Terms, AEXP has the right based on the occurrence of one or more trigger events described below to create a Reserve, or suspend AEXP Card acceptance by Customer. In such event, at least three business days' notice of intent to establish a Reserve will be provided. The Reserve may be established by AEXP withholding amounts from payment Bank or AEXP otherwise would make to Customer, and the amount of the Reserve may be increased by AEXP at any time upon three business days prior written notice to Customer so long as the amount of the Reserve does not exceed an amount sufficient, in AEXP's reasonable judgment, to satisfy any financial exposure or risk to Bank, AEXP or Cardmembers (including AEXP Charges submitted for goods or services not yet received by Cardmembers and fees associated with handling Disputed Charges as set forth in the Merchant Regulations).

(b) **Trigger Events for Reserve.** The events that may cause AEXP to establish a Reserve are: (i) Customer ceasing a substantial portion of or adversely altering its operations; (ii) Customer selling all or substantially all of its assets or any party acquiring 25% or more of the equity interests issued by Customer (other than parties owning 25% or more of such interests as of the Effective Date of the Agreement), whether through acquisition of new equity interests, previously outstanding interests, or otherwise; (iii) Customer suffering a material adverse change in its business or a material adverse change occurs in its industry; (iv) Customer becoming insolvent; (v) a disproportionate number or amount of Disputed Charges at Customer's Establishments; (vi) Bank's or AEXP's reasonable belief that Customer will not be able to perform its obligations under the Agreement, or to Cardmembers; or (vii) the establishment of a reserve or other protective action taken by any entity with whom Customer has entered into an arrangement for the acceptance or processing (or both) of Other Payment Products that (A) results in the withholding of funds that would otherwise have been payable to Customer, (B) requires Customer to make a direct payment into a reserve account or similar device, or (C) requires Customer to provide such entity with a letter of credit or other third-party guaranty of payment.

(c) **Application of Reserve.** AEXP may deduct and withhold from, and recoup and set-off against, the Reserve (i) any amounts Customer owes AEXP under these AEXP Terms; and (ii) any fees associated with handling Disputed Charges as set forth in the Merchant Regulations.

(d) **Other Protections.** Bank may deduct from and set-off against the AEXP Settlement Account for any amounts Customer owes Bank under these AEXP Terms. Customer acknowledges that AEXP may take other reasonable actions to protect its rights, including changing the speed or method of payment for AEXP Charges, exercising AEXP Chargeback under any of its AEXP Chargeback programs, or charging fees for Disputed Charges.

## 5. AEXP Chargebacks and Retrieval Requests.

5.1. **AEXP Chargeback Reasons.** AEXP has AEXP Chargeback rights, as described in the Merchant Regulations. AEXP may exercise an AEXP Chargeback by (i) deducting, withholding, recouping from, or offsetting against AEXP payments to Bank or Customer, or debiting Bank or Customer's bank accounts, or AEXP may notify Bank or Customer of the obligations to pay AEXP; or (ii) reversing an AEXP Charge for which AEXP has not paid Bank or Customer. Customer is responsible for all AEXP Chargebacks and agrees to pay Bank, or AEXP as the case may be, promptly and fully for any and all AEXP Chargeback amounts, except for chargebacks of AEXP Convenience Fee payments where charged and collected by, and settled to, Bank. Some of the more common reasons for AEXP Chargebacks are:

- (a) Whenever Cardmembers bring Disputed Charges, or have rights under Applicable Law or contract to withhold payments;
- (b) In cases of actual or alleged fraud relating to AEXP Charges;
- (c) Customer fails to issue a refund to a Cardmember upon the return or non-delivery of goods or services;
- (d) Customer fails to inform Cardmembers of its refund policy, as required by the Merchant Regulations.
- (e) As otherwise provided in the Merchant Regulations.

5.2. **Requesting an AEXP Chargeback Reversal.** Customer may request an AEXP Chargeback reversal by providing the supporting information required by AEXP and responding timely to any inquiry from AEXP or Bank. Requests for AEXP Chargeback reversals must be made in the time and manner as required under the Merchant Regulations. Bank may not investigate or attempt to obtain a reversal or other adjustment to any AEXP Chargeback if Customer has not timely responded to an inquiry from Bank or AEXP. Customer acknowledges that under certain Merchant Regulations, Customer cannot rebut an AEXP Chargeback where the Cardmember disputes making the purchase and Customer does not have an electronic record (e.g., "swiping" an AEXP Card).

6. **Fees; Convenience Fees.** Fees, including AEXP Convenience Fees, shall be described in a fee schedule attached to the Service Terms and incorporated herein by reference as if fully set forth herein. Customer acknowledges that merchants in the government, utilities and certain education industries (i.e. higher education, private school – kindergarten to grade 12) may assess AEXP Convenience Fees or allow a Payment Service Provider to assess AEXP Convenience Fees in accordance with the Merchant Regulations. Customer acknowledges its obligations (including those set forth in Section 3.1 of the Service Terms) to clearly disclose the amount of AEXP Convenience Fees to the Cardmember and give the Cardmember the opportunity to cancel the AEXP Charge if the Cardmember does not want to pay the AEXP Convenience Fee. Customer acknowledges that AEXP views discrimination against Cardmembers as a breach of these AEXP Terms and that AEXP Convenience Fees for AEXP Charges may not be higher than those charged for Other Payment Products, except for ACH, cash and checks.

## 7. Termination.

7.1. **Termination Generally.** These AEXP Terms shall terminate simultaneously with the Service Terms, unless terminated earlier (i) in accordance with the terms of the Service Terms, (ii) by Customer upon written notice to Bank, (iii) by AEXP upon written notice to Bank or Customer, or (iv) by Bank as set forth below. In the event AEXP notifies Bank that Customer has breached any of the AEXP Terms or Merchant Regulations, Bank must cease providing Payment Services to Customer within five (5) days after Bank's receipt of such notice and Customer must remove all AEXP Marks from Customer's website and other locations immediately. The provisions regarding processing and settlement of AEXP Transactions, all related refunds, and the resolution of any related AEXP Chargebacks, disputes or other issues involving AEXP Transactions will continue to apply even after termination of these AEXP Terms, with respect to all AEXP Transactions made prior to termination. After termination of these AEXP Terms for any reason whatsoever, Customer shall continue to bear responsibility for all AEXP Chargebacks and refunds resulting from AEXP Transactions processed pursuant to these AEXP Terms.

7.2. **Termination for Cause by Bank.** Bank may terminate these AEXP Terms in the event of (i) Customer's failure to comply with any of the provisions of these AEXP Terms or the Merchant Regulations; or (ii) the occurrence of any of the trigger events in Section 4.3(b) above, except that with respect to the trigger event in section 4.3(b)(v), Bank must have a reasonable, good faith belief that Bank will be unable to collect any AEXP Chargeback amounts from Customer.

8. **CONSEQUENTIAL DAMAGES DISCLAIMER.** IN NO EVENT SHALL AEXP, SPONSORED MERCHANT OR BANK OR THEIR RESPECTIVE AFFILIATES, SUCCESSORS, OR PERMITTED ASSIGNS BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECULATIVE, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND (WHETHER BASED IN CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, FRAUD, OR OTHERWISE, OR STATUTES, REGULATIONS, OR ANY OTHER THEORY) ARISING OUT OF OR IN CONNECTION WITH THE AEXP TERMS, EVEN IF ADVISED OF SUCH POTENTIAL DAMAGES. AEXP, BANK AND SPONSORED MERCHANT SHALL HAVE NO LIABILITY FOR DAMAGES ARISING FROM DELAYS OR PROBLEMS CAUSED BY TELECOMMUNICATIONS CARRIERS OR THE BANKING SYSTEM, EXCEPT THAT AEXP'S AND BANK'S RIGHTS TO CREATE RESERVES AND EXERCISE CHARGEBACKS WILL NOT BE IMPAIRED BY SUCH EVENTS.

## 9. Miscellaneous.

9.1. **Representations.** Customer represents and warrants to AEXP and Bank that: (i) Customer has full authority to enter into the AEXP Terms and all necessary assets and liquidity to perform its obligations and pay its debts as they become due; (ii) there is no circumstance threatened or pending that might have a material adverse effect on Customer's business or its ability to perform its obligations or pay its debts; (iii) Customer is authorized to enter into the AEXP Terms on behalf of its Establishments and the individual who signs the Agreement or otherwise enters into it has authority to bind Customer and them to it; (iv) Customer is not (1) listed on the U.S. Department of Treasury, Office of Foreign Assets Control, Specially Designated Nationals and Blocked Persons List (available at [treas.gov/ofac](https://www.treas.gov/ofac)), (2) listed on the U.S. Department of State's Terrorist Exclusion List (available at [state.gov](https://www.state.gov)), or (3) located in or operating under license issued by a jurisdiction identified by the U.S. Department of State as a sponsor of international terrorism, by the U.S. Secretary of the Treasury as warranting special measures due to money laundering concerns, or as non cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member; (v) Customer has not assigned to any third party any payments due to Customer under the AEXP Terms and all indebtedness arising from AEXP Charges are for bona fide sales of goods or services (or both) at Customer's

Establishments and free of any liens, claims, or encumbrances other than ordinary sales taxes, if applicable; (vi) all information that Customer provided in connection with the AEXP Terms is true, accurate, and complete; and (vii) Customer has read the AEXP Terms and kept a copy for its file. If any of Customer's representations or warranties in the AEXP Terms become untrue, inaccurate, or incomplete at any time, AEXP may immediately terminate the AEXP Terms in its discretion. Customer and Bank agree to comply with All Applicable Laws relating to the conduct of their businesses, respectively.

**9.2. Notices.** AEXP's address for notification purposes is:

American Express Travel Related Services Company, Inc.  
P. O. Box 299051  
Fort Lauderdale, FL 33329  
Attn: Department 87  
Email: [American.Express.Contract.Keying@aexp.com](mailto:American.Express.Contract.Keying@aexp.com)  
Tel: (800)528-5200  
Fax: (602)744-8413

Bank's address for notification purposes is

JPMorgan Chase Bank, N.A.  
420 West Van Buren Street, Floor 09, IL1-0092  
Chicago, IL 60606-3534  
Attn: Connect Product Management  
Email: [Pay.Connexion.Client.Services@jpmchase.com](mailto:Pay.Connexion.Client.Services@jpmchase.com)  
Tel: (866)282-1981  
Fax: (312)954-1522

**9.3. Taxpayer Certification.** In conjunction with the execution of these AEXP Terms, Customer shall provide Bank with the appropriate taxpayer certification documentation, via Internal Revenue Service (IRS) Form W-9 (or the appropriate versions of Form W-8, if applicable). Customer shall promptly notify Bank if there are any changes in this information. Bank may deduct withholding taxes, if any, from proceeds payable to Customer or any entity that is a party to this agreement where required under Applicable Law. Bank may, in accordance with Applicable Law and from time to time during the term of these AEXP Terms, request Customer to recertify its taxpayer certification hereunder. Furthermore, Customer shall immediately reimburse Bank for any fines, fees, penalties or assessments that may be imposed on Bank for Customer's failure to comply with this section.

**9.4. Information About Customer and Customer's Business.** Upon five (5) days' written notice, Customer agrees to furnish to Bank (a) its most recently prepared financial statements and credit information; and (b) if applicable, its three most recent filings with the SEC. Customer agrees to provide Bank with prompt written notice if Customer is the subject of any voluntary or involuntary bankruptcy or insolvency petition or proceeding or becomes unable to pay its debts when due. Customer's signature on these AEXP Terms authorizes Bank to perform any credit check deemed necessary with respect to Customer. Customer acknowledges that AEXP may require Bank to audit Customer's compliance with these AEXP Terms or the Merchant Regulations. Accordingly, with prior notice and during Customer's normal business hours, Bank's duly authorized representatives may visit Customer's business premises and may examine Customer's books and records that pertain to Customer's AEXP Transactions or Customer's compliance with these AEXP Terms.

**9.5. Dispute Resolution.** See Exhibit 1, attached and incorporated by reference as if fully set forth herein.

**9.6. Survival.** Except as elsewhere provided in these AEXP Terms, the following sections will survive termination: 4, 5 and 8.

**9.7. Entire Agreement; Interpretation.** These AEXP Terms, the Service Terms and all documents and agreements expressly incorporated herein by reference, including the Account Documentation and the Merchant Regulations, are the complete and exclusive expression of the agreement between Customer and Bank regarding the subject matter hereof and supersedes any prior or contemporaneous agreements, understandings or courses of dealing regarding the subject matter hereof. To the extent possible, all aforementioned documents and agreements shall be interpreted to give each their full effect. However, if a conflict is deemed to exist between them, then that conflict shall be resolved in the following order of precedence: These AEXP Terms including any modifications to the Merchant Regulations shall control over the Merchant Regulations and the Service Terms; the Merchant Regulations as modified herein shall control over the Service Terms; and the Service Terms shall control over the Account Documentation and any other documents and agreements incorporated herein by reference and not otherwise mentioned in this subsection.

**9.8. Savings Clause.** Other than as set forth in the last sentence of section c. ii in the attached Exhibit 1, if any provision of the AEXP Terms is held by a court of competent jurisdiction to be illegal or unenforceable, that provision shall be replaced by an enforceable provision most closely reflecting the parties' intentions, with the balance of the AEXP Terms remaining unaffected.

**9.9. Third Party Beneficiary.** Customer and Bank agree that AEXP is a third-party beneficiary under these AEXP Terms and is expressly given third-party beneficiary rights, but not obligations, that provide AEXP the ability to enforce Customer's compliance with the Merchant Regulations as well as Customer's compliance with these AEXP Terms that apply to AEXP Card acceptance and actions to recover any amount owed to AEXP under the AEXP Terms or the Merchant Regulations. Customer covenants that it is not a third-party beneficiary under Bank's agreement with AEXP.

**9.10. Press Releases.** Customer shall not issue any press release or make any public announcement (or both) in respect of the AEXP Terms or AEXP without prior AEXP and Bank written consent.

**9.11. Independent Contractors.** Customer, Bank and AEXP are independent contractors. No agency, partnership, joint-venture, or employment relationship is created by the AEXP Terms. Each of Customer, Bank and AEXP is solely responsible for its own acts and omissions and those of its respective agents, employees, representatives and subcontractors in connection with the AEXP Terms.

## EXHIBIT 1

This section explains how Claims can be resolved through mediation, arbitration or litigation. It includes an arbitration provision. As used in this Exhibit 1, “you” and “your” means Customer and/or Bank, as the case may be, and any of Customer or Bank’s affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables and all agents, directors, and representatives of any of the foregoing, and “we”, “our”, and “us” include AEXP and any of its affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables, and all agents, directors, and representatives of any of the foregoing.

a. Notice of Claim. Before filing a lawsuit or beginning a mediation or arbitration regarding a Claim, you and we agree to send a written notice (*Claim notice*) to each party against whom the Claim is asserted. This provides the parties an opportunity to resolve the Claim informally or through mediation. The Claim notice must describe the nature and basis of the Claim and state the specific amount or other relief demanded. Notice to us must include your name, your Merchant name, address, and Merchant Number and be sent to our notice address set forth in section 9.2 of the AEXP Terms. If the Claim proceeds to arbitration, the amount of any relief demanded by you or us in a Claim notice shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you or we are entitled on the Claim.

b. Mediation. In mediation, a neutral mediator helps parties resolve a claim. The mediator does not decide the claim but helps parties reach agreement.

i. Initiation of Mediation. Before beginning a mediation, you or we must first provide the Claim notice described above. Within thirty days after sending or receiving a Claim notice, with prior written consent of the other, you or we may submit the Claim to JAMS (1-800-352-5267, jamsadr.com) or the American Arbitration Association (“AAA”) (1-800-778-7879, adr.org) for mediation, or to an alternative mediator mutually agreed upon in writing by you and us.

ii. Conduct of Mediation. You and we agree to cooperate in selecting a mediator from a panel of neutrals and in scheduling the mediation proceedings. Both parties will share equally the costs of any mediation proceedings.

iii. Confidentiality/Tolling. All communications made for the purpose of, in the course of, or pursuant to the mediation shall be confidential, and no evidence of any such communication shall be admissible for any purpose or subject to discovery. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled from thirty days following the sending of the Claim notice for sixty days or until termination of the mediation, whichever is earlier.

iv. Termination. Either you or we may terminate the mediation at any time following the first mediation proceeding. Your or our submission or failure to submit a Claim to mediation shall not affect your or our right to elect to resolve a Claim through arbitration, including initiation of arbitration proceedings during the pendency of mediation.

c. Arbitration. You or we may elect to resolve any Claim by individual arbitration. Claims are decided by a neutral arbitrator.

**If arbitration is chosen by any party, neither you nor we will have the right to litigate that Claim in court or have a jury trial on that Claim. Further, you and we will not have the right to participate in a representative capacity or as a member of any class pertaining to any Claim subject to arbitration. Arbitration procedures are generally simpler than the rules that apply in court, and discovery is more limited. The arbitrator’s decisions are as enforceable as any court order and are subject to very limited review by a court. Except as set forth below, the arbitrator’s decision will be final and binding. Other rights you or we would have in court may also not be available in arbitration.**

i. Initiation of Arbitration. Before beginning an arbitration, you or we must first provide the Claim notice described above. Claims will be referred to either JAMS or AAA, as selected by the party electing arbitration. Claims will be resolved pursuant to this Arbitration provision and the selected organization’s rules in effect when the Claim is filed, except where those rules conflict with this Agreement. If we choose the organization, you may select the other within 30 days after receiving notice of our selection and your selection shall control. Contact JAMS or AAA to begin an arbitration or for other information. Claims also may be referred to another arbitration organization if you and we agree in writing or to an arbitrator appointed pursuant to section 5 of the Federal Arbitration Act, 9 U.S.C. §§ 1-16 (*FAA*). Any arbitration hearing that you attend shall take place in the federal judicial district where your headquarters is located or New York, NY, at your election.

ii. Limitations on Arbitration. **If either party elects to resolve a Claim by arbitration, that Claim will be arbitrated on an individual basis. There will be no right or authority for any Claims to be arbitrated on a class action basis or on bases involving Claims brought in a purported representative capacity on behalf of the general public, other Merchants or other persons similarly situated.** The arbitrator’s authority is limited to Claims between you and us alone. Claims may not be joined or consolidated unless you and we agree in writing. An arbitration award and any judgment confirming it will apply only to the specific case and cannot be used in any other case except to enforce the award. This prohibition is intended to, and does, preclude you from participating in any action by any trade association or other organization against us. Notwithstanding any other provision and without waiving the right to appeal such decision, if any portion of these *Limitations on Arbitration* is deemed invalid or unenforceable, then the entire Arbitration provision (other than this sentence) will not apply.

iv. Arbitrator’s Authority. The arbitrator shall have the power and authority to award any relief that would have been available in court, including equitable relief (e.g., injunction, specific performance) and, cumulative with all other remedies, shall grant specific performance whenever possible. The arbitrator shall have no power or authority to alter the Agreement or any of its separate provisions, including this section, nor to determine any matter or make any award except as provided in this section. For the avoidance of doubt, the arbitrator shall have no power or authority to award incidental, indirect, speculative, consequential, special, punitive, or exemplary damages of any kind.

v. Split Proceedings for Equitable Relief. Either you or we may seek equitable relief in aid of arbitration prior to arbitration on the merits to preserve the status quo pending completion of such process.

vi. Small Claims Court; Injunctive Relief. We shall not elect to use arbitration under this section for any Claim you properly file in a small claims court so long as the Claim seeks individual relief only and is pending only in that court. Injunctive relief sought to enforce the provisions of the last sentences in sections 2.5 and 3.6 of the AEXP Terms is not subject to the requirements of this section. This section

is not intended to, and does not, substitute for our ordinary business practices, policies, and procedures, including our rights to Chargeback and to create Reserves.

vii. Governing Law/Arbitration Procedures/Entry of Judgment. This section is made pursuant to a transaction involving interstate commerce and is governed by the FAA. The arbitrator shall apply New York law and applicable statutes of limitations and shall honor claims of privilege recognized by law. The arbitrator shall apply the rules of the arbitration organization selected, as applicable to matters relating to evidence and discovery, not the federal or any state rules of civil procedure or rules of evidence, provided that any party may request that the arbitrator expand the scope of discovery by doing so in writing and copying any other parties, who shall have fifteen days to make objections, and the arbitrator shall notify the parties of his/her decision within twenty days of any objecting party's submission. If your Claim is for \$10,000 or less, you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the rules of the selected arbitration organization. At the timely request of a party, the arbitrator shall provide a written and reasoned opinion explaining his/her award. The arbitrator's decision shall be final and binding, except for any rights of appeal provided by the FAA. If the amount of the award exceeds \$100,000, either party can appeal that award to a three-arbitrator panel administered by the selected arbitration organization, which shall reconsider de novo any aspect of the initial award requested and whose decision shall be final and binding. The decision of that three-person panel may be appealed as provided by the FAA. Judgment upon an award rendered by the arbitrator or by a panel of arbitrators on appeal may be entered in any state or federal court in the federal judicial district where your headquarters or your assets are located.

viii. Confidential Proceedings. The arbitration proceeding and all testimony, filings, documents, and any information relating to or presented during the proceedings shall be deemed to be confidential information not to be disclosed to any other party. All offers, promises, conduct, and statements, whether written or oral, made in the course of the Claim resolution, negotiations, mediations, arbitration, and proceedings to confirm arbitration awards by either party, its agents, employees, experts or attorneys, or by the mediator or arbitrator, including any arbitration award or judgment related thereto, are confidential, privileged, and inadmissible for any purpose, including impeachment or estoppel, in any other litigation or proceeding involving any of the parties or non-parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation, mediation, or arbitration.

ix. Costs of Arbitration Proceedings. Both parties will share equally the costs of any arbitration proceedings.

d. Definitions. For purposes of section 7 of the General Provisions only, (i) *we*, *our*, and *us* include any of our Affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables, and all agents, directors, and representatives of any of the foregoing, and (ii) *you* and *your* include any of your Affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables and all agents, directors, and representatives of any of the foregoing.

e. Continuation. This section will survive termination of this Agreement, any legal proceeding to collect a debt, any bankruptcy and any sale of you or your assets (in the case of a sale, its terms will apply to the buyer). If any portion of this Dispute Resolution section, except as otherwise provided in the *Limitations on Arbitration* subsection, is deemed invalid or unenforceable, it will not invalidate the remaining portions of this Dispute Resolution section, the Agreement or any predecessor agreement you may have had with us, each of which shall be enforceable regardless of such invalidity.

**INTEGRATED RECEIVABLES & PAYABLES -CONNECT /POINT OF SALE PUBLIC SECTOR MERCHANT CARD  
PROCESSING INSTRUCTIONS, TERMS AND CONDITIONS**

These JPMorgan Integrated Receivables & Payables - Connect / Point of Sale Public Sector Merchant Card Processing Instructions, Terms and Conditions (the "**Agreement**") are acknowledged and agreed to on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by the Parties.

**WHEREAS**, \_\_\_\_\_ ("**Merchant**", also referred to as "Customer" in the Connect Service Terms, defined below) wishes to accept Cards from Payers as a method of payment for goods or services offered by Merchant;

**WHEREAS**, JPMorgan Chase Bank, N.A. is a registered third party service provider with the Payment Brands ("**Service Provider**") and is also a member bank of the Payment Brands ("**Member**");

**WHEREAS**, Merchant has agreed to Integrated Receivables & Payables - Connect Service Terms ("**Connect Service Terms**") incorporated herein by reference, with Service Provider for the provision of Integrated Receivables & Payables - Connect ("**Connect**") services (capitalized terms used and not otherwise defined in this Agreement shall have their meaning in the Connect Service Terms);

**WHEREAS**, pursuant to the Connect Service Terms, (a) Service Provider will capture Transaction Data from the Payer on behalf of Merchant and submit such Transaction Data to Paymentech for processing ("**Connect Transactions**"); (b) Merchant will capture Transaction Data from the Payer through a Merchant staffed customer service representative call center ("**CSR Transactions**"); (c) Merchant will capture Transaction Data from the Payer through Merchant's website and convey such Transaction Data to Connect through an application programming interface ("**API Transactions**"); and/or (d) Merchant will capture Transaction Data from the Payer and convey such Transaction Data to Connect through Service Provider's administrator site ("**Admin Transactions**");

**WHEREAS**, if applicable, Merchant may also accept Cards from Payers at the point of sale using terminal hardware located at Merchant's place of business (the "**POS Transactions**"), which will be submitted directly to Paymentech from Merchant;

**WHEREAS**, Paymentech desires to process the Connect Transactions, CSR Transactions, API Transactions, Admin Transactions and POS Transactions submitted to Paymentech (by Merchant or Service Provider, as applicable); and

**WHEREAS**, Paymentech is authorized, as a merchant acquirer, to acquire and process Merchant's Transactions.

**ACCORDINGLY**, in consideration of the mutual promises made and the mutual benefits to be derived from this Agreement, Paymentech, Member, Service Provider and Merchant (the "**Parties**") agree to the following terms and conditions intending to be legally bound:

**1. Merchant's Acceptance of Cards.**

**1.1. Scope; Use of a Service Provider.** The terms and conditions contained herein pertain to all of Merchant's Transactions submitted to Paymentech through Service Provider's Connect or where applicable, directly by Merchant. While the Merchant obligations set forth in this Agreement are ultimately the responsibility of Merchant, the Parties acknowledge and agree that Merchant has agreed with Service Provider under the terms of the Connect Service Terms for the performance of some of those obligations.

**1.2. Application of Payment Brand Rules.** The Payment Brands require that Merchant (i) enter into a direct contractual relationship with a Member and merchant acquirer; and (ii) agree to comply with Payment Brand Rules as they pertain to Merchant's Transactions. Therefore, Merchant hereby agrees to comply with all Payment Brand Rules, including the Security Standards, as may be applicable to Merchant and in effect from time to time.

**1.3. Payment Acceptance Practices and Prohibitions.**

- (a) Merchant shall not require the Payer to pay any fees that would otherwise be paid by Merchant for the processing of Transactions.
- (b) Merchant shall never issue Refunds for Transactions by cash or a cash equivalent (e.g., check) unless required by law or permitted by the Payment Brand Rules.
- (c) Unless permitted by the Payment Brand Rules, Merchant shall not engage in any practice that unfavorably discriminates against or provides unequal treatment of any Payment Brand relative to any other Payment Brand.
- (d) Except where expressly permitted by law, Merchant shall not set a dollar amount above or below which Merchant refuses to honor otherwise valid Cards in violation of Payment Brand Rules.
- (e) Merchant agrees to accept all categories of Visa and MasterCard Cards (i.e., debit and credit cards), unless Merchant has notified Service Provider and Paymentech, on its Application or otherwise in writing, of its election to accept one of the following "**limited acceptance**" options: (i) all Visa and MasterCard consumer credit cards and Visa and MasterCard

commercial credit and debit cards; or (ii) Visa and MasterCard debit cards only (but no credit cards). Notwithstanding the election of one of the foregoing limited acceptance options, Merchant must honor all foreign bank-issued Visa or MasterCard Cards. If Merchant elects one of the limited acceptance categories: (Y) Merchant must display appropriate signage to indicate the limited acceptance category; and (Z) Paymentech, at its option, may process any Transactions submitted to Paymentech outside of the limited acceptance category, in which case such Transactions will be assessed the applicable interchange fees plus any additional fees/surcharges assessed by Paymentech or the Payment Brands.

- (f) Merchant shall not add any tax or surcharge to Transactions, unless applicable law expressly requires a Merchant be permitted to impose the tax or surcharge. If any tax or surcharge amount is allowed, such amount shall be included in the Transaction amount and shall not be collected separately.
  - (g) Merchant shall not request or use a Card account number for any purpose except as payment for its goods or services, unless required by the Payment Brand Rules in order to support specific services offered by the Payment Brands.
  - (h) For recurring Transactions, Merchant must: (i) obtain the Payer's consent to periodically charge the Payer on a recurring basis for the goods or services purchased; (ii) retain this permission for the duration of the recurring services and provide it upon request to (as applicable) Service Provider, Member, Paymentech or the issuing bank of the Payer's Card; and (iii) retain written or electronic documentation specifying the frequency of the recurring charge and the duration of time during which such charges may be made. A recurring transaction shall not be submitted after: (Y) receipt of a cancellation notice from the Payer; or (Z) receipt of notice from Member, Service Provider, Paymentech or any Payment Brand (via authorization code or otherwise) that the Card is not to be honored.
  - (i) Merchant represents and warrants, to the best of its knowledge, that the Transaction Data represents an obligation of the Payer for the amount of the Transaction.
  - (j) Merchant represents and warrants, to the best of its knowledge: (i) that the Transaction is not for any purpose other than payment for the current Transaction; (ii) the Transaction does not represent the collection of a dishonored check or the collection or refinancing of an existing debt; (iii) the Transaction does not represent payment for a previous Transaction or charge incurred at the Merchant or a Transaction that was previously charged back by the Payer, irrespective of Payer consent or approval.
  - (k) Merchant represents and warrants, to the best of its knowledge, the amount charged for the Transaction is not subject to any dispute, setoff, or counterclaim.
  - (l) Merchant represents and warrants, to the best of its knowledge, that Merchant has not disbursed or advanced any cash to the Payer (except as authorized by the Payment Brand Rules) or itself or to any of its representatives, agents, or employees in connection with the Transaction, nor has Merchant accepted payment for effecting credits to a Payer.
  - (m) Where Merchant is accepting POS Transactions, Merchant shall examine each card physically presented at the point of sale to determine that the Card presented is valid and has not expired. Merchant shall exercise reasonable diligence to determine that the authorized signature on any Card physically presented at the point of sale corresponds to the Payer's signature on the Transaction Receipt.
  - (n) Where Merchant is accepting POS Transactions, Merchant shall not submit any Transaction that Merchant knows or should have known to be either fraudulent, illegal, damaging to the Payment Brand(s), not authorized by the Payer or otherwise in violation of any provision of this Agreement or the Connect Service Terms, applicable law, or Payment Brand Rules.
- 2. Authorizations.** Each Card payment accepted by Merchant is required to have an authorization code. Merchant acknowledges that authorization of a Transaction indicates that the Card: (a) contains a valid account number; and (b) has an available credit balance sufficient for the amount of the Transaction; but, it does not constitute a representation from Paymentech, a Payment Brand, or a card issuing bank that a particular Transaction is in fact a valid or undisputed Transaction entered into by the actual Payer. Paymentech reserves the right to refuse to process any Transaction Data presented by Merchant unless it includes a proper authorization.
- 3. Refunds and Adjustments.** Merchant is required to maintain a Refund Policy and to disclose such Refund Policy to Payers at the time of the Transaction. If, under Merchant's Refund Policy, Merchant allows a Refund, Transaction Data reflecting any such Refund shall be prepared and delivered to Paymentech within three (3) days of approving the Payer's request for such Refund. If applicable, the amount of a Refund cannot exceed the amount shown as the total on the original Transaction Data except by the exact amount required to reimburse the Payer for shipping charges that the Payer paid to return merchandise, if any. Merchant shall not accept any payment from a Payer as consideration for issuing a Refund. Merchant shall not give cash (or cash equivalent) refunds to a Payer in connection with a Transaction, unless required by law or permitted by the Payment Brand Rules.
- 4. Settlement.**



- 4.1. Merchant's Settlement Account.** In order to receive settlement funds for Transactions, Merchant must designate and maintain one or more accounts used primarily for business purposes at JPMorgan Chase Bank, N.A. (collectively referred to as "**Settlement Account**"). Merchant shall not close its Settlement Account without giving Paymentech and/or Service Provider at least five (5) days' prior written notice and substituting another Settlement Account. Merchant is solely liable for all fees, costs, and overdrafts associated with the Settlement Account. Merchant authorizes Paymentech to initiate electronic debit and credit Entries and adjustments to the Settlement Account at any time without regard to the source of any monies in the Settlement Account, and this authority will remain in full force and effect for the term of this Agreement. Paymentech will not be liable for any delays in receipt of funds or errors in Settlement Account Entries caused by third parties, including, without limitation, delays or errors by the Payment Brands or Merchant's bank.
- 4.2. Conveyed Transactions.** To the extent that Merchant accepts a method of payment from Payers for which Paymentech is able to acquire and convey to a third party, but is not able to settle the related funds directly to the merchant's Settlement Account (e.g. American Express; Transactions stemming from acceptance of such methods of payment herein referred to as "**Conveyed Transactions**"), Merchant must have a valid agreement in effect with the company responsible for the settlement of such Conveyed Transactions (the "**Settlement Entity**"). If Service Provider submits Conveyed Transactions to Paymentech on behalf of Merchant and Merchant does not have a valid agreement with the Settlement Entity, Paymentech may, but shall not be obligated to, submit such Conveyed Transactions to the applicable Settlement Entity and to share with them information about Merchant (from the Application or otherwise) as may be required to approve Merchant's acceptance of the Settlement Entity's method of payment. Payment of proceeds due Merchant for Conveyed Transactions shall be governed by the agreement Merchant has with the applicable Settlement Entity, and Paymentech does not bear any responsibility for their performance thereunder, including, without limitation, the funding and settlement of Merchant's Conveyed Transactions.
- 4.3. Transfer of Transaction Settlement Funds.** Subject to Section 4.2, for all Transactions, Paymentech will submit Merchant's Transaction Data to the applicable Payment Brand. Promptly after Paymentech receives funds for Settled Transactions from the Payment Brands, Paymentech, Member or Service Provider will provisionally fund the Settlement Account. The proceeds payable to Merchant shall be equal to the amounts submitted by Service Provider, or in the case of POS Transactions, by Merchant, in connection with the Transaction Data, minus the sum of the following: (a) all Refunds and Chargebacks; (b) all fees and charges and all fines, assessments, penalties or other liabilities that may be imposed on Paymentech, Member or Service Provider from time to time by the Payment Brands and all related costs and expenses incurred by Paymentech, Member or Service Provider as a result of Merchant's breach of obligation to provide disclosures relating to Convenience Fees at each Public Sector Entity point-of-sale as set forth in the Connect Service Terms, or Merchant's breach or violation of the Payment Brand Rules or Security Standards as described in this Exhibit C, including, without limitation, Section 9; and (c) where Merchant is accepting POS Transactions, all Reserve Account (as defined in Section 4.5) amounts. In the event Paymentech does not deduct such amounts from Merchant's proceeds when such amounts are due and payable, Merchant agrees to pay all such amounts to Paymentech immediately without any deduction or offset.
- 4.4. Negative Amounts.** Merchant shall maintain sufficient funds in the Settlement Account to prevent the occurrence of a negative balance. In the event that the proceeds from the Settled Transactions or the balance of Merchant's Settlement Account are not sufficient to pay amounts due under this Agreement, in addition to any other rights and remedies Paymentech may have under this Agreement, Paymentech may pursue one or more of the following options:
- (a) Demand and receive immediate payment for such amounts; and if payment is not made within three (3) days of demand, debit the Settlement Account for the negative amount;
  - (b) Withhold all or some of Merchant's Settlement funds and apply them against the negative amount; and
  - (c) Where Merchant is accepting POS Transactions, apply funds held in the Reserve Account against the negative amount.
- 4.5. Reserve Account.** Where Merchant is accepting CSR Transactions, API Transactions, Admin Transactions and/or POS Transactions, if:
- (a) Merchant is receiving excessive Chargebacks;
  - (b) Paymentech has reasonable grounds to believe that it may be or may become liable to third parties for the provisional funds extended to Merchant; or
  - (c) Paymentech has reasonable grounds to believe that it may be subject to any additional liabilities arising out of or relating to this Agreement, including without limitation, any fines, fees, or penalties assessed against Paymentech or Service Provider by any of the Payment Brands arising out of or relating to Merchant's Transactions, Chargebacks, or failure to comply with the Payment Brand Rules or the Security Standards;

then, each such event may subject Paymentech to additional risk (such risk being hereinafter referred to as "**Anticipated Risk**"). In any such event, Paymentech may temporarily suspend or delay payments to Merchant during Paymentech's investigation of the issue and/or designate an amount of funds that Paymentech must maintain in order to protect itself against Anticipated Risks (such funds being hereinafter referred to as the "**Reserve Account**"), which may be funded in the same manner as provided in Section 4.4. The Reserve Account will contain sufficient funds to cover Paymentech's estimated exposure based on reasonable criteria for Chargebacks, Refunds, unshipped goods and/or unfulfilled services, and all

additional Anticipated Risks. Paymentech may (but is not required to) apply funds in the Reserve Account toward, and set off any funds that would otherwise be payable to Merchant against, the satisfaction of any amounts which are or may become due from Merchant pursuant to this Agreement. Funds in the Reserve Account will be held and controlled by Paymentech, will not bear interest, and may be commingled with other funds. Effective upon Paymentech's establishment of a Reserve Account, Merchant irrevocably grants to Paymentech a security interest in any interest Merchant may now have or later acquire in any and all funds, together with the proceeds thereof, that may at any time be in the Reserve Account and that would otherwise be payable to Merchant pursuant to the terms of this Agreement. Merchant agrees to execute and deliver to Paymentech such instruments and documents that Paymentech may reasonably request to perfect and confirm the security interest in the Reserve Account funds. Upon: (i) satisfaction of all Merchant's obligations under this Agreement; and (ii) Merchant's execution of documents reasonably requested by Paymentech in connection with the return of any Reserve Account funds; Paymentech will pay to Merchant any funds then remaining in the Reserve Account.

## **5. Chargebacks and Retrieval Requests.**

### **5.1. Chargeback Reasons.** Merchant may receive Chargebacks from time to time. Following are some of the most common reasons for Chargebacks:

- (a) Merchant fails to issue a Refund to a Payer upon the return or non-delivery of goods or services;
- (b) A required authorization/approval code was not obtained;
- (c) The Transaction Data was prepared incorrectly or fraudulently;
- (d) Paymentech did not receive Merchant's response to a Retrieval Request;
- (e) The Payer disputes the Transaction or the authenticity of the signature on the Transaction Receipt, or claims that the Transaction is subject to a set-off, defense, or counterclaim;
- (f) The Payer refuses to make payment for a Transaction because, in the Payer's opinion, a claim or complaint has not been resolved or has been resolved in an unsatisfactory manner;
- (g) The Card was not actually presented at the time of the Transaction or Merchant failed to obtain an electronic record or physical imprint of such Card, and the Payer denies making the purchase; or
- (h) Merchant fails to inform Payer of its Refund Policy, as required by the Payment Brand Rules.

### **5.2. Response to Chargebacks.** If Merchant has reason to dispute or respond to a Chargeback, then such dispute or response must be provided by the date set forth on the applicable Chargeback notice. Paymentech will not investigate or attempt to obtain a reversal or other adjustment to any Chargeback if Merchant has not timely responded to the notice. Merchant acknowledges that under certain Payment Brand Rules, Merchant cannot rebut a Chargeback where the Payer disputes making the purchase and Merchant does not have an electronic record (e.g., "swiping" or "tapping" a Card) or physical imprint of the Card. Merchant has full liability for all Chargebacks.

### **5.3. Excessive Chargebacks.** If Merchant is receiving an excessive amount of Chargebacks, as determined by the Payment Brands from time to time, in addition to Paymentech's other remedies under this Agreement, Paymentech may take one or more of the following actions: (a) review Merchant's internal procedures relating to acceptance of Cards and notify Merchant of new procedures Merchant should adopt in order to avoid future Chargebacks; (b) notify Merchant or Service Provider of a new rate Paymentech will charge to process Merchant's Chargebacks; or (c) where Merchant is accepting POS Transactions, establish a Reserve Account. Merchant also agrees to pay any and all penalties, fees, fines, and costs assessed against Merchant, Paymentech, and/or Service Provider relating to Merchant's violation of this Agreement or the Payment Brand Rules with respect to Merchant's acceptance of Cards, its Transactions, or with respect to excessive Chargebacks under this Section.

### **5.4. Retrieval Requests.** Within seven (7) days (or such shorter time as the Payment Brand Rules may require) of Merchant receiving a Retrieval Request, Merchant, directly or through Service Provider, must provide to Paymentech via certified or overnight mail or by confirmed fax: (a) written resolution of Merchant's investigation of such Retrieval Request; and (b) legible copies of any supporting documentation requested or required by the Retrieval Request. Merchant acknowledges that failure to fulfill a Retrieval Request timely and in accordance with Payment Brand Rules may result in an irreversible Chargeback.

## **6. Display of Payment Brand Marks.** Merchant is prohibited from using the Payment Brand Marks, as defined below (sometimes referred to herein as "**Marks**"), other than as expressly permitted by the Payment Brands. Payment Brand Marks mean the brands, emblems, trademarks and/or logos that identify a Payment Brand. Merchant may use the Payment Brand Marks only to promote the services covered by the Marks by using them on decals, indoor and outdoor signs, advertising materials, and marketing materials; provided, that all such uses by Merchant must be consistent with Payment Brand Rules. Merchant shall not use the Payment Brand Marks in any way that Payers could believe that the goods or services offered by Merchant are sponsored, endorsed, or guaranteed by the owners of the Payment Brand Marks. Merchant recognizes that it has no ownership

rights in the Payment Brand Marks. Merchant shall not assign the rights to use the Payment Brand Marks to any third party. Merchant's right to use the Payment Brand Marks hereunder terminates with the termination of this Agreement.

**7. Fees; Convenience Fees.**

**7.1. Fees.** Unless the Connect Service Terms specifically state otherwise, Merchant is directly responsible for paying the processing fees set forth on Schedule A to Paymentech for all Transactions processed hereunder. Specifically, this Section 7.1 and Schedule A shall not apply if the Connect Service Terms state that Service Provider is responsible for paying Merchant Processor processing fees and other similar fees and charges. Merchant acknowledges that the fees stated in Schedule A are based upon the assumption that Merchant's Transactions will qualify for certain interchange rates, as determined in each case by the applicable Payment Brand. If any of Merchant's Transactions fail to qualify for such interchange rates, Paymentech shall process each such Transaction at the applicable interchange rate determined by the applicable Payment brand. Fees payable under this Agreement that contain a fraction of a cent will be rounded up to the next full cent. Furthermore, the fees set forth on Schedule A may be adjusted to reflect increases by Payment Brands in interchange, assessments, or other Payment Brand fees or additional fees imposed by the Payment Brands. Merchant shall pay all such fees, as so adjusted. Each such adjustment shall become effective upon the date the corresponding increase or additional fee is implemented by the Payment Brand.

**7.2. Convenience Fees.** To the extent Merchant or Service Provider charges and collects a Convenience Fee from Payer at the time of the Transaction, Paymentech shall process and fund the Convenience Fee, as well as the Transaction Data (a/k/a Sales Data), in accordance with this Agreement and Section 2.5 of the Connect Service Terms, as applicable.

**8. Termination.** This Agreement shall terminate simultaneously with the Connect Service Terms. The provisions governing processing and settlement of Transactions, all related Refunds, and the resolution of any related Chargebacks, disputes, or other issues involving Transactions, will continue to apply even after termination of this Agreement, with respect to all Transactions made prior to such termination or after such termination, as described below. After termination of this Agreement for any reason whatsoever, Merchant shall continue to bear total responsibility for all Chargebacks and Refunds resulting from Transactions processed pursuant to this Agreement.

**9. Transaction Data, Card Information and Payer Information.**

**9.1. Protecting Payer Information.** By accepting Cards from its Payers, Merchant acknowledges and understands the importance of protecting Card information and Payer Information and complying with the Payment Brand Rules, Security Standards, and applicable law. Merchant financial information, Transaction Data, and other information that Merchant provides to Paymentech or Service Provider may be shared among Paymentech, Service Provider and their affiliates and with the Payment Brands subject to the provisions of this Agreement and Payment Brand Rules. Merchant agrees to comply with all Security Standards. By signing below, the Parties acknowledge and agree that where Merchant is *not* accepting API Transactions, CSR Transactions, Admin Transactions and/or POS Transactions Merchant has contracted with Service Provider for the collection of Card information and Payer Information directly from Payers through Connect, as well as the subsequent storage and protection of Card information and Payer Information collected by Service Provider through Connect while it is in Service Provider's possession. Furthermore, where Merchant is *not* accepting API Transactions, CSR Transactions, Admin Transactions and/or POS Transactions, Merchant represents and warrants that it does not have access to Card information (such as the Payer's Card account number, expiration date, security code, PIN data or any track data available through the Card's magnetic strip), and Merchant shall not request access to Card information from Service Provider or Paymentech. At any time during the term of this Agreement, and specifically including but not limited to where Merchant is accepting API Transactions, CSR Transactions, Admin Transactions and/or POS Transactions, if Merchant, its employees, agents or affiliates, gain access to Transaction Data or Card information, Merchant shall: (a) not use Transaction Data or Card information other than for the sole purpose of completing the Transaction authorized by the Payer for which the information was provided to Merchant, or as specifically allowed by Payment Brand Rules, or required by law; (b) not use Transaction Data or Card information for fraudulent purposes; (c) immediately notify Paymentech and Service Provider; and (d) execute all such instruments and documents that Paymentech and Service Provider may reasonably request in order to ensure Merchant's compliance with Security Standards and all associated financial obligations therewith. Similarly, if at any time during the term of this Agreement Paymentech or Service Provider become aware of Merchant's, its employees', agents' or affiliates' access to Transaction Data or Card information, Merchant shall execute all such instruments and documents that Paymentech, Member and/or Service Provider may reasonably request in order to ensure Merchant's compliance with Security Standards and all associated financial obligations therewith. If at any time Merchant believes that Transaction Data, Card information, Payer Information has been compromised, Merchant must notify Service Provider and Paymentech immediately and assist in providing notification to the proper parties. Merchant acknowledges that its failure to comply with the Payment Brand Rules, including the Security Standards, or the compromise of any Transaction Data, Card information or Payer Information, may result in assessments, fines and/or penalties by the Payment Brands. In the event Paymentech, Member or Service Provider incurs any damage, liability, fee, fine, assessment or penalty ("**Loss**") as a result of Merchant's breach or violation of the Payment Brand Rules or Security Standards, or breach of Merchant's obligation to provide disclosures relating to Convenience Fees at each Public Sector Entity point-of-sale as set forth in the Connect Service Terms, Merchant shall reimburse Paymentech, Member and Service Provider, as applicable, immediately for all such Losses. Furthermore, if any Payment Brand requires a forensic examination of Merchant or any of Merchant's agents, business partners, contractors, or subcontractors due to a Data Compromise Event, Merchant agrees to cooperate with such forensic examination until it is completed, including, without limitation, the engagement of an examiner acceptable to the relevant Payment Brand. Notwithstanding the foregoing the Payment Brands may directly, or demand that Paymentech, engage an examiner on behalf

of the Merchant in order to expedite the investigation of the Data Compromise Event. By executing this Agreement, Merchant represents that, in the event of its failure, including bankruptcy, insolvency, or other suspension of business operations, Merchant shall not sell, transfer, or disclose to third parties any materials that contain Transaction Data, Card information or Payer Information. Upon request, Merchant must return such information to Paymentech, Member or Service Provider or provide acceptable proof of its destruction.

**9.2. Sharing Information.** Merchant financial information, Transaction Data, and other information that Merchant provides to Paymentech may be shared by Paymentech with its affiliates. Paymentech will not otherwise disclose or use such information for any purpose whatsoever other than: (i) as necessary to process Merchant's Transactions or otherwise provide services and maintain Merchant's account pursuant to this Agreement; (ii) to detect, prevent, reduce, or otherwise address fraud, security, or technical issues; (iii) to enhance or improve Paymentech's products and services generally; or (iv) as otherwise required or permitted by the Payment Brands or applicable law. Paymentech may prepare, use, and/or share with third parties, aggregated, non-personally identifiable information derived from Transaction Data of all of Paymentech's customers or specific segments of Paymentech's customers.

**9.3. API Transactions; CSR Transactions; Admin Transactions; POS Transactions.** Where Merchant is accepting API Transactions, CSR Transactions, Admin Transactions and/or POS Transactions, Merchant also acknowledges the heightened risk associated with its access to Card information and Payer Information, and that Merchant must establish policies and procedures to protect such information in conformity with the Payment Brand Rules, Security Standards, and applicable law, including the storage and disclosure of such information. Merchant further acknowledges it shall exercise reasonable care to prevent use or disclosure of Transaction Data, Card information and Payer Information, other than to: (a) Merchant's agents and contractors for purpose of assisting Merchant in completing a Transaction; (b) to the applicable Payment Brand; or (c) as specifically required by law. Merchant is allowed by the Payment Brand Rules to store only certain Card information and Payer Information (currently limited to the Payer's name, Card account number, and expiration date) and is prohibited from storing additional Card information and Payer Information, including, without limitation, any security code data, such as CVV2, CVC2, and PIN data, and any magnetic stripe track data. Merchant shall store all media containing Card information and Payer Information in an unreadable format wherever it is stored and in an area limited to selected personnel on a "need to know" basis only. Prior to either party discarding any material containing Card information and Payer Information, the party will render all Card account numbers unreadable. If at any time Merchant determines or suspects that Transaction Data, Card information or Payer Information has been compromised Merchant must notify Paymentech immediately and assist in providing notification to such parties as may be required by law or Payment Brand Rules, or as Paymentech otherwise reasonably deems necessary. Merchant further agrees to provide Paymentech, upon its request, with such tests, scans, and assessments of Merchant's compliance with Security Standards as may from time to time be required by the Payment Brands.

**9.4. Third Party Service Providers.** Merchant must notify Paymentech of its use of any additional third party service provider that processes, stores, receives, transmits, or has access to Card information or Payer Information on Merchant's behalf, including, without limitation, its agents, business partners, contractors, and subcontractors ("TPSP") and, to the extent required by each Payment Brand all TPSP must be: (a) compliant with all Security Standards applicable to TPSP; and (b) registered with and/or recognized by such Payment Brand(s) as being so compliant. Merchant agrees to exercise due diligence to ensure that all TPSP, and any other agents, business partners, contractors, or subcontractors with access to Merchant's Card information and Payer Information, maintain compliance with the Security Standards. To the extent required by each Payment Brand, all Payment Applications (defined as a third party application used by Merchant that is involved in the authorization or settlement of Transaction Data) or software involved in processing, storing, receiving, or transmitting of Card Information, shall be: (y) compliant with all Security Standards applicable to such Payment Applications or software; and (z) registered with and/or recognized by such Payment Brand(s) as being so compliant.

## **10. Miscellaneous**

**10.1. Taxes.** Unless Merchant is otherwise exempt, and, if applicable, provides a valid exemption certificate, Merchant agrees to pay any taxes imposed on the services provided under this Agreement.

**10.2. Representations.** Merchant represents and warrants that its execution of and performance under this Agreement: (a) in no way breaches, contravenes, violates, or in any manner conflicts with any of its other legal obligations, including, without limitation, its corporate charter or similar document or any agreement between Merchant and any third party or any affiliated entity; (b) has been duly authorized by all necessary action and does not require any consent or other action by or in respect of any third party; and (c) that the person signing this Agreement on behalf of Merchant is duly authorized to do so. Merchant shall perform its obligations under this Agreement in compliance with all applicable laws.

**10.3. Waivers.** No term or condition of this Agreement may be waived except pursuant to a written waiver executed by the party against whom such waiver is sought to be enforced.

**10.4. Notices.** Except as otherwise provided in this Agreement, all notices must be given in writing and either hand delivered, faxed, mailed first class, postage prepaid, sent via electronic mail transmission, or sent via overnight courier (and will be deemed to be given when so delivered or mailed) to the addresses set forth below or to such other address as either party may from time to time specify to the other party in writing.

- 10.5. Taxpayer Certification.** Pursuant to 26 USC 6050W, Paymentech is a “payment settlement entity”, obligated to collect and report certain taxpayer information to the United States Internal Revenue Service. Therefore, in conjunction with the execution of this Agreement, Merchant shall provide Paymentech (either directly or through Service Provider) with the appropriate taxpayer certification documentation, via Internal Revenue Service (IRS) Form W-9 (or the appropriate versions of Form W-8, if applicable). Merchant shall promptly notify Paymentech if there are any changes in this information. Paymentech may deduct withholding taxes, if any, from proceeds payable to Merchant or any entity that is a party to this Agreement where required under applicable law. Paymentech may, in accordance with applicable law and from time to time during the term of this Agreement, request Merchant to recertify its taxpayer certification hereunder. Furthermore, Merchant shall immediately reimburse Paymentech for any fines, fees, penalties or assessments that may be imposed on Paymentech for Merchant’s failure to comply with Section 10.5.
- 10.6. Merchant Application; Information about Merchant and Merchant’s Business.** In addition to the obligations set forth herein, Merchant may be required to complete a merchant application or additional set up documentation to allow Paymentech or Service Provider to, among other things, perform required credit and underwriting functions and activate Merchant’s account within Paymentech’s processing system(s). Furthermore, upon five (5) days’ written notice, Merchant agrees to furnish to Paymentech (a) its most recently prepared financial statements and credit information; and (b) if applicable, its three most recent filings with the SEC. Merchant agrees to provide Paymentech with prompt written notice if Merchant is the subject of any voluntary or involuntary bankruptcy or insolvency petition or proceeding. Merchant’s signature on this Agreement authorizes Paymentech to perform any credit check deemed necessary with respect to Merchant. Merchant acknowledges that the Payment Brands may require Paymentech or Member to audit Merchant’s compliance with this Agreement or the Payment Brand Rules. Accordingly, with prior notice and during Merchant’s normal business hours, Paymentech’s duly authorized representatives may visit Merchant’s business premises and may examine Merchant’s books and records that pertain to Merchant’s Transactions or Merchant’s compliance with this Agreement.
- 10.7. Survival.** The provisions of Sections 4, 5, 6, 8, 9, 10, 11 and 12 shall survive the termination of this Agreement.
- 11. Limitation of Liability.** Under no circumstances will Paymentech’s financial responsibility to Merchant for its failure of performance under this Agreement exceed the total fees paid to Paymentech by Merchant (pursuant to Section 7) or Service Provider (net of Payment Brand fees, interchange, assessments, penalties, and fines) for the six (6) months prior to the time the liability arose. **IN NO EVENT WILL PAYMENTECH, ITS RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, OR AFFILIATES, BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES OR ANY LOSS, THEFT, DISAPPEARANCE, OR DAMAGE TO DATA TRANSMITTED ELECTRONICALLY IN CONNECTION WITH THIS AGREEMENT. ALL PARTIES ACKNOWLEDGE THAT THIS IS AN AGREEMENT FOR COMMERCIAL SERVICES. THE UNIFORM COMMERCIAL CODE DOES NOT APPLY AND PAYMENTECH AND MEMBER HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, MADE TO MERCHANT OR ANY OTHER PERSON, REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE (REGARDLESS OF ANY COURSE OF DEALING, CUSTOM, OR USAGE OF TRADE) OF ANY SERVICES PROVIDED UNDER THIS AGREEMENT OR ANY GOODS PROVIDED INCIDENTAL TO SUCH SERVICES.**
- 12. Definitions.** Terms not otherwise defined in this Agreement shall have the meaning ascribed to them in the Connect Service Terms. Terms defined in the singular shall include the plural and vice versa, as the context requires.
- “Chargeback”** means a reversal of a Transaction Merchant previously presented to Paymentech pursuant to Payment Brand Rules.
- “Data Compromise Event”** means an occurrence that results, or could result, directly or indirectly, in the unauthorized access to or disclosure of Transaction Data, Card information and/or Payer Information.
- “Refund”** means any refund or credit issued for any reason, including, without limitation, for a return of merchandise or cancellation of services, and any adjustment of a Transaction.
- “Refund Policy”** means a written policy with regard to Refunds.
- “Retrieval Request”** means a request for information by a Payer or Payment Brand relating to a claim or complaint concerning a Transaction.
- “Settled Transaction”** means a Transaction conducted between a Payer and Merchant utilizing a Card in which consideration is exchanged between the Payer and Merchant for the purchase of a good or service or the Refund of such purchase and the value for such Transaction is settled by the Payment Brand through Paymentech to the Merchant.
- “Transaction”** means a Transaction conducted between a Payer and Merchant utilizing a Card in which consideration is exchanged between the Payer and Merchant (including Connect Transactions), and when Merchant accepts POS Transactions, CSR Transactions, Admin Transactions and/or API Transactions, the term Transaction shall also be defined to include CSR Transactions, API Transactions, Admin Transactions and POS Transactions.

**“Transaction Data”** means the written or electronic record of a Transaction, including, without limitation, an authorization code or settlement record, which is submitted to Paymentech.

**“Transaction Receipt”** means an electronic or paper record of a Transaction generated upon completion of a sale or Refund, a copy of which is presented to the Payer.

(Remainder of page intentionally left blank; signature page follows)

**IN WITNESS WHEREOF**, the undersigned parties have duly executed this Agreement.

Agreed and Accepted by:

Agreed and Accepted by:

**PAYMENTECH, LLC** for itself and on behalf of JPMorgan Chase Bank, N.A., solely in its capacity as Member

\_\_\_\_\_  
By (authorized signature)

\_\_\_\_\_  
By (authorized signature)

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State Zip

\_\_\_\_\_  
City, State Zip

Agreed and Accepted by:

**JPMORGAN CHASE BANK, N.A.**, in it's capacity as Service Provider

\_\_\_\_\_  
By (authorized signature)

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State Zip

To be completed by Paymentech, LLC  
Merchant Agreement Contract  
Numbe  
Merchant processing IDs will be provided at the time of  
setup



# State of West Virginia



Department of Health and Human  
Resources, Bureau for Child Support  
Enforcement

Banking Services— Child Support  
Enforcement



## Cost Proposal

Solicitation No. CRFQ 0511 CSE1800000001

Due Date: July 30, 2018

Proposal Contact:  
Karen Middlebrooks, CMO  
karen.middlebrooks@smimail.net  
770-851-8727

Systems & Methods, Inc.  
106 Wedgewood Drive  
Carrollton, GA 30117





## Cost Proposal

Systems & Methods, Inc (SMI) is pleased to offer the State of West Virginia a comprehensive Cost Proposal, which includes all the requirements of the Request for Quotation. Since 2011, SMI has worked as a subcontractor to another Vendor to provide the State of West Virginia the best-in-class technology and business processes in payment processing to exceed your expectations. We look forward to continuing our more than six-year relationship providing the **Best Value** and **Most Reliable** service to the State of West Virginia, as prime Vendor on the new contract.

SMI is pleased to offer the State of West Virginia an approximate fifty percent reduction of your current payment rate on the new contract. Our Cost Proposal includes the following documents, each submitted as a different file, SMI Exhibit A Pricing Pages (Excel File), SMI Exhibit A Pricing Pages (PDF file of the Excel File with signature) and Exhibit C Account Rate Structure. Only the costs the State will incur are included in our Cost Proposal. On Exhibit A, Pricing Pages, Per Unit Fees worksheet, the totals entered in columns Year 1, Year 2, Year 3, Year 4, Optional Year 1, Optional Year 2, and Optional Year 3, are monthly totals per the directions in Exhibit B. The Total Per Unit Fee row is also the total based on the monthly operational costs. Also on Exhibit A, Pricing Page, Cost Sheet worksheet, in order to calculate Overall Grand Total, we annualized the Monthly Operational Costs for each year, using only six months of operations for Year 1. As always, our costs include continuous innovation and technical upgrades as needed throughout the contract term.

We believe you will not find another Vendor that can exceed, or even match, what we deliver through technology, processes, services, and people. SMI is committed to our partnership with the State and committed to serving the families of West Virginia.

### SMI HIGHLIGHTS

- **Excellent Service** – SMI's goal is to not just meet your expectations but exceed them
- **Innovation** – Continually updating technology and processes in order to provide innovative services is our mission
- **Experienced Staff** – Average time of service for current staff is nine years
- **Integrity** – SMI expects honesty and integrity from our staff, and we deliver it to our State partners

**Exhibit A for CRQM CSE18\*1**

**Pricing Page**

Instructions on calculating the pricing page are included as Exhibit B.

The volumes used in the following Pricing page are all based upon historical data. Using the pricing page, the Vendor shall provide a cost proposal that includes pricing for the transition phase, the monthly operational costs. The Vendor must also provide for projected costs for all future optional services.

**Reports - [If necessary, other reports may be added during the transition phase of the project as required by the Agency.]**

Report	Cost Per Item	Year 1	Year 2	Year 3	Year 4	Cost Per Item	Optional Year 1	Cost Per Item	Optional Year 2	Cost Per Item	Optional Year 3
(Daily)	For years 1-4 (Base Term)	Base Term	Base Term	Base Term	Base Term	For Optional Year 1		For Optional Year 2		For Optional Year 3	
Cash Reporting Balance Report	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance and Transaction Detail	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cash Reporting Balance Transaction Summary	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Checks Paid Ascending Check Number	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Checks Paid Descending Dollar	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cash Reporting—Returns and Exceptions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Check Inquiry (Feature)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Stop Payment Request (Feature)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Image Retrieval-Batch Entry (Feature)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Exception Review (Feature)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total for Reports</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>

**The Basis of Award:**

The Vendor must bid on all tasks listed above. The Vendor must provide documentation supporting the meeting of all Mandatory Qualifications as listed. The contract will be awarded to the lowest bidder who can meet all the requirements of this RFQ.

Company Name:	Systems & Methods, Inc.
Vendor Signature:	See Sign-off (Vendor Signature is on Own Exhibit A - Pricing Pages PDF file)
Address:	106 Wedgewood Drive, Carrollton, GA 30117
Date:	27-Jul-18

**Exhibit A for CRQM CSE18\*1****Pricing Page**

Instructions on calculating the pricing page are included as Exhibit B.

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**Vendor's Transition Plan**

<b>Task</b>	<b>Primary Responsibility</b>	<b>Start Date</b>	<b>End Date</b>	<b>Totals</b>
Process Creation	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Site Preparation	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Technology Installation	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Connectivity Installation	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
End to End Testing	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Complete Recruitment	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Complete Staff Training	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Finalize Disaster Recovery Plans	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Finalize Quality Metrics	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Go Live	Vendor	Date Contract Awarded	6 Months from Award of contract	\$0.00
Transitional Reports	Vendor	Date Contract Awarded	6 months from Award of Contract	\$0.00
<b>Grand Total</b>				<b>\$0.00</b>

**The Basis of Award:**

The Vendor must bid on all tasks listed above. The Vendor must provide documentation supporting the meeting of all Mandatory Qualifications as listed. The contract will be awarded to the lowest bidder who can meet all the requirements of this RFQ.

Company Name:	Systems & Methods, Inc.
Vendor Signature:	Joe Stone (actual signature is on SMI Exhibit A Pricing Pages PDF file)
Address:	106 Wedgewood Drive, Carrollton, GA 30117
Date:	27-Jul-18

REVISED PER ADDENDUM No. 2  
Exhibit A for CRQM CSE18\*1  
Pricing Page

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**Debit Card Fee Services**

Type of Service Fee	Cost Per Item	Fee for Year 1	Cost Per Item	Fee for Year 2	Cost Per Item	Fee for Year 3	Cost Per Item	Fee for Year 4	Cost Per Item	Fee for Optional Year 1	Cost Per Item	Fee for Optional Year 2	Cost Per Item	Fee for Optional Year 3
Setup Fee	For years 1-4 (Base Term)		For years 1-4 (Base Term)		For years 1-4 (Base Term)		For years 1-4 (Base Term)		For Optional Year 1		For Optional Year 2		For Optional Year 3	
Monthly Account Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ATM Withdrawals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ATM Surcharge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance Inquiry Transactions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Account Overdraft	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Denial for Insufficient Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Account Inactivity	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Card Issuance Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Web Account Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cardholder Customer Service Contact	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Change of PIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Monthly Statement	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Account Transaction Research	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Point of Sale (POS)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Conversion of foreign currency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overnight Delivery Service Requested by Cardholder	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00

\*Debit Cards Issued—1,200 per month

Debit Account Holders—76,000 per month

Debit Card Postings: # Deposits—525,000 per month

Total \$ Volume—\$9,774,868 per month

**The Basis of Award:**

The Vendor must bid on all tasks listed above. The Vendor must provide documentation supporting the meeting of all Mandatory Qualifications as listed. The contract will be awarded to the lowest bidder who can meet all the requirements of this RFQ.

Company Name:	Systems & Methods, Inc.
Vendor Signature:	Joe Stone (actual signature is on SMI Exhibit A)
Address:	106 Wedgewood Drive, Carrollton, GA 30117
Date:	27-Jul-18

**Exhibit A for CRQM CSE18\*1**

**Pricing Page**

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**Per Unit Fees**

Unit	Cost per Unit for Years 1-4	Year 1	Cost per Unit for Years 1-4	Year 2	Cost per Unit for Years 1-4	Year 3	Cost per Unit for Years 1-4	Year 4	Cost per Unit for Optional Year 1	Optional Year 1	Cost per Unit for optional Year 2	Optional Year 2	Cost per Unit for Optional Year 3	Optional Year 3
Mail payments posted-45,000/month	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950
EFT/EDI payments posted-55,000/month	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050
Per payment disbursed per ACH-160,000/month	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Checks disbursed—includes postage-4,500/month	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Debit Cards: #cards - 1,200/month #Deposits - 525,000/month	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
# of Web-based payments 10,000/month	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100
# of Customer Service Representative Payments 180/month	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80
# of Integrated Voice Recognition Payments 180/month	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80
<b>Total Per Unit Fees</b>		<b>\$56,283.60</b>		<b>56283.6</b>		<b>56283.6</b>		<b>56283.6</b>		<b>56283.6</b>		<b>56283.6</b>		<b>\$56,283.60</b>

**The Basis of Award:**

The Vendor must bid on all tasks listed above. The Vendor must provide documentation supporting the meeting of all Mandatory Qualifications as listed. The contract will be awarded to the lowest bidder who can meet all the requirements of this RFQ.

Company Name:	Systems & Methods, Inc.
Vendor Signature:	Joe Stone (actual signature is on SMI Exhibit A Pricing Pages PDF file)
Address:	106 Wedgewood Drive, Carrollton, GA 30117
Date:	27-Jul-18



**Exhibit A for CRQM CSE18\*1**  
**Pricing Page**

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**Cost Sheet**

	<b>Not to Exceed Total</b>	<b>Components of All-inclusive Annual</b>	
<b>Time Frame</b>	<b>Of All-inclusive Annual Cost</b>	<b>Transitional Cost</b>	<b>Monthly Operational Cost</b>
<b>Year 1</b>	<u>\$337,701.60</u>	\$0.00	\$56,283.60
<b>Year 2</b>	<u>\$675,403.20</u>		\$56,283.60
<b>Year 3</b>	<u>\$675,403.20</u>		\$56,283.60
<b>Year 4</b>	<u>\$675,403.20</u>		\$56,283.60
<b>Year 5</b>	<u>\$675,403.20</u>		\$56,283.60
<b>Year 6</b>	<u>\$675,403.20</u>		\$56,283.60
<b>Year 7</b>	<u>\$675,403.20</u>		\$56,283.60
<b>Grand Total Cost</b>	<u>\$4,390,120.80</u>		

Overall Grand Total	<u>\$4,390,120.80</u>
---------------------	-----------------------

**The Basis of Award:**

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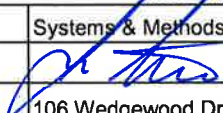
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**Reports - [If necessary, other reports may be added during the transition phase of the project as required by the Agency.]**

Report	Cost Per Item	Year 1	Year 2	Year 3	Year 4	Cost Per Item	Optional Year 1	Cost Per Item	Optional Year 2	Cost Per Item	Optional Year 3
(Daily)	For years 1-4 (Base Term)	Base Term	Base Term	Base Term	Base Term	For Optional Year 1		For Optional Year 2		For Optional Year 3	
Cash Reporting Balance Report	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance and Transaction Detail	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cash Reporting Balance Transaction Summary	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Checks Paid Ascending Check Number	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Checks Paid Descending Dollar	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cash Reporting—Returns and Exceptions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Check Inquiry (Feature)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Stop Payment Request (Feature)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Image Retrieval-Batch Entry (Feature)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Exception Review (Feature)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total for Reports</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>

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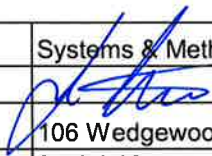
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**Vendor's Transition Plan**

<b>Task</b>	<b>Primary Responsibility</b>	<b>Start Date</b>	<b>End Date</b>	<b>Totals</b>
Process Creation	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Site Preparation	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Technology Installation	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Connectivity Installation	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
End to End Testing	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Complete Recruitment	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
Complete Staff Training	Vendor	Date Contract Awarded	6 Months from Award of Contract	\$0.00
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Go Live	Vendor	Date Contract Awarded	6 Months from Award of contract	\$0.00
Transitional Reports	Vendor	Date Contract Awarded	6 months from Award of Contract	\$0.00
<b>Grand Total</b>				<b>\$0.00</b>

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REVISED PER ADDENDUM No. 2  
Exhibit A for CRQM CSE18\*1  
Pricing Page

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**Debit Card Fee Services**

Type of Service Fee	Cost Per Item	Fee for Year 1	Cost Per Item	Fee for Year 2	Cost Per Item	Fee for Year 3	Cost Per Item	Fee for Year 4	Cost Per Item	Fee for Optional Year 1	Cost Per Item	Fee for Optional Year 2	Cost Per Item	Fee for Optional Year 3
Setup Fee	For years 1-4 (Base Term)		For years 1-4 (Base Term)		For years 1-4 (Base Term)		For years 1-4 (Base Term)		For Optional Year 1		For Optional Year 2		For Optional Year 3	
Monthly Account Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ATM Withdrawals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ATM Surcharge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance Inquiry Transactions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Account Overdraft	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Denial for Insufficient Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Account Inactivity	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Card Issuance Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Web Account Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cardholder Customer Service Contact	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Change of PIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Monthly Statement	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Account Transaction Research	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Point of Sale (POS)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Conversion of foreign currency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overnight Delivery Service Requested by Cardholder	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>

\*Debit Cards Issued—1,200 per month

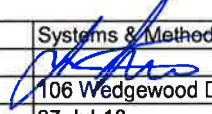
Debit Account Holders—76,000 per month

Debit Card Postings: # Deposits—525,000 per month

Total \$ Volume—\$9,774,868 per month

**The Basis of Award:**

The Vendor must bid on all tasks listed above. The Vendor must provide documentation supporting the meeting of all Mandatory Qualifications as listed. The contract will be awarded to the lowest bidder who can meet all the requirements of this RFQ.

Company Name:	Systems & Methods, Inc.
Vendor Signature:	
Address:	106 Wedgewood Drive, Carrollton, GA 30117
Date:	27-Jul-18

**Exhibit A for CRQM CSE18\*1**

**Pricing Page**

Instructions on calculating the pricing page are included as Exhibit B.

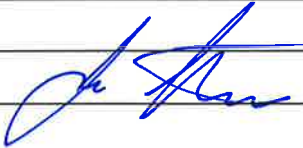
The volumes used in the following Pricing page are all based upon historical data. Using the pricing page, the Vendor shall provide a cost proposal that includes pricing for the transition phase, the monthly operational costs. The Vendor must also provide for projected costs for all future optional services.

**Per Unit Fees**

Unit	Cost per Unit for Years 1-4	Year 1	Cost per Unit for Years 1-4	Year 2	Cost per Unit for Years 1-4	Year 3	Cost per Unit for Years 1-4	Year 4	Cost per Unit for Optional Year 1	Optional Year 1	Cost per Unit for optional Year 2	Optional Year 2	Cost per Unit for Optional Year 3	Optional Year 3
Mail payments posted-45,000/month	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950	\$0.51	\$22,950
EFT/EDI payments posted-55,000/month	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050	\$0.51	\$28,050
Per payment disbursed per ACH-160,000/month	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Checks disbursed—includes postage-4,500/month	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Debit Cards: #cards - 1,200/month #Deposits - 525,000/month	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
# of Web-based payments 10,000/month	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100	\$0.51	\$5,100
# of Customer Service Representative Payments 180/month	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80
# of Integrated Voice Recognition Payments 180/month	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80	\$0.51	\$91.80
<b>Total Per Unit Fees</b>		<b>\$56,283.60</b>		<b>56283.6</b>		<b>56283.6</b>		<b>56283.6</b>		<b>56283.6</b>		<b>56283.6</b>		<b>\$56,283.60</b>

**The Basis of Award:**

The Vendor must bid on all tasks listed above. The Vendor must provide documentation supporting the meeting of all Mandatory Qualifications as listed. The contract will be awarded to the lowest bidder who can meet all the requirements of this RFQ.

Company Name:	Systems & Methods, Inc.
Vendor Signature:	
Address:	106 Wedgewood Drive, Carrollton, GA 30117
Date:	27-Jul-18

**Exhibit A for CRQM CSE18\*1**

**Pricing Page**

Instructions on calculating the pricing page are included as Exhibit B.

The volumes used in the following Pricing page are all based upon historical data. Using the pricing page, the Vendor shall provide a cost proposal that includes pricing for the transition phase, the monthly operational costs. The Vendor must also provide for projected costs for all future optional services.

**Cost Sheet**

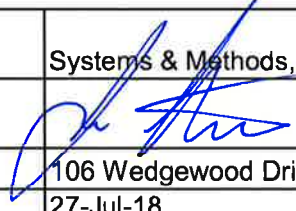
Time Frame	Not to Exceed Total	Components of All-inclusive Annual Cost	
	Of All-inclusive Annual Cost	Transitional Cost	Monthly Operational Cost
Year 1	\$337,701.60	\$0.00	\$56,283.60
Year 2	\$675,403.20		\$56,283.60
Year 3	\$675,403.20		\$56,283.60
Year 4	\$675,403.20		\$56,283.60
Year 5	\$675,403.20		\$56,283.60
Year 6	\$675,403.20		\$56,283.60
Year 7	\$675,403.20		\$56,283.60
Grand Total Cost	\$4,390,120.80		

Overall Grand  
Total 4,390,120.80

**The Basis of**

**Award:**

The Vendor must bid on all tasks listed above. The Vendor must provide documentation supporting the meeting of all Mandatory Qualifications as listed. The contract will be awarded to the lowest bidder who can meet all the requirements of this RFQ.

Company Name:	Systems & Methods, Inc.
Vendor Signature:	
Address:	106 Wedgewood Drive, Carrollton, GA 30117
Date:	27-Jul-18



## Exhibit C Account Rate Structure

Exhibit C Account Rate Structure to follow.



Exhibit C  
Account Rate Structure

**Account Rate Structure**

Account Type	Proposed Rate Calculation	Current Rate
Interest Bearing Checking Account	0.70%	0.39%
Earnings Credit	1.55%	2.00%
Hybrid Account	1.55% / 0.70%	n/a

**How to calculate the Account Rate Structure**

*Put the information from the current T-Bill Rate Index into the Current Rate Column for each account type. Then put the estimated increase into the Proposed Rate Calculation column for each account.*

**Interest Bearing Account**

The interest accrues on a daily basis on the closing daily balance at a bank managed rate and is paid on a monthly basis. The formula to calculate the interest is provided below.

Daily Interest Accrual Calculation
$\frac{\text{Daily Positive Collected Balance} \times \text{Account Interest Rate}}{\text{Actual Number of Days in the Year}}$

**Earnings Credit Rate (ECR)**

The ECR will be calculated using the three-month T-Bill Rate minus 0.40%. The formula to calculate the monthly earnings credit allowance is provided below.

Monthly Earnings Credit Allowance Calculation
$\frac{(\text{Average Monthly Investable Balance} \times \text{ECR} \times \text{Actual Number Of Days in Month})}{\text{Actual Number of Days in Year}}$

If eligible balances are sufficient, the earnings credit allowance offsets the service charge. Should the level of eligible balances not fully cover the fees, remaining service charges are debited from designated accounts, generally on a monthly basis.

**Hybrid Account**

The Hybrid DDA allows balances to receive an earnings credit allowance up to a predetermined threshold to offset bank service fees and balances above the threshold earn hard dollar interest.

1. Earnings credits for balances up to a predetermined threshold ("the Peg Balance") shall be calculated by using the monthly earnings credit allowance formula explained above.
2. Balances above the Peg Balance threshold earn hard dollar interest calculated by using the interest above.
3. The Peg Balance may be changed at any time prior to the next billing cycle (and will be applied on a go forward basis) to adjust for unplanned changes in transaction fees (e.g., significant volume changes, service additions/deletions, to compensate for periods in which minimum balance levels fall below the Peg Balance amount).



July 27, 2018

Heather D. Bundrage  
West Virginia Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

*Via Electronic Submission to wvOASIS*

Dear Ms. Bundrage:

Systems and Methods, Inc. (SMI) respectfully submits our response to Request for Quotation CRFQ 0511 CSE1800000001 Banking Services-Child Support Enforcement. As directed in Item 6 of the Instruction to Vendors Submitting Bids of the RFQ, we submit our proposal in electronic format via wvOASIS. SMI is currently registered with the West Virginia Secretary of State and the West Virginia Purchasing Division's On-Line Bidding/Vendor Registration System wvOASIS.

SMI understands the requirements and related work to be done as stated in the CRFQ. We are excited to provide the State of West Virginia with a tailored solution for its Child Support Enforcement Banking Services. Our solution, as described throughout this proposal, has been customized to meet the State of West Virginia's specific needs. **SMART**, our nationally recognized solution for child support payment processing and other critical State Disbursement Unit (SDU) functions, was developed with the direct involvement of child support professionals. Our smiONE™ Visa® Prepaid Card was developed specifically for child support disbursements with a focus on providing the best customer experience possible. As the State's current SDU provider, we look forward to providing a low risk transition ensuring uninterrupted services to the State and the families we both serve.

The primary contact person with authority to answer questions about SMI's proposal and make representations on behalf of SMI is:

Karen Middlebrooks, Chief Marketing Officer  
106 Wedgewood Drive  
Carrollton, Georgia 30117  
770-834-0831, x 2004  
770-851-8727 (cell)  
770-834-7306 (fax)  
[karen.middlebrooks@smimail.net](mailto:karen.middlebrooks@smimail.net)

Immediately following this Transmittal Letter please find the following signed documents:

- Title Page; Addendum No. 1; Addendum No. 2; and Addendum Acknowledgement Form
- Designated Contact Form with Certification and Signature
- Purchasing Affidavit





- Disclosure of Interested Parties to Contract

In addition, SMI's proposal consists of an electronic submission of our Technical Response and a separate electronic submission for our Cost Proposal including Exhibit A Pricing Pages and Exhibit C Account Rate Structure. As Chief Executive Officer, I am duly authorized to legally bind SMI to the provisions contained in our proposal. SMI willingly agrees to comply with all services required and all terms and conditions as specified in the RFQ.

With the submittal of our proposal, SMI warrants that it is financially capable of fulfilling all requirements of the contract, and that SMI is a validly organized entity that has the authority to enter into a contract with the State of West Virginia. SMI warrants that it is not prohibited by any loan, contract, financing arrangement, trade covenant, or similar restriction from entering into a contract with the State of West Virginia for Banking Services-Child Support Enforcement services.

SMI is very proud of our six -year partnership with the State of West Virginia operating the SDU and providing collection, tracking, and disbursement services. We look forward to the opportunity to continue our relationship with the State. Please do not hesitate to contact me or Karen Middlebrooks with any questions you may have. We are confident our proposal illustrates our understanding of all requirement of the RFQ and our commitment to excellence in serving the State of West Virginia.

Sincerely,



Joe Stone, Chief Executive Officer  
Systems & Methods, Inc.



Purchasing Division  
2019 Washington Street East  
Post Office Box 50130  
Charleston, WV 25305-0130

State of West Virginia  
Request for Quotation  
33 — Service - Misc

Proc Folder: 403907

Doc Description: Open-end Child Support Collecting, Tracking, & Disbursement

Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2018-06-13	2018-07-10 13:30:00	CRFQ 0511 CSE1800000001	1

#### BID RECEIVING LOCATION

BID CLERK

DEPARTMENT OF ADMINISTRATION

PURCHASING DIVISION

2019 WASHINGTON ST E

CHARLESTON

WV 25305

US

#### VENDOR

Vendor Name, Address and Telephone Number:

Systems & Methods, Inc.

106 Wedgewood Drive

Carrollton, Georgia 30117

770-834-0831

Vendor Contact: Karen Middlebrooks, CMO  
770-851-8727

#### FOR INFORMATION CONTACT THE BUYER

Heather D Bundrage

304-558-2566

heather.d.bundrage@wv.gov

Signature X

Joe Stone, CEO FEIN # 58-1115569

DATE

7/27/18

All offers subject to all terms and conditions contained in this solicitation

**ADDITIONAL INFORMATION:**

The West Virginia Purchasing Division is soliciting bids on behalf of West Virginia Department of Health and Human Resources, Bureau for Child Support Enforcement, hereinafter referred to as the "Agency", to establish a contract to provide for the centralized collection, distribution, and tracking of child support payments per the bid requirements, specifications, terms and conditions attached to this solicitation.

Please note attached is a Pricing Page in Excel format that has multiple tabs attached to it. If you use the excel sheet please make sure you fill out each tab by following the instructions on the attached Exhibit B page.

INVOICE TO	SHIP TO
FISCAL UNIT MANAGER 304-356-4715 HEALTH AND HUMAN RESOURCES CHILD SUPPORT ENFORCEMENT 350 CAPITOL ST, RM 147 CHARLESTON WV25301-3703 US	FISCAL UNIT MANAGER 304-356-4715 HEALTH AND HUMAN RESOURCES CHILD SUPPORT ENFORCEMENT 350 CAPITOL ST, RM 147 CHARLESTON WV 25301-3703 US

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Bank Contract				

Comm Code	Manufacturer	Specification	Model #
84121500			

**Extended Description :**

Please see Exhibit A pricing page or the Excel Pricing page which is attached. Please note the Excel Pricing page has multiple tabs on the bottom. Please make sure you fill out all of the tabs on the Excel Pricing page.

**SCHEDULE OF EVENTS**

Line	Event	Event Date
1	TECHNICAL QUESTIONS DUE BY 2PM ES	2018-06-22

<b>CSE1800000001</b>	<b>Document Phase</b> <b>Final</b>	<b>Document Description</b> Open-end Child Support Collecting, Tracking, & Disbursement	<b>Page 3</b> <b>of 3</b>
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#### **ADDITIONAL TERMS AND CONDITIONS**

See attached document(s) for additional Terms and Conditions



Purchasing Division  
2019 Washington Street East  
Post Office Box 50130  
Charleston, WV 25305-0130

State of West Virginia  
Request for Quotation  
33 - Service - Misc

Proc Folder: 403907

Doc Description: Addendum No. 1- Banking Services- Child Support Enforcement

Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2018-07-02	2018-07-24 13:30:00	CRFQ 0511 CSE1800000001	2

#### BID RECEIVING LOCATION

BID CLERK

DEPARTMENT OF ADMINISTRATION

PURCHASING DIVISION

2019 WASHINGTON ST E

CHARLESTON

WV 25305

US

#### VENDOR

Vendor Name, Address and Telephone Number:

Systems & Methods, Inc.

106 Wedgewood Drive

Carrollton, Georgia 30117

770-834-0831

Vendor Contact: Karen Middlebrooks, CMO  
770-851-8727

#### FOR INFORMATION CONTACT THE BUYER

Heather D Bundrage

304-558-2566

heather.d.bundrage@wv.gov

Signature X

Joe Stone, CEO FEIN # 58-1115569

DATE 7/27/18

All offers subject to all terms and conditions contained in this solicitation

**ADDITIONAL INFORMATION:**

Request for Quotation (CRFQ)

Addendum No. 1- to move the bid opening date from 7/10/2018 to 7/24/2018 at 1:30pm est.

A separate Addendum will follow at a later date with responses to technical questions.

INVOICE TO	SHIP TO
FISCAL UNIT MANAGER 304-356-4715 HEALTH AND HUMAN RESOURCES CHILD SUPPORT ENFORCEMENT 350 CAPITOL ST, RM 147 CHARLESTON WV25301-3703 US	FISCAL UNIT MANAGER 304-356-4715 HEALTH AND HUMAN RESOURCES CHILD SUPPORT ENFORCEMENT 350 CAPITOL ST, RM 147 CHARLESTON WV 25301-3703 US

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Bank Contract				

Comm Code	Manufacturer	Specification	Model #
84121500			

**Extended Description :**

Please see Exhibit A pricing page or the Excel Pricing page which is attached. Please note the Excel Pricing page has multiple tabs on the bottom. Please make sure you fill out all of the tabs on the Excel Pricing page.

**SCHEDULE OF EVENTS**

Line	Event	Event Date
1	TECHNICAL QUESTIONS DUE BY 2PM EST	2018-06-22

# SOLICITATION NUMBER: CRFQ CSE1800000001

## Addendum Number: 1

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The purpose of this addendum is to modify the solicitation identified as CRFQ CSE1800000001 ("Solicitation") to reflect the change(s) identified and described below.

### **Applicable Addendum Category:**

- ☒ Modify bid opening date and time
- ☐ Modify specifications of product or service being sought
- ☐ Attachment of vendor questions and responses
- ☐ Attachment of pre-bid sign-in sheet
- ☐ Correction of error
- ☐ Other

### **Description of Modification to Solicitation:**

1. To move the bid opening date from 07/10/2018 to 07/24/2018. The bid opening time remains at 1:30 pm est.
2. A separate Addendum will follow at a later date with answers to technical questions.

**Additional Documentation:** Documentation related to this Addendum (if any) has been included herewith as Attachment A and is specifically incorporated herein by reference.

### **Terms and Conditions:**

1. All provisions of the Solicitation and other addenda not modified herein shall remain in full force and effect.
2. Vendor should acknowledge receipt of all addenda issued for this Solicitation by completing an Addendum Acknowledgment, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.



Purchasing Division  
2019 Washington Street East  
Post Office Box 50130  
Charleston, WV 25305-0130

State of West Virginia  
Request for Quotation  
33 — Service - Misc

Proc Folder: 403907

Doc Description: Addendum No. 2- Banking Services- Child Support Enforcement

Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2018-07-16	2018-07-30 13:30:00	CRFQ 0511 CSE1800000001	3

**BID RECEIVING LOCATION**

BID CLERK

DEPARTMENT OF ADMINISTRATION

PURCHASING DIVISION

2019 WASHINGTON ST E

CHARLESTON

WV 25305

US

**VENDOR**

Vendor Name, Address and Telephone Number:

Systems & Methods, Inc.  
106 Wedgewood Drive  
Carrollton, Georgia 30117  
770-834-0831

Vendor Contact: Karen Middlebrooks, CMO  
770-851-8727

**FOR INFORMATION CONTACT THE BUYER**

Heather D Bundrage  
304-558-2566  
heather.d.bundrage@wv.gov

Signature X

Joe Stone, CEO FEIN # 58-1115569

DATE 7/27/18

All offers subject to all terms and conditions contained in this solicitation



**ADDITIONAL INFORMATION:**

## Request for Quotation (CRFQ)

Addendum No. 2- Issued to provide responses to vendor questions, to provide additional attachments, provide one (1) revised pricing page entitled "Debit Card Fee Services", provide additional clarifications to the specifications.

To change the bid opening date to July 30, 2018 at 1:30pm est.

Please note: Only one pricing page in Exhibit A has been revised, however, all of the pricing pages contained in Exhibit A have been attached to Addendum No. 2.

INVOICE TO		SHIP TO	
FISCAL UNIT MANAGER 304-356-4715		FISCAL UNIT MANAGER 304-356-4715	
HEALTH AND HUMAN RESOURCES		HEALTH AND HUMAN RESOURCES	
CHILD SUPPORT ENFORCEMENT		CHILD SUPPORT ENFORCEMENT	
350 CAPITOL ST, RM 147		350 CAPITOL ST, RM 147	
CHARLESTON	WV25301-3703	CHARLESTON	WV 25301-3703
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Bank Contract				

Comm Code	Manufacturer	Specification	Model #
84121500			

**Extended Description :**

Please see Exhibit A pricing page or the Excel Pricing page which is attached. Please note the Excel Pricing page has multiple tabs on the bottom. Please make sure you fill out all of the tabs on the Excel Pricing page.

**SCHEDULE OF EVENTS**

<u>Line</u>	<u>Event</u>	<u>Event Date</u>
1	TECHNICAL QUESTIONS DUE BY 2PM EST	2018-06-22

<b>CSE1800000001</b>	<b>Document Phase</b> <b>Final</b>	<b>Document Description</b> Addendum No. 2- Banking Services- Child Support Enforcement	<b>Page 3</b> <b>of 3</b>
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#### **ADDITIONAL TERMS AND CONDITIONS**

See attached document(s) for additional Terms and Conditions

**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: CRFQ CSE1800000001**

**Instructions:** Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

**Acknowledgment:** I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

**Addendum Numbers Received:**

(Check the box next to each addendum received)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6  |
| <input checked="" type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7  |
| <input type="checkbox"/> Addendum No. 3            | <input type="checkbox"/> Addendum No. 8  |
| <input type="checkbox"/> Addendum No. 4            | <input type="checkbox"/> Addendum No. 9  |
| <input type="checkbox"/> Addendum No. 5            | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Systems & Methods, Inc.

Company

Joe Stone, CEO

Authorized Signature

7/27/18

Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.

**DESIGNATED CONTACT:** Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

Karen Middlebrooks, Chief Marketing Officer

(Name, Title)

Karen Middlebrooks, Chief Marketing Officer

(Printed Name and Title)

106 Wedgewood Drive Carrollton, Georgia 30117

(Address)

770-851-8727 770-834-7306

(Phone Number) / (Fax Number)

karen.middlebrooks@smimail.net

(email address)

**CERTIFICATION AND SIGNATURE:** By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

Systems & Methods, Inc.

(Company)

  
(Authorized Signature) (Representative Name, Title)

Joe Stone, Chief Executive Officer

(Printed Name and Title of Authorized Representative)

7/27/18

(Date)

770-834-0831 ext 2101 770-834-7306

(Phone Number) (Fax Number)

STATE OF WEST VIRGINIA  
Purchasing Division

## PURCHASING AFFIDAVIT

**CONSTRUCTION CONTRACTS:** Under W. Va. Code § 5-22-1(i), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

**ALL CONTRACTS:** Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

**EXCEPTION:** The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

### DEFINITIONS:

**"Debt"** means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

**"Employer default"** means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

**"Related party"** means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

### WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: Systems & Methods, Inc.

Authorized Signature: [Signature] Date: 7/27/18

State of Georgia

County of Carroll, to-wit: Joe Stone, Chief Executive Officer

Taken, subscribed, and sworn to before me this 27<sup>th</sup> day of July, 2018.

My Commission expires 7/26, 2021

AFFIX SEAL HERE

NOTARY PUBLIC

Mindy Craig

Purchasing Affidavit (Revised 01/19/2018)



## West Virginia Ethics Commission



### Disclosure of Interested Parties to Contracts

Pursuant to *W. Va. Code* § 6D-1-2, a state agency may not enter into a contract, or a series of related contracts, that has/have an actual or estimated value of \$1 million or more until the business entity submits to the contracting state agency a Disclosure of Interested Parties to the applicable contract. In addition, the business entity awarded a contract is obligated to submit a supplemental Disclosure of Interested Parties reflecting any new or differing interested parties to the contract within 30 days following the completion or termination of the applicable contract.

For purposes of complying with these requirements, the following definitions apply:

*"Business entity"* means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership or corporation, but does not include publicly traded companies listed on a national or international stock exchange.

*"Interested party"* or *"Interested parties"* means:

- (1) A business entity performing work or service pursuant to, or in furtherance of, the applicable contract, including specifically sub-contractors;
- (2) the person(s) who have an ownership interest equal to or greater than 25% in the business entity performing work or service pursuant to, or in furtherance of, the applicable contract. (This subdivision does not apply to a publicly traded company); and
- (3) the person or business entity, if any, that served as a compensated broker or intermediary to actively facilitate the applicable contract or negotiated the terms of the applicable contract with the state agency. (This subdivision does not apply to persons or business entities performing legal services related to the negotiation or drafting of the applicable contract.)

*"State agency"* means a board, commission, office, department or other agency in the executive, judicial or legislative branch of state government, including publicly funded institutions of higher education: Provided, that for purposes of *W. Va. Code* § 6D-1-2, the West Virginia Investment Management Board shall not be deemed a state agency nor subject to the requirements of that provision.

The contracting business entity must complete this form and submit it to the contracting state agency prior to contract award and to complete another form within 30 days of contract completion or termination.

*This form was created by the State of West Virginia Ethics Commission, 210 Brooks Street, Suite 300, Charleston, WV 25301-1804. Telephone: (304)558-0664; fax: (304)558-2169; e-mail: [ethics@wv.gov](mailto:ethics@wv.gov); website: [www.ethics.wv.gov](http://www.ethics.wv.gov).*

West Virginia Ethics Commission  
**Disclosure of Interested Parties to Contracts**

(Required by W. Va. Code § 6D-1-2)

**Name of Contracting Business Entity:** Systems & Methods, Inc. **Address:** 106 Wedgewood Dr.  
Carrollton, GA 30117

**Name of Authorized Agent:** Joe Stone, CEO **Address:** 106 Wedgewood Dr. Carrollton, GA 30117  
Open-end Child Support Collecting,

**Contract Number:** \_\_\_\_\_ **Contract Description:** Tracking & Disbursement

**Governmental agency awarding contract:** West Virginia Dept. of Health and Human Resources, Bureau for Child Support Enforcement

☐ Check here if this is a Supplemental Disclosure

List the Names of Interested Parties to the contract which are known or reasonably anticipated by the contracting business entity for each category below (attach additional pages if necessary):

**1. Subcontractors or other entities performing work or service under the Contract**

☐ Check here if none, otherwise list entity/individual names below.

J.P.Morgan

Coleman and Associates

**2. Any person or entity who owns 25% or more of contracting entity (not applicable to publicly traded entities)**

☒ Check here if none, otherwise list entity/individual names below.

**3. Any person or entity that facilitated, or negotiated the terms of, the applicable contract (excluding legal services related to the negotiation or drafting of the applicable contract)**

☒ Check here if none, otherwise list entity/individual names below.

Signature: [Signature]

Date Signed: 7/27/18

**Notary Verification**

State of Georgia, County of Carroll

I, Joe Stone, the authorized agent of the contracting business entity listed above, being duly sworn, acknowledge that the Disclosure herein is being made under oath and under the penalty of perjury.

Taken, sworn to and subscribed before me this 27<sup>th</sup> day of July, 2018.

[Signature]  
Notary Public's Signature

**To be completed by State Agency:**

Date Received by State Agency: \_\_\_\_\_

Date submitted to Ethics Commission: \_\_\_\_\_

Governmental agency submitting Disclosure: \_\_\_\_\_

