DEPARTMENT OF SOCIAL SERVICES

DSS
Strong Families - South Dakota's Foundation and Our Future

700 Governors Drive
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July 7th 2017

To: All Interested Vendors
Re: Request for Information

The State of South Dakota Department of Social Services and the Division of Child Support is requesting information for a Payment Processing solution.

The State of South Dakota invites all interested parties to submit a written response to this Request for Information (RFI).

This RFI is being sought strictly for the purpose of gaining knowledge of services available with an estimate of the corresponding costs and should not be construed as intent, commitment, or promise to acquire services, supplies, or solutions offered. No contract will result from any direct response to this RFI; however South Dakota anticipates publishing an RFP for the replacement of the current payment processing system.

Information submitted in response to this RFI will become the property of the State of South Dakota.

The State of South Dakota will not pay for any information herein requested nor is it liable for any cost incurred by the vendor.

RFI responses must be received prior to **August 31st, 2017** at the following address:

Department of Social Services
Division of Child Support
Attention: Shannon Abernathy
700 Governors Drive
Pierre, SD 57501

Email responses may be sent to Shannon Abernathy at Shannon.Abernathy@state.sd.us with the subject line "RFI – Payment Processing" or faxed to (605) 773-7295.

Procedural, administrative, technical, or requirement questions and answers may be directed to the Point of Contact listed above.

We appreciate your response to this request.

1.0   BACKGROUND

1.1   The Division of Child Support (DCS) complies with federal regulations by processing child support payments through a State Disbursement Unit (SDU).

1.2   The payment processing solution used by SDU staff ensures all payments received are processed, allocated, and paid out to the appropriate individuals or entities in accordance with state and federal rules and regulations.

1.3   The current software assists with the creation of an electronic deposit file, an extract file that is uploaded to our Mainframe system, and an extract file which allows all payment information to be imported into our electronic filing software FileDirector.

1.4   The SDU is incorporated into our accounting unit which is comprised of seven staff. Three - Senior Claims Clerks that complete the majority of the processing through the payment system, two - Accounting Assistants that further allocate funds on the Mainframe as needed, one Program Assistant II, and one Program Specialist who supervises the unit. Other staff within DCS assist as needed however, with the limited staff devoted to payment processing the level of automation is important.

1.5   In the last 12 months, the DCS has processed 181,000 payments totaling approximately $58.2 million using the existing payment processing solution. These funds are received, processed, and paid out to the appropriate parties within required the federal distribution timeframes.

1.6   The Department of Social Services is incorporating payments from other programs within the department into the SDU for the purposes of electronic deposit and payment imaging only. The incorporation of additional programs requires the ability to structure separate Bank ID's. It also requires the ability to send electronic deposit files and payment image files to different locations. The process should load payments with minimal effort by staff.

1.7   The DCS's primary system is a Mainframe which utilizes COBOL and Natural languages.

1.8   The payment processing system should be able to meet the minimum requirements identified in the "AUTOMATED SYSTEMS FOR CHILD SUPPORT ENFORCEMENT: A GUIDE FOR STATES". This guide may be found at: https://www.acf.hhs.gov/css/resource/certification-guide-2009.

2.0   **PURPOSE**

2.1   The objective of this RFI is to identify newer functionality available in a Windows based Payment Processing system and the hardware required to process payments in a streamlined manner.

2.2   The RFI is also being used as market research to identify those entities that have the ability to provide the software and hardware needed to ensure DCS is able to continue processing payments received on a daily basis.

2.3   Information being sought includes production functions, technology platform(s), customization ability, costs, ease of maintenance, enhancement and expansion capabilities, and any additional functionality that will continue to streamline this daily function for staff.

3.0   PROJECT DESCRIPTION

3.1   The payment processing system must have the ability to process and identify all payments received from various entities. The payments received include but are not limited to: personal check, employer checks, money orders, checks from other state and federal entities, and international checks.

      Credit card and EFT payments are currently processed through a different mechanism. However, any information regarding these functions should be included if the software is able to accept these payments for processing.

3.2   An image of the payment and any supporting paperwork will be stored on the system. Ability to create a document image not less than 200 dpi. The ability to scan in grey scale or color should be identified if possible.

3.3   The system will store specific information regarding each payment including but not limited to:

      1. Type of payment (referenced in 3.1)
      2. Routing number
      3. Check number
      4. Store the following information for each payment received:
          i.   Amount of the payment,
          ii. Date of collection,
          iii. Date of receipt in the SDU,
          iv. Name of remitter,

      v.   Address and phone number of remitter,
     vi.   FEIN (if applicable),
    vii.   First, middle, last name of Non-Custodial Parent for whom payment was submitted,
   viii.   Address, SSN, case number, and phone number of the Non-Custodial Parent, and
     ix.   Social Security Number of Non-Custodial Parent.

3.4   The system will have the ability to create both printed and electronic forms to support the deposit of payments/collections to the state's financial institution.

3.5   The system will have the ability to provide financial controls for posting and balancing all transactions.

3.6   The system will accept and process unidentified and/or suspended payments in accordance with State written procedures and must support the identification of such payments.

3.7   The system will maintain an audit trail of actions which is taken for each payment processed within the system.

3.8   The system is required to maintain and generate all information necessary to complete any other reporting requirement(s) defined as necessary by the Office of Child Support Enforcement (OCSE) in issued written instructions.

      As mentioned in 1.3: The current software assists with the creation of an electronic deposit file, an extract file that is uploaded to our Mainframe system, and an extract file which allows all payment information to be imported into our electronic filing software, FileDirector.

      DCS understands some of these functions will require special coding to complete. However if any of these functional abilities exist they should be identified.

3.9   The system will ensure integrity, completeness, accuracy, use of and access to the data while protecting against unauthorized access to computer resources and data in order to reduce erroneous or fraudulent activities and protect the privacy rights of individuals against unauthorized disclosure of confidential information.

3.10   System, terminal, and password identifications will be controlled and must uniquely identify the system user.

3.11   If possible, Password security will extend to the functional screen level and limit the user's capability to view and/or update those screens.

3.12   The system will easily store, retrieve and reprint payments and supporting paperwork and pull reports as identified.

3.13   The system has the ability to provide electronic documents in multiple formats including Word, Excel, and PDF preferred.

3.14   DCS desires spell-check within the system to ensure the data stored is accurate if manual addition is required.

3.15   DCS currently has approximately 15 individuals and administrative accounts licensed to concurrently access the existing software. DCS desires the ability to allow a higher number of concurrent users to access the system dependent on licensing and ask that licensing requirements be summarized to identify whether the system is licensed per user or per server.

4.0   **RFI RESPONSE INSTRUCTIONS**

The State is asking all interested parties to submit a response containing the following information:

✓   Proposed solution to meet the described DCS criteria.

✓   Proposed solution to meet the Department's requirement to utilize the remote deposit process for other programs and establish separate Bank ID's.

✓   Brief description of past experience providing similar services/supplies.

✓   From your past experience, has the State identified all the major components necessary to complete this project? If not, please provide information on other necessary components.

✓   Please provide a list of potential problems/risks that the State may encounter during this project. Please provide any ideas or suggestions about how such problems/risks should be addressed in a solicitation.

✓   Your best estimated price range to provide the services/supplies as stated herein, lowest estimate to highest estimate.

✓   Your best estimated time frame for completing the project.

✓   If requested at a later date, would you be willing to provide a demonstration of your software to our program staff?