Office of the Illinois State Treasurer
Michael W. Frerichs

Request for Proposals
Lockbox and Remittance Processing Services
370-500-21-027

Addendum 3
April 2, 2021

Below are the questions received by the Office of the Illinois State Treasurer ("Treasurer") and the Treasurer's responses. The questions listed herein are intended to be accurate representations of the questions received; as such, any errors in usage or spelling have not been corrected. Any capitalized terms that are not defined herein have the meaning set forth in the Lockbox and Remittance Processing Services 370-500-21-027 ("RFP") published by the Treasurer on March 11, 2021.

1. Can you provide the cost structure in an excel format?

    Yes, the excel format has been posted as "Appendix F Proposed Cost Structure UPDATED" along with Addendum 3.

2. The RFP mentions forms IL-941-X and ST-1/ST-2-X but there are no pricing lines for these forms in Appendix F Proposed Price Structure. Will the State Treasurer add the lines to the Appendix F?

    Yes, the cost structure in both PDF and excel have been updated to reflect these tax types. Please see, "Appendix F Proposed Cost Structure UPDATED" posted along with Addendum 3.

3. In the Sample forms beginning on page 274 of Appendix A, Form IL-941-X is missing. Samples of Schedule P and Schedule WC are also missing from this section. Can samples of the documents be added?

    Yes, the documents are posted as "941 Schedule P" and "941 Schedule WC" along with this Addendum 3.

4. Would you please change the due date from April 16 to April 23? This is a complicated RFP and having 3.5 weeks rather than 2.5 weeks to finalize a solution and pricing after receiving responses to bidder questions on March 29th would allow for a more considered proposal. Please identify the current Contractor, the length of this relationship, and IDOR's overall level of satisfaction with the Contractor's performance. Please specify IDOR's main objectives for initiating this procurement process.

    Please see the updated schedule in Addendum 2.

5. Is having the remittance processing site in or near Springfield a requirement so that any bidder who cannot process in or near Springfield is eliminated from consideration?

   The Springfield area location is a requirement.

6. If processing in or near Springfield is not a requirement, are you willing to change your "remit to" addresses to Chicago? The alternative of driving mail to Chicago will delay deposit and increase your costs.

   Please see the answer to Question 5.

7. Please provide monthly volumes for all tax types so that we can see how volumes peak during the years. If providing that detail for all types is overly burdensome, provide it for at least 1040-ES, IL-501, IL 505I and ST-1 which account for the highest annual volumes.

   Please see excel document "Updated Lockbox 2016-2021 Mkll" posted along with this Addendum 3. This excel spreadsheet includes all forms processed through lockbox for 2018, 2019, and 2020.

8. How does return volume typically relate to check volume (e.g., 1-to-1; 1.5 returns per check)? The ratios may differ by tax type.

   The majority are 1-to-1. Illinois Department of Revenue ("IDOR") has a limited amount of "multi's" processed in which a single check is received that covers multiple periods.

9. Please provide data keystrokes estimates for each tax type. If that is not available, a total of all keystrokes across all boxes would be acceptable. Perhaps that information is available on a recent bill from the 3rd party currently performing the keying.

   For the ST items, please see pg. 171 of Appendix A for Key Entry Exceptions.

10. What percentage of your scannable payments are multiples (single check/multiple coupons; multiple checks/single coupon; multiple checks/multiple coupons)?

    The majority are 1-to-1, IDOR does not have a percentage immediately available.

11. What kind of "Deposit Supplies Furnished – Bundled" are required? All deposits of lockbox activity are made by the contractor.

    This would be determined by the Contractor and pre-approved by the Treasurer.

12. What is "Lockbox Special Stapling" with a listed volume of 3,369/mo.? Please be detailed in your explanation.

   "Lockbox Special Stapling" is any special document stapling that IDOR requires. "Lockbox Special Stapling" is no longer as prevalent as it once was; this, with the increased use of imaging and related software for lockbox processing. Although it is still part of the pricing, it is becoming less and less applicable over time.

13. What is the unit of measure for "Lockbox Processing Scannable"? We charge separate scannable and non-scannable item processing fees to each check processed. For multiples (see question #6 above), we assess a surcharge per check.

   The unit of measure is per form.

14. Are the "Lockbox Data Capture" Monthly fees a fixed monthly charge per box for which data capture is provided with keystrokes billed separate? If "no", what is it?

   This is a service that is not currently being utilized that the vendor should provide pricing for in the event that it is utilized in the future.

15. If keystrokes are covered by the monthly fee, please provide monthly keystroke volumes; we assess data capture fees per keystrokes and do not have a monthly fee for the provision of data capture services.

   This service is not currently billed separately, please provide pricing for this service.

16. What data is being captured for scannable payment beyond the check MICR line and OCR coupon scan line?

   Those are the primary requirements; however, some vendors employ additional data capture to aid in negating necessary keystrokes further upstream. The check MICR and coupon OCR scanline are the primary capture requirements; however, past vendors have employed additional OCR data capture to aid in reducing necessary keystrokes. The only requirement is maintaining the quality required in the contract.

17. What is "Data Capture Return Item"? Is it for the capture of information from tax returns or for checks deposited through the lockbox and then returned for insufficient funds, account closed or other reason? Please provide monthly keystroke volumes.

   This is a service that is not currently being utilized that the vendor should provide pricing for in the event that it is utilized in the future.

18. What are the units of measure for the "Lockbox Image . . . Forms" and "Lockbox Image . . . Checks" services? They may vary by type (e.g., Forms is "per image"; Checks is

"per check" with one fee for the front & rear image). The units of measure may also vary for scannable and non-scannable.

This is a service that is not currently being utilized that the vendor should provide pricing for in the event that it is utilized in the future.

19. Are OCR coupons images included in the "Lockbox Image . . . Forms" count?

This is a service that is not currently being utilized that the vendor should provide pricing for in the event that it is utilized in the future.

20. What is "Data Key Entry Exceptions"? Please provide monthly keystroke volume.

Please see Appendix F, "Proposed Cost Structure" or "Proposed Cost Structure UPDATED."

21. What is "Data Entry Scannable" under the "Services Paid by IDOR" section? Please provide monthly keystroke volume.

The monthly keystroke volume is not available, however, the yearly keystroke volume is, as follows:
   ❖ 2018 ST-1 IDOR billed keystrokes: 13,387,491
   ❖ 2018 ST-2 IDOR billed keystrokes: 4,643,347
   ❖ 2019 ST-1 IDOR billed keystrokes: 9,497,763
   ❖ 2019 ST-2 IDOR billed keystrokes: 3,713,957
   ❖ 2020 ST-1 IDOR billed keystrokes: 7,915,815
   ❖ 2020 ST-2 IDOR billed keystrokes: 2,835,205

   ❖ 2018 ST-1-X keystrokes recorded: 1,052,625
   ❖ 2018 ST-2-X keystrokes recorded: 464,356
   ❖ 2019 ST-1-X keystrokes recorded: 1,075,970
   ❖ 2019 ST-2-X keystrokes recorded: 391,723
   ❖ 2020 ST-1-X keystrokes recorded: 612,708
   ❖ 2020 ST-2-X keystrokes recorded: 135,141

22. What special handling is represented by "Return Item Processing-Special Handling"?

This is a service that is not currently being utilized that the vendor should provide pricing for in the event that it is utilized in the future.

23. What is "Lockbox Information Delivery Transmission All Tax Types" with a listed volume of 22/mo (when you have 5 lockboxes)?

The "Lockbox Information Delivery Transmission All Tax Types" is based on a single transmission containing all tax types in one file.

24. Your RFP states that "Certified Mail Delivery Receipts from the U.S. Post Office should be date stamped, filed and retained either physically or digitally imaged for a minimum of a two-year period by each processing facility." Would you accept a list of received items that included the tracking number and date received rather than the original physical receipt?

    No. The certified documents need to be retained as indicated in the RFP.

25. You have a requirement that: "All mail, tax documents, remittance and correspondence shall be processed and remittance deposited within eight (8) hours of receipt for IL-501, and IL-505-I (with the exception of IL-941, IL-1040-ES, and ST documents which need to be processed and remittance deposited within 24 hours of receipt)."

    a. What is considered "receipt", when the contactor picks up the mail at the post office or when the mail is received at the processing site?

       Receipt is when the Contractor takes possession of that day's lockbox mail items.

    b. Is that non-negotiable? Because if mail was driven from Springfield to Chicago, 3+ hours would be necessary for the journey.

       This is required by the Illinois State Officers and Employees Money Disposition Act (30 ILCS 230/2).

26. You state that "The Contractor must guarantee an error rate not to exceed one percent (1%) of the entire batch key entered and key verified. One or more errors on a return will result in the entire return being in error."

    a. What is the denominator (e.g., number of returns, number of payments)?

       The denominator is all documents data captured/keyed and payment instruments processed within each batch.

    b. What time period is measured (e.g., an error rate of 1% or less averaged over 3 months)?

       The State (the Treasurer or IDOR) intends to do a quality assessment of the Contractor's performance at different intervals to ensure overall quality over different periods of time. Failure to meet the one percent (1%) threshold of error rate will be the Contractor failing to meet this requirement.

c. What are the consequences of exceeding the 1% error rate?

This will depend upon the error rate, the length of time that the Contractor is exceeding the error rate, and the Contractor's attempted efforts, if any, to decrease the error rate.

27. When a check is received without a coupon, you require the Contractor to prepare a surrogate coupon 2 ¾ X 8 ½ inches.

   a. Please provide examples of what you expect the surrogate coupons to look like. They may differ by tax type.

   Please see document entitled "Sample Surrogate Vouchers for Lockbox" posted along with Addendum 3.

   b. Would it be acceptable for us to create a virtual coupon that can be included in your image files but does not require physical creation?

   At this time, the Treasurer declines to commit to a virtual coupon, and invites the vendor to submit this virtual coupon option in its Proposal.

   c. Is all information to be included on the surrogate coupon taken from the remitted check and documents or is there an expectation that we would look up missing information (e.g., you supply a copy of taxpayer information to use; when there is not coupon, we look up the taxpayer based on name & address and capture the related tax ID number)?

   Previous vendors have supplied an image sharing program allowing IDOR to assist so most items sent to the lockbox with limited information can still be processed.

28. All exception items must have envelopes and routing tags attached and must be forwarded to IDOR. In addition, all payments and related documents being returned to IDOR that are $10,000 and over should be segregated, placed in a separate envelope, with a routing tag attached and which must be marked clearly and boldly "BIG MONEY" or "> $10,000".

   Although this is not a question, this statement is correct.

29. Your RFP states: "G. If the "MARK IF YOU HAVE PERMANENTLY STOPPED WITHOLDING" box is marked or if the form doesn't contain a valid type signature, this information must be captured for the file transmission."

a. Please provide a copy of the OCR coupon used with 941 payments; there is not one among the samples in pages 274-289.

There is no specific IL941 payment OCR coupon. An IL501 payment coupon is used if the payment is not processed at the same time as the IL941.

b. On the coupon, indicate where the above-referenced check box is located.

There is no checkbox on the coupon, the checkbox is located on the IL941 return itself.

30. The bar code on the IL-501-I example provided on page 279 is very close to OCR scan line (just above right end of OCR). Are you willing to make changes to your OCR coupons to meet our specifications that allow for the most accurate processing?

At this time, the Treasurer declines to commit to a proposed specification.

31. Regarding how "Numeric Post" in scan is calculated (for verification) based on taxpayer last name, please elaborate. Are the first 4 letters of the taxpayer last name used to derive the Numeric Post number in the scan line? How are the taxpayer name letters captured to use in the validation, manual key by looking at the return?

Yes. Each letter is assigned the number of its place in the alphabet, thus, A is 01, B is 02, etc. If the taxpayer's last name was Smith, the scanline would populate "19130920"

32. Your RFP states that tax return & batch info transmitted "accessible to IDOR for two (2) working days after receipt of the transmission". Please elaborate? Does this mean that the files would be easily retransmitted within 2 working days of the original delivery? That you want to be able to view images on a bank browser application?

Yes, this means that the files would be easily retransmitted within two (2) working days of the original delivery. Likewise, if IDOR needs the files retransmitted, the vendor will need to reproduce within two (2) working days after the original. Any "bank browser" application that a vendor provides would be a supplemental. IDOR would still need to receive the tax return and batch information via the file transfer protocol (FTP) found in the RFP.

33. In IL-505-I, 1C; and ST-1/ST-2, state that you require an audit trail that consists of: YYJJJSSNNBBBBBBBTTT
    a. (YYJJJ = year and julian)
    b. (SS = scanner job number)
    c. (NN = scanner number, as assigned by IDOR after vendor selection)
    d. (BBBBBBB = scanner batch number)
    e. (TTT = transaction number within scanner batch)"

IL-505-I, 1D states that you would also like the check amount included in the audit trail of related documents,

We may not be able to meet your audit trail requirements. Would this eliminate us from consideration? We virtually endorse checks and do not print or virtually apply audit trails to coupons or documents. Date, batch, item and captured data is logically linked to the images and would be included in image index files.

Not being able to follow this requirement would eliminate a Respondent from consideration.

34. Your RFP requests batch folders as described below. Are these batch folders physical folders or electronic folders? It is not our practice to create physical folders of remittance materials. We will all documents with the accompanying check; these images are logically associated via shared data elements.

"Documents shall be placed in a batch folder along with an Itemized Listing:

A. The batch folder shall be labeled with the following:
•Batch Control number
•Transaction code
•Total batch dollar amount
•Document count
•Date received (stamped on batch folder)
•Bar code label attached at top left edge

B. The Itemized Listing shall detail each item in the batch:
•Batch Control and Document number
•Transaction code
•APE
•SSN
•Post
•Official use amount
•Date received
•Total entered and accumulated dollar amounts
•Total entered and accumulated document counts"

These are physical manila style folders as supplied by IDOR.

35. Your RFP states that deposit notification transmission (email?) of State-specified report: "The notification for IDOR shall be the generation and file transmission of the (300 Report). The notification for the State Treasurer's Office shall be the generation and transmission via electronic transmission or fax of the (300 Report)." Does email delivery qualify as "electronic transmission"?

    IDOR needs the 200 and 300 reports delivered via file transmission. Email is not a primary transmission option, however, it could be a supplement to the file process.

36. "The Contractor will create, at a minimum, the following required IDOR deposit management reports to accompany the file transmission:"

    •Daily Deposit Report (300 report)
    •Deposit Summary Report (200 report)
    •Report on clearance patterns for transactions processed (prepared on request).
    •IDOR may request additional reports that would be prepared on a request basis."

    a. The 200 Reports ask for subtotals by tax details document count, sub-total dollars, total dollars, and clearing account number by tax type. It also sub-totals by form type (prepared and transmitted daily). Does this mean that you want subtotals by lockbox or subtotals by tax form within a lockbox (e.g., ST-1, ST-1-X, ST-2 and ST-2-X would each have separate subtotals)?

        Each 200 Report represents the tax type with further subtotals splitting out the different options (by assigned station number) under that tax type. The Appendix A 200 Report samples show the requirements for the 200 Reports. The specific 200 Report for ST-1/ST-2/ST-1-X/ST-2-X is found on page 129 of Appendix A.

    b. Please provide a detailed description of copy of the "Report on clearance patterns".

        This is less of a "clearance pattern" and more of a processing pattern. Please see attachment "Updated Lockbox 2016-2021 Mkll" for the details published with this Addendum 3.

37. When key, "Verified fields are in yellow" and are:
    •Document number
    •Taxable Year Ending – Month (always "12")
    •Taxable Year Ending – Year
    •Post (1st 4 of taxpayer last name)
    •SSN
    •Date Received – Year
    •Data Received – Julian (001–366)

a. How would "Post" be validated? Key the 1st 4 digits of the taxpayer's last name from the return, perform your provided mathematical calculations and compare it to the number captured from the OCR scan line?

The Contractor will need to key verify these fields, however, there is no required verification process. Past vendors have developed their own methods as programmed into their respective systems.

b. Document number & SSN may have mathematical routines we can use to validate the data. Date fields are controlled within the system or, in the case of "Taxable Year Ending – Month" a fixed value. Do you agree?

Yes, IDOR agrees that data fields are controlled within the system or in the case of "Taxable Year Ending – Month" a fixed value. There have been check digit routines implemented in the past.

You have similar requirement for the ST-1, ST-2, ST-1-X, ST-2-X and PTS-2 forms. In those instances, like with the IL-505-I, some fields are system generated and other would require use of mathematical equation or schema applications.

Unclear what the question is, but to clarify, each can be distinct, yet all are similar in execution. Upon execution of Agreement, the State will work with the Contractor to help address best practices.

38. The requirements for item D of the batch sorting examples seems to say that for correspondence received with a payment, that correspondence should be separated from the payment and routed to IDOR. Instead of doing that, we image all documents received with a payment as part of the transaction. For OCR coupon payments accompanied by other documents, we can place them in a separate batch range to make it easier for IDOR staff to find and view the correspondence.

a. Is this acceptable?

At this time, the Treasurer cannot commit to this without seeing the full proposal. Vendor may submit this option under Section IV.B.12.

b. If not, why not?

The Treasurer needs to see vendor's proposal.

39. "All exception items must have envelopes and routing tags attached and must be forwarded to IDOR. In addition, all payments and related documents being returned to IDOR that are $10,000 and over should be segregated, placed in a separate envelope, with a routing tag attached and which must be marked clearly and boldly "BIG MONEY" or "> $10,000".

You included a sample routing tag on page 289.

a. Is this the required routing tag format?

   Yes, IDOR supplies these and will provide instruction to the Contractor.

b. Who completes the tag? It is not clear what information would be completed by the lockbox provider and what is completed by IDOR staff.

   The lockbox provider completes the tag. If needed, the Contractor may be instructed on how to populate the tag.

c. If lockbox completes the information, what does each box label mean and where would we find the information to enter in the box?

   Labels are color coded for each day of the week. The State will work with the Contractor on how to populate the tag.

40. Your RFP states that "Envelopes for all ST-1s are to be attached to and remain with the return. Envelopes must be completely emptied of all contents and this must be verified as part of the vendor's quality review."

We work in an image-based environment and shall perform data capture ourselves rather than outsource it. Therefore, we will image envelopes with the other parts of the remittance (e.g., check, forms). Original documents, including envelopes, will be securely stored prior to secure destruction.

Sample ST forms provided on pages 280-287 do not include any OCR coupons. Yes page 121 makes multiple mentions of OCR coupons for ST-1/2/X payments.

a. Is there or is there not an OCR coupon (1 or multiple) used for ST payment? If some there are OCR coupons, please provide an example of each variation we could receive.

   There is no official OCR coupon for a stand-alone ST payment, however, since both the returns and payments for ST's are batched using separate station numbers, a payment received without a return can be batched with a surrogate coupon as an "ST Payment" using station number "911." The bottom portion of the ST-1 can be used as a coupon by some taxpayers.

b. If OCR coupons are used for some ST tax payments, do you want envelopes imaged for those remittances as well as those consisting of only full-page forms?

   Yes.

41. The bottom half of page 123 talks about how forms can be received with ST returns that should be routed to others. This implies that these forms are to be physically separated from the companion return, grouped by form type and shipped to one or more designated addresses. Please elaborate.

    a. How often are these forms received?

       The frequency is difficult to pinpoint, although it is the exception in relation to ST documents received. IDOR receives a fair amount of exception items forwarded daily.

    b. Are you asking for the physical form?

       Yes. IDOR may need to process the form, document, or correspondence in-house.

    c. What would you need to work with the forms if we image them with the companion return rather than separate them and ship them to you?

       IDOR requires the original paper item for processing.

    d. To where is each for to be sent? If imaged, what areas would need access to each type of form?

       All 100% exception item returns—regardless of category—go to IDOR in Springfield, Illinois.

42. If we are performing all data capture ourselves, so no batches of work are being shipped to a 3rd party, are batch log sheets necessary?

    a. If "yes" what purpose do they serve for IDOR?
       IDOR logs all returned work.

    b. If "yes", do they need to be hardcopy reports, or would they be systematically generated reports emailed to you?

       Hardcopy reports need to accompany all batches returned to IDOR as this is part of IDOR's intake validation process. Reports may be emailed in addition.

43. You ask that the contractor forward all OCR coupons to IDOR. We will image all coupons (front & back) as part of transaction processing. Why do you want/need the physical coupons sent to you?

   The State periodically performs a quality control review of the vendor's accuracy. The return of these physical documents aids in this review.

44. Your RFP requests batch folders and described below. Are these batch folders physical folders or electronic folders?

The batch folder shall be labeled with the following:
• Batch Control number
• Document type
• Date received (stamped on the batch folder)
• Transaction code (210)
• Document count
• Total batch dollar amount
• Bar code label attached on appropriate side of batch folder

These are physical folders as supplied by IDOR.

45. Your required Data Entry Reports all seem to be related to the outsourcing of data capture to a 3rd party.

a. If we do all the data capture ourselves, what if any of this reporting would still be desired?

If the Contractor is not outsourcing any data keying, IDOR still requires the reporting as outlined in the RFP.

b. If still required: One of your required data entry reports is "A. Keystroke Calculation Report detailing number of keystrokes. This report shall be faxed to the IDOR Data Entry Section." Please elaborate on this.
   i. Why would keystroke calculation be necessary? We will do all data capture and our operating system will count keystrokes at the lockbox level so that we can bill for the services.
   ii. What is the exact information desired and for what purpose?

It is assumed this question is referring to the ST form types. The requirement is a control feature that relates to IDOR's rules concerning billing and payment. The Treasurer open to proposals that suggest more efficient alternatives, see Section IV.B.12.

46. On the example ST-1 and ST-2 Multiple Site forms (pp 148-150) and ST-1-X form (pp 165-167) there are numbers/codes hand-written in blue ink. We did not see anything that explained them.

a. What do the hand-written numbers/codes represent?

The handwritten numbers/codes are delimiters that represent line numbers in the data file layout. A delimiter is followed by data content of what is on the paper form.

b. What do they mean for the contractor?

These forms are delimiter driven as opposed to utilizing set field locations within a file record. The Contractor will have to become familiar with this type of file construction.

47. What differentiates "simple" from "more complex" correspondence?

If correspondence does not relate to the document being processed or addresses a subject that may need a higher-level review, it is treated as "complex."

48. How are Tax Protest Letters identified?

Typically, the word "PROTEST" is written somewhere on the correspondence. Tax Protest Letters are also identified by content that protests an IDOR administered requirement or action taken, disputes a notice received, or demands relief from penalty or similar action. Any correspondence in which a taxpayer wants a basic compliance or enforcement action reviewed is treated as a "Tax Protest."

49. How often do they accompany a payment with a return?

Though it does happen, it is infrequent.

50. The Batch Sort example table on pp 168-169 states the if we receive items with "acceptable attachments: PST-2, Credit Letter, and Taxpayer Statement" to process the ST form and payment and "leave attachments". What do you mean by "leave attachments"?

This reference indicates these attachments, if received with an ST-1/2, can be processed and imaged with the ST-1/2 if the check presented only covers the ST-1/2 liability.

51. Why do you want them separated from the associated payments/return?

These attachments are only to be processed with the ST if the check only covers the ST liability, otherwise forward all documents to IDOR, together for review and processing.

52. Our standard is to image all documents received with a payment. If it is a "correspondence only" remittance (envelope with no payment enclosed), it is our standard to image those items into a separate "correspondence only" batch range.

The only items that should be imaged are the items outlined as acceptable for processing within the RFP requirements with the exception of solo correspondence without any remittance or return enclosed that are forwarded to IDOR as a 100% exception.

53. Regarding the ST-1 Web payment voucher:
    a. Please provide a sample.

    As the Web payment vouchers produced on the Department's MyTaxIllinois public facing tax system do not go the lockbox for processing, the State will not provide a sample.

    b. We can image these in a non-payment batch.

    Although this is a statement, to clarify, if a payment is received with a Web payment coupon, it needs to be returned to IDOR as a 100% exception.

54. Your RFP states that "All envelopes are retained and imaged. The envelope should be attached to the back of the corresponding return after processing and placed in the batch folder."
    a. Do you need envelopes images for scannable items (checks with OCR coupons)?

    Envelopes should be retained for all returns processed at the lockbox, however envelopes for coupons do not need to be retained.

    b. We will image envelopes with transactions. Our preference would be to not forward the original docs with envelopes to you. However, if you need them, they will be collated with the related document and not attached/stapled.

    Please see answer to Question 54.a.

55. Batch manifests:
    a. Please provide an example of the manifests you are requesting.

    Please see Appendix A of the RFP.

    b. How do you use the manifests; what purpose do they serve?

    Manifests are used to document what items are in the batch. The State requires an accounting of items processed and the images themselves as part of its internal controls.

    c. What are the jobs listed (see below) and who assigns the job name?

    This is IDOR specific nomenclature assigned by IDOR front end services.

    • ST1WOLVN   ST-1 Without Remit Lockbox Vendor
    • ST1WRLVN   ST-1 With Remit Lockbox Vendor
    • ST2WOLVN   ST-2 Without Remit Lockbox Vendor

- ST2WRLVN   ST-2 With Remit Lockbox Vendor
- ST1XLVN   ST-1-X Lockbox Vendor
- ST2XLVN   ST-2-X Lockbox Vendor

56. Keystroke calculation: "For each of the various types of work, multiply the number of documents being sent by the average number of keystrokes for that job. The keystrokes listed below are the billable keystrokes for the ST-1/2 returns and may be changed at the sole option of the Department.

JOB	KEYSTROKES
ST1WOLVN	189
ST1WRLVN	261
ST2WOLVN	686
ST2WRLVN	881
ST1XLVN	233
ST2XLVN	1076

We will perform all necessary data capture. Our system tracks keystrokes within each lockbox. They are reported for billing purposes. The volumes will be the actual keystrokes required to capture your specified information. Therefore, calculating keystrokes is unnecessary.

   a. Do you agree?

     IDOR does not agree.

   b. If you do not agree, why?

     IDOR uses these figures when reviewing ST billing submitted for payment by the vendor.

57. Are daily batch control reports necessary if we are performing the data capture ourselves and not shipping documents to a 3rd party?

     Yes.

   a. If "yes", why; what value do they provide IDOR?

     It is part of IDOR's internal controls structure.

58. Your RFP states that "Each ZIP file will contain processing for a single tax form type; data and images for different form types may not be combined together in the same transmission file."

   a. Does this mean that when multiple tax forms (e.g., ST-1, ST-1-X, ST-2) are received and processed in a single lockbox, you expect the work from this single

lockbox to be split into multiple image transmission files (e.g., one file for ST-1; a separate file for ST-1-X; a separate file for ST-2)?

The ST-1 and ST-2 can be in a single data file. The ST-1-X and ST-2-X should be in their own data file. All other forms, namely the IL-941, IL-941-X, IL-505-I, IL-501 and IL-1040-ES, will each need to have their own data file.

b. If "yes", why are separate files by tax form required? It is standard practice for all images and data for a single lockbox to be included in a single file.

There are two reasons why separate files by tax form are required. First, IDOR rejects at the file level if edits are not met, and it does not want one item type holding up all the others items. Additionally, the image files are quite large and separating them in this manner explained in the answer to Question 58.a helps to keep the files at a manageable size.

59. Do you want separate data files for payment/return posting purposes, or will you rely on the data in the data files that accompany the image file and contain the image references to perform your posting?

IDOR expects separate data files for each form. ST-1 and ST-2 are considered the same form. However, the ST-1-X and ST-2-X are different form types. IL-941 and IL-941-X are different form types. All other payment types need to be separate as well.

60. In your RFP there is no mention of IDOR using a web interface to view lockbox images. And the information in pages 178 and beyond seem to indicate that you would like daily transmissions of lockbox image files.
   a. Is it true that for all lockboxes and tax types you would like daily transmissions of TIF images with corresponding index value and capture return data?
      i. If "no", please explain in detail (e.g., which lockboxes will receive an image file and which will not).
   b. Is it true that you have no need or interest in having images archived by the contractor and accessible via a web browser application?
      i. If "no", please explain in detail (e.g., which lockboxes will have browser access to a contractor archive; how long do you want images accessible).

IDOR has its own system for reviewing images. The DLN process outlined in Question 33 drives the demarcation of items imported into this system. IDOR needs image files for each tax type under the RFP.

61. Your RFP states that "An acknowledgment file will be produced by EFS informing the lockbox the status of their transmission. The lockbox must pick up this file, verify it, and take action if the file was rejected (had errors)."

a. Why are acknowledgements necessary when we are originating the file to you? They are common practice when you are sending payment origination files to a bank.

The acknowledgement is not confirmation of file receipt, but rather an acknowledgement that IDOR accepts the content of the file as presented. IDOR edits much of the data content of the files it receives, and if the data content is not complete or in error, the acknowledgement process informs the vendor of the error. As a result, the vendor should investigate the reason for the error, correct, and retransmit.

62. May we also report the deposit credits using the 10-digit Treasurer Agency Identifier?

Yes.

63. Pertaining to the request of the Administrative report, are you asking for sample of an online entitlements report for our online banking application?

This is one example of an Administrative report, Respondents may submit all reports for their online banking application, see RFP Section IV.B.12.

64. Will the state consider a response that would consider automation for the forms and data processing?

The requirements set forth in the RFP should be followed; if the vendor has an alternative method it would like to propose please see RPF Section IV.B.12.

65. Who is/are the incumbent(s) on these services detailed in the RFP?

Please see Notice of Award dated December 15, 2015, on the Treasurer's website https://illinoistreasurer.gov/Office_of_the_Treasurer/Procurement/Procurement_Notices.