

REQUEST FOR PROPOSAL

Delaware Department of Labor Division of Unemployment Insurance

RFP for Lockbox Banking Services



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I. Introduction

A. Purpose.

1. The State Treasurer and Director of the Division of Unemployment Insurance desire to enter into a banking relationship with one qualified vendor for the purpose of providing wholesale lockbox banking services to the Department of Labor's Division of Unemployment Insurance (the Division).

B. Overview.

1. The Division collects two types of payments and has historically operated two lockboxes for this purpose:

a. The Training Tax lockbox is a basic lockbox that collects a tax that is billed semiannually (June and December). The tax is used to provide industrial training or retraining for dislocated workers, school-to-work transition services, and career ladder training for State employees. There are no reports filed as part of this tax payment, only scannable or non-scannable processing documents. Approximately \$5 million is collected annually through this lockbox.

b. The Unemployment Insurance lockbox collects a quarterly tax that is calculated and submitted by the employers (approximately 27,000). The lockbox also processes the quarterly tax and wage report data of the employers. Report data includes: SSN, name, and wages of each employee, and additional summarized information. The data is transferred electronically to the Department of Labor on a daily basis, where it is incorporated into the Division's tax and benefit data bases. During the week prior to and the two weeks subsequent to the quarterly due date (January, April, July and October) approximately 80 percent of the 27,000 reports are processed. The funds are used to provide unemployed Delaware workers with unemployment Insurance benefits and the reports are used to provide information on tax liability (state and federal), benefit eligibility, statistical information as required by the BLS, and information to several other agencies. Approximately \$75 million is collected annually through this lockbox. The following is an approximate breakdown of remittance types:

➤ Scannable, single documents	≈ 22,471 (≈ 31 percent)
➤ Non-scannable documents	≈ 50,163 (≈ 68 percent)
➤ Non-monetary reports	≈ 280 (≈ 1 percent)

c. Currently both lockboxes are located in Philadelphia.

C. Eligibility to bid. Banks intending to submit qualified proposals must meet the following minimum standards:

- Hold a current national or state charter.
- Maintain a principal office in Delaware.
- Hold non-investment assets of at least \$5 billion.
- Hold a Fitch Bankwatch individual rating of at least "B."

D. Conclusion. This RFP will result in the State of Delaware awarding a contract to a single bank to operate two distinct lockboxes. The evaluation criteria used to award this contract (s) may be found in Section V of this RFP.

II. Bidding Specifications and Information

- A. Addenda to the RFP. If it becomes necessary to revise any part of this RFP, addenda will be provided to all vendors that received the initial RFP. Vendors are required to acknowledge the receipt of all changes and addenda.
- B. Cancellation of the RFP. The State may cancel this RFP, in whole or in part, at any time.
- C. Proposal Acceptance. The State Treasurer reserves the right to:
- Accept or reject any and all proposals, in whole or in part, received as a result of this RFP.
 - Waive minor irregularities in proposals.
 - Allow a bank to correct a minor irregularity in its proposal.
 - Negotiate with all responsible vendors, in any manner necessary, to serve the best interests of the State and its taxpayers.
- D. Oral presentations and site visits. Banks submitting proposals may be required to make individual oral presentations to State representatives in order to clarify their proposals and respond to questions. Vendors must agree to site visits to operational facilities during processing times as a condition of being awarded a contract.
- E. Incurred Expenses. State of Delaware employees and members of the Delaware Cash Management Policy Board are not responsible for any costs incurred by any bank in preparing and/or submitting a proposal.
- F. Economy of Preparation. Proposals should be prepared simply and economically by providing data on all areas required. Proposals should also adhere strictly to the proven capabilities of the contractor to meet the requirements set forth in this RFP.
- G. Public Information Act. Vendors must clearly identify those portions of their proposals that contain confidential information, and they must provide written explanation why such material may not be disclosed upon request under the Delaware Freedom of Information Act.
- H. Contract Responsibilities and Subcontracting. The State Treasurer and the Director of the Division of Unemployment Insurance will enter into the contractual agreement only with the selected vendor for services requested in this RFP. The vendor shall be responsible for all products and services as required by this RFP. Subcontractors, if any, must be identified and a complete description of their role relative to the proposal must be included in the vendor's proposal. The State reserves the right to not permit any and all subcontracting.
- I. Acceptance of Terms and Conditions. In submitting a proposal, the vendor accepts the terms and conditions set forth herein. If the vendor proposes changes to any of the specifications of this RFP, such changes will be considered, providing that the vendor can clearly demonstrate, and the State agrees, that the changes will be in the best interest of the State. All recommended changes should be clearly identified and submitted in a separate section of the vendor's proposal. They should not be included in the main body of the vendor's proposal.
- J. Contract Duration. The banking services contract will be for a period of five (5) years beginning on the effective date of the contract, January 1, 2010. The vendor and the State may mutually agree to extend the term of the contract for three one-year increments, with a potential contract end date of December 31, 2017.
- K. Price changes. Unit price increases or decreases will be permitted starting July 1, 2011, and on July 1 of each year thereafter, if agreed upon by both parties 60 days prior to that date. Any price increase shall not exceed the lesser of the Producer Price Index (PPI), as provided by the Federal Reserve and published in the Wall Street Journal, or five percent. The bank must supply to the State the proper documentation which confirms the need for a price increase.
1. Should the State and the bank institute a system which would lower the bank's expense of providing a service a reduction in price for that service would be in order. Six months prior to the expiration of the five-year contract, the State and the bank will mutually determine whether to exercise the first year of the one-year extensions.

2. Should both the State and the bank wish to pursue that option, agreement on unit price increases, if any, for the one-year extension must be reached between the State and the bank at least 120 days prior to the end of the original five-year contract.

L. Price discounts. Vendors should include in their proposals any discounts for monthly payment of invoices (as opposed to quarterly), service volume break points, etc.

M. Non-collusion statement. All banks responding to this RFP must certify that they have neither directly nor indirectly entered into any agreement with other vendor(s) that may be interpreted to be collusion for the purpose of restricting free competitive bidding. Banks failing to complete the attached Non-Collusion Statement will be eliminated from the bidding process.

N. Termination of Contract. The State may terminate the contract by a 90-day written notice sent by certified mail to the principal office of the Bank. However, the State reserves the right to immediately terminate this contract in the event the vendor fails to meet all contractual requirements. The State shall have the right to declare the vendor in default and to terminate all agreements, written or verbal, without penalty or obligation on the part of the State of Delaware. Upon written notice of default to the vendor, the State shall have the right to select an alternate vendor.

O. Bidders' Conference. The State will hold a meeting for potential bidders **at 10:00 a.m. on Tuesday, May 12, 2009**. It will be held in the Annex Training Room at 19 Lea Boulevard in Wilmington, next to the Wilmington Trust Bank. Vendors are encouraged to submit all questions in writing prior to the meeting to Manager of Banking Services James DiDonato at jim.didonato@state.de.us. Additional questions will be permitted at the meeting, but answers may be deferred and provided subsequently in writing to all vendors. Answers which result in major changes to this RFP should be considered binding only after they are confirmed in writing.

P. Preparation and Submission of Proposals. Vendors should consider the following guidelines when preparing their proposals:

1. Vendors must submit bids on a fee basis, and vendors should include a separate bid sheet for each lockbox (as provided in Exhibit 3 and Exhibit 4 of this RFP).

2. Statistics pertaining to dollar and item volumes cited in this RFP are provided for bidding information purposes only. In preparation of bids, vendors should recognize that actual volumes experienced in the future will vary from those cited.

3. Proposals must include a narrative which describes the proposed services and its plan to meet the State's requirements for processing volumes, providing availability of funds, preparation of requested reports in required formats and meeting all service requirements in the RFP. The proposed services must be provided in accordance with federal, Delaware and local laws.

4. Proposals must indicate an Account Officer and a back-up representative, who are reasonably available and have adequate knowledge of the State's requirements and of the bank's operations, as central contacts for the State Treasurer's Office.

5. Proposals must indicate a Bank Operations Officer who would be readily available to resolve any operational problems that may develop. The vendor must also indicate a Cash Management Officer who can assist the State with new cash management procedures and products. The State prefers that the cash management officer be currently recognized as a Certified Cash Manager by the Association of Financial Professionals.

6. Proposals must detail the personnel who would comprise the "conversion team" responsible for implementing a seamless shift to the new vendor. In addition, the vendor must describe in detail, including a timeline, its plan for implementing this conversion plan.

7. Proposals must be signed by a bank official who is authorized to bind the bank to all statements, including services and prices, contained in the proposal.

8. Proposals must provide two government and two corporate references for which the vendor has provided cash management banking services. (Government references should not include existing State of Delaware relationships.)

Q. Proposal format. To help standardize and expedite the proposal evaluation process, hardcopy proposals must be submitted according to the following specifications.

- All pages will be standard letter-size (8.5 x 11 inch) white paper.
- Print type should be a reasonable font and size. Color is optional.
- The use of plastic document protectors and other enhancements is discouraged.
- Three-ring binders are preferred, but combed (GBC) binders are acceptable.
- Each of the bulleted items found on the checklist will constitute separate sections of the proposals, and each section will be denoted by its own tab.
- Tabs will be labeled Tab A, Tab B, Tab C, etc., and will represent the respective sections in the same order listed in the exhibits.
- In addition, vendors are encouraged to submit their proposals in soft copy via email attachment using Adobe Acrobat or MS Word formats. These should be sent to James DiDonato with the subject line of "LOCKBOX BANKING PROPOSAL."

R. Proposal Deadline. **Proposals must be delivered to the following location by 4:00 p.m. local time, June 9, 2009.** Time-stamped receipts will be available upon request. Proposals must be delivered in a sealed envelope, clearly labeled in a manner such as the following: "LABOR LBX BID." If proposals are delivered by courier, proposals should be sealed within their own envelopes which may be inside the courier's larger envelope. Submit to:

**Office of State Treasurer
Attention: Labor Lockbox Bid
820 Silver Lake Blvd., Suite 100
Dover, Delaware 19904**

Members of the State Treasurer's Office and the Division will jointly evaluate all proposals, and an award date is tentatively set for June 30, 2009. Under no circumstances will the contract award be made after July 17, 2009.

III. General Performance Specifications

A. Compensation methods. It is the intention of the State Treasurer's Office to pay its invoices on a fee-only basis, but the winning vendor must agree to accept payment on a compensating balance basis if necessary.

1. The vendor will invoice the State quarterly, but will also be capable of invoicing the State monthly.
2. The vendor will accept fee-based payments in the form of check, wire transfer, ACH credit or ACH debit.

Note: The State Treasurer's Office prefers to use its purchasing card to make its quarterly payments. Please indicate if your bank accepts this mode of payment.

3. The vendor will accept payments with processing documents that have been corrected manually (by "pen and ink" changes) in those instances where the State has been charged incorrectly, and where the State and the bank agree to the changes and the revised amount of the invoice. (The purpose of making such adjustments to incorrect invoices is to speed the process of paying the bank, rather than wait for the bank to produce a revised invoice.)

B. Account analysis. Each month the vendor(s) will provide detailed account analyses to the State Treasurer's Office. The account analyses will be due in this office no more than 15 calendar days following the close of the month for which the analyses are made, and the analyses will contain the following:

- Contact information. The individual analyses should contain complete account name, account number and bank contact information.
- Balance information. The analyses will detail the average ledger balance, average uncollected funds, average collected balance, reserve requirement, adjustments and net available balance. In addition, all balance adjustments will be explained. Average collected balance is defined as average ledger balance minus any uncollected funds. The dollar value of these uncollected funds will be determined by the availability schedule submitted with the vendor's proposal. The reserve requirement must be calculated and equal to the amount mandated by the Federal Reserve.
- Earnings credit. The analyses will detail the computation of earnings credit. The earnings credit rate will be equal to or greater than the 90-day Treasury Bill rate for that period, as published by the Wall Street Journal. Earnings credit will be computed as follows:

$$\frac{(\text{Net available balance}) \times (\text{Earnings credit rate})}{(\text{Actual days in year}) \times (\text{Actual days in month})}$$

The bank must carry forward any aggregate excess earnings credit (allowance) to offset service charges for the following month within the three-month billing cycle. Excess earnings allowance is defined as the surplus dollar amount that is remaining from the earnings credit that is above and beyond what is needed to offset the service charge for a given month.

- Service. Each analysis will provide a detailed listing of the banking services rendered for that month. This listing will include a service description, AFP code, volume, unit price, fee basis charge, compensating balance basis charge, subtotals for each grouping or section of services (such as deposits, deposited items, ACHs, wire transfers, lockbox items, etc.) and a total.
- Adjustment line item. The summary analysis will include a line item within the services listing or elsewhere on the statement that is to be used exclusively for adjustments. These adjustments will typically be used to correct errors made on previous months' analyses, and they should be supported with a written explanation by the vendor.
- A written explanation for any unusual adjustments to balances and services that cannot be explained in the space provided on the analysis itself.

- A written notification of the termination or start of a new service that is not a part of the original proposal or contract. The State will not be liable to pay for any service, whether or not it is requested by a State agency, unless the vendor notifies the Cash and Debt Manager in writing and receives permission to implement the proposed service.
- An invoice, which may be in the form of a cover letter. The invoice may also be sent electronically as an email attachment.

C. Collateralization of deposits. The bank shall not be required to pledge collateral against the deposits of the State when all of the following criteria are met:

- The bank has assets of \$5 billion or more.
- The bank has maintained a return on total average assets of 0.5 percent (one half of one percent) for each of the latest two years, as determined from information provided by the bank's "call" reports (Federal Reserve OMB number 7100-0036) to the Federal Reserve.
- The bank has maintained an average capital ratio, defined as total equity capital to total assets, of at least 1:20 (one to twenty) for each of the latest two years, as determined from information provided by the bank's "call" reports.
- The bank maintains at least one of the following over the entire term of the contract:
 - A current rating of "B/C" or better as reported by Fitch "BankWatch" service.
 - A current equivalent rating by another national, independent bank-rating agency, approved by the State, that publishes its ratings.

1. The bank will provide a copy of its "call" reports and annual reports to the Office of State Treasurer to verify that the financial criteria of Section III-C above are being met. "Call" reports will be submitted promptly on a quarterly basis and annual reports will be submitted by June 30 of each succeeding year. They may be submitted via email attachment.

2. When any criterion is not met, collateral will be pledged against the State's lockbox account for the following eight consecutive quarters. Collateral will consist of one or more of the following:

- Securities of the United States government
- Securities of agencies of the United States government
- Securities of the State of Delaware
- Securities of a political subdivision of the State of
- Delaware with a Moody's rating of "A" or better.

3. Collateral will have a market value equal to or greater than 102 percent of the ledger balance(s) in the lockbox account each day.

4. Collateral will be housed at the Federal Reserve Bank in the name of "State of Delaware," and the bank will provide the CMU assurance in writing to that effect.

5. The bank will provide monthly reports to the CMU detailing the collateral pledged.

IV. Lockbox Procedures and Specifications

A. General information

1. This portion of the RFP is divided into the two prime functional areas that affect this lockbox: remittance processing and cash management.

Note: While this RFP is for two lockboxes, there is only one set of procedures. That is because the two lockboxes are so similar in nature.

2. The bank will maintain a record of all certified, registered and courier mail from corporate taxpayers for a period of at least one year.

3. The bank will make any adjustments necessary to accommodate the use of new or modified forms within 60 days of written notice by the Division.

B. Remittance Processing. The bank shall:

1. Verify that the checks and tax documents have the proper information as detailed below:

Dollar amount:

- Should the written and numeric figures not agree, the bank should process the item using the written amount and change the remittance amount on the tax form.
- Should the amount of the check not agree with the amount shown on the tax document, the amount of the check is to be utilized and the remittance amount should be changed on the tax document. The items should be processed to completion.

Acceptable payees:

- The following payees, including any reasonable deviations, are acceptable.
 - Delaware Unemployment Compensation Fund
 - DUCF
 - Department of Labor
 - DOL
 - State of Delaware
 - Employment Securities Commission
 - Employment Training
 - Division of Revenue

Date missing:

- Checks without dates should be dated with the processing date.

Signature missing:

- Checks without signatures should be processed to completion.

Domestic checks:

- Only United States checks may be accepted. Foreign checks and their accompanying processing documents will be returned to the Division unprocessed.

2. Process all checks received without payment coupons if a valid account number can be ascertained from the accompanying documentation.

3. Endorse and deposit all checks other than those that are to be returned as exceptions in a timely fashion.

4. Record all checks and documents and maintain for a period of seven years. Should research be requested by the State, the bank should provide ready retrieval and photocopies of checks and documents (within 72 hours after receiving the request either by telephone or mail).

5. Allocate, batch and identify (for edit purposes) all multi-part remittances. Multi-part remittances include:

- Single check with multiple reports
- Multiple checks with single report
- Multiple checks with multiple reports

6. Prepare advice of credits showing the total amount deposited to the account on each lockbox shift on a daily basis. On a daily basis, send one copy of each advice to:

*Department of Labor
Division of Unemployment Insurance
P.O. Box 9953
Wilmington, DE 19809*

7. Process return checks as follows:

- Automatically redeposit all checks one time.
- If a check is returned a second time, the check will be charged to the respective lockbox account and returned to the Division.

8. Return to the Division all non-processable reports and checks. If a non-processable check is accompanied by a processable report, the report will be processed as a non-monetary. The employer account number, as identified on the UC-8 form, will be written on the check to be returned.

9. Retain all corresponding envelopes for reports received between the 5th workday and the 21st of the month following the due date. Envelopes will be batched in the same order as the UC8 Forms, and the batch number will be written on top of the first envelope.

10. Assign a batch number to each batch of contribution returns (Form UC-8), Wage Listings (Form UC-8A) and Employment Training Fund Tax returns (Form UCSA-1) for audit trail purposes. This same number must be included as part of the check endorsement.

a. It is assumed that only tax returns will be processed. However, if payments are received without tax forms (for example, debit and credit memos) those documents must be batched separately.

b. The batch size will be 25 reports, and batches will be numbered within the series 00001 – 89999. Batches will be divided into four groups and identified by the following reference codes:

- 01 – Report received with remittance. (Series 00001 – 59999)
- 07 – Report received without remittance. (Series 60000 – 89999)
- 10 – Designated by the Division and specially marked. Can be monetary or non-monetary.
- 42 – Remittance without reports.

11. Reconcile both check and processing document totals prior to making a deposit.

12. Send all turnaround material daily to the State via courier. This includes: processing documents, deposit copies, credit memos, debit memos, adding machine tapes, correspondences, and unprocessable items with their explanations.

13. Provide a processing cut-off time that will ensure data transmissions to the State no later than 5:00 p.m. local time each business day for each lockbox. The State prefers to receive them as soon as possible.

14. Provide data transmissions of all transactions processed daily in each lockbox. Should the bank not be able to transmit data, it must notify the Division by telephone before a deadline agreed to in advance by the bank and the Division.

15. Provide terminal-based access for the Division to monitor balance and float information. This data must be available by 10:00 a.m. local time and must include:

- Ledger and collected balances.
- Float categories (One-day, two-day, on us, etc.)
- Number of items for each float category.
- Percentage of items for each float category.
- Dollar amount of items for each float category.
- Percentage of dollar amount of each item for each float category.
- Total daily deposits made to the lockbox accounts.

16. Provide a detailed monthly account analysis invoice as required by the Department of Labor. This must be provided by the fifteenth workday of the following month.

17. Provide daily bank statements to the Division.

18. Transfer all deposited funds daily via Fed wire (for Unemployment Insurance) or ACH (for Employment Training Fund tax) to the designated depository.

C. Cash management procedure.

1. Availability. The bank shall achieve optimal funds availability for the State by:

- a. Collecting remittances from the assigned post office boxes multiple times daily.
- b. Processing all remittances on all shifts.
- c. Depositing remittances a minimum of three times daily, and during peak periods as many times as necessary to achieve optimal availability. The bank will provide an electronic reporting module to the agency that includes balance reporting, ACH transaction reports and daily bank statement history (activity) reports.
- d. Providing proper deposit and collection "cut-offs" in a fashion to achieve the optimal availability for both weekday and weekend processing for the State.

(1) The bank will provide availability as detailed in the availability schedule included with the proposal. Funds processed Saturday will be made available (usable) to the State Monday (or the next business day). Those items processed Sunday will receive at least ledger credit (preferably available credit) Monday (or the next business day).

(2) The bank will review the availability schedule, timetables and cut-off times on a continual basis to ensure maximum availability.

2. Deposit reporting. The bank shall report the total deposit amount, less any target balance established by the Division, to the designated depository bank by 3:00 p.m. local time or by a time mutually agreed upon where the State would achieve the best availability and maximum processing.

a. This figure can be reported via PC terminal, fax or touch tone telephone input. The Division prefers PC terminal.

b. The depository bank will provide a verification number which must be retained as a record of having reported the deposit. Failure to provide a total deposit figure to the lead bank on time may result in interest due to the State from the lockbox bank.

3. Fund transfers. The bank shall permit the depository bank to create an ACH transaction against the lockbox account for the entire balance less the target balance established by the Division. During peak periods, the bank will allow the creation of a federal wire transfer for the collected balance less that target balance, if any.

a. In the event an ACH transaction is not possible, the back-up method of funds transfer will be federal wire transfer initiated by the State to the depository bank.

b. In the event the lockbox bank is unable to provide data to the depository bank or the depository bank is unable to receive or create an ACH transaction, the lockbox bank will notify the Division and CMU by telephone in a timely fashion. The CMU can then initiate a federal wire transfer from the lockbox bank to the depository bank, so that funds will be received and credited to the State's main collection account that same day.

c. The State will have the option to establish a sweep service for this lockbox account which must provide competitive interest rates on all balances maintained in the account prior to their transfer to the State's main collection bank.

4. Redeposits. The bank shall redeposit all return deposit items one time, regardless of check amount. If the item is returned a second time it will be forwarded to the agency with the daily deposit tickets.

5. Float analysis. The bank shall provide the CMU with a float analysis for each account when requested. The float analysis will provide:

- Float categories. Examples are: on us, immediate credit, 1-day, 2-day and 3-day (for weekends and holidays)
- Number of items for each category.
- Percentage of items for each category.
- Dollar amount of items for each category.
- Percentage of dollar amount of each item for each category.
- Item volume for each day of the month, along with the dollar amounts of these items. (This should be broken out by lockbox shift, if possible.)

V. *Evaluation Criteria*

A. General information

1. Each bid will be evaluated by the Office of State Treasurer and the Division, and it will be screened for the completeness with which it meets the specifications of this RFP. Failure to address any specification or failure to indicate that the bank would achieve full compliance with any specification, may disqualify the respondent. The criteria below are not listed in any particular order.

B. Criteria

1. Service.

- Quality and method of meeting the State's service requirements.
- Types of systems to be used to process the Division's payments.
- Financial and report processing controls.

2. Availability of funds.

- Number of post office pickups.
- Availability schedule applied to the Division's lockboxes.

3. Experience.

- A total of four references, two of which should be from the government sector if possible.
- Total volume of government lockbox items processed.
- Total number of lockbox accounts managed, including government accounts.
- Existence of a government relation group.

4. Pricing.

- The most cost effective solution for the State while meeting all service requirements, as determined by the pro forma bid sheets included with this RFP.

5. Proposal completeness.

- The thoroughness of the vendor's proposal.
- Responses to the questionnaire.

VI. Lockbox Questionnaire

This questionnaire comprises its own section of your proposal. Please respond in the same order as the questions are presented here, and relate your responses to the Division's lockbox whenever possible.

Postal Service

1. Do you use the city's main post office or a substation?
2. Do you offer 5- or 9-digit unique zip codes? For each zip code, provide the number of wholesale and retail users and the related monthly volume.
3. Is your zip code included in the first sort at the post office?
4. Where is the fine sort performed? Briefly describe the process, including the equipment used and whether or not it can read bar codes.
5. How long does it take from mail pick up at the post office to delivery at the lockbox department?
6. List your post office pickup schedule for each day of the week. Who ensures that this work is processed?
7. Does the bank use an internal courier service to pick up mail? If not name the external service you use?

Lockbox processing

1. In what city and state will this lockbox operate? Which retail branch of your bank is closest to the Division of Unemployment Insurance headquarters (4425 North Market Street in Wilmington)?
2. Provide a flow chart and narrative to describe your method of lockbox processing as it would apply to the State's account, from receipt of mail at the lockbox through assignment of availability.
3. List the type and quantity of equipment used for your (wholesale and retail) lockbox processing.
4. If the same equipment is used for both wholesale and retail processing, how is the work prioritized?
5. List your peak processing periods and describe the method of accommodating these volume fluctuations.
6. For each work shift, provide the number of full- and part-time employees involved in the following lockbox functions:
 - Supervision.
 - Processing.
 - Customer Service.
 - Support (mail room, proofing, encoding, computers, clerical)
7. Describe your lockbox customer service function, including the number of accounts each representative handles.
8. How are out-of-balance problems detected and corrected?
9. Will an audit trail be printed as a cross reference on each check and remittance document?
10. For the past six months, what was the average monthly (wholesale and/or retail) volume of customers, lockboxes, items and dollars processed?
11. How many deposits will one account receive each day?

12. Provide the expected percentage of daily deposits to our account for each deposit time with the corresponding availability cut-off times.

- Deposit times.
- Percent of daily mail.
- Percent of deposit.
- Availability cut-off.

13. What is the last cut-off time for your availability, and what post office pickup will ensure receiving this credit?

14. Describe how checks that are received after our deposit cut-off time will be handled.

15. Do you guarantee that all checks will be processed within a specific time after they are received at the bank? If so, what is the maximum time you guarantee and what happens if you fail to meet the deadline? If not, please provide an estimate of how long processing should take.

16. Where are checks MICR encoded?

17. Provide the number of drawee banks in the geographic area serviced by our lockbox for which we will receive immediate availability on weekdays.

18. Provide the number of direct sends in the geographic area served by our lockbox that will be made on normal weekdays. Direct sends to:

- Correspondent banks.
- Federal Reserve Bank.
- Regional Check Process Centers (RCPCs).
- High dollar group sorts.

19. Can you combine multiple deposits into one daily ledger credit and provide separate information as to the amount and time of each deposit?

20. List the electronic payment formats your lockbox can accept, along with the timing of ledger credit and the transfer of payment information to us.

21. Describe any special or priority processing services you offer for key customers.

22. Do you separate ledger credits and related information for remittances processed on weekends and holidays?

23. Provide a holiday schedule for your lockbox department and your bank.

24. Does your bank's processor have the ability to capture images on CD-ROM and microfilm? Please specify all types.

25. Describe your bank's processor software modification capability, including the following:

- Can it be modified to accept new data?
- What is the turnaround time?
- What are the testing requirements?

26. Can your bank's system accommodate multiple batch numbers for different types of processing (e.g., paid-as-billed, paid differently, etc.)?

27. If your bank uses image processing, provide the image retention period for customer service purposes.

28. Describe your bank's data transmission capability:

- For customized formats.
- For information from electronic payment formats included in the transmission.
- How many customers use the service?

Quality Assurance and Disaster Recovery

1. Your Quality Assurance Plan (QA) should be described in Tab J. Please include:

- Any industry forums your bank is involve with
- Types of metrics used to measure quality
- Remedial actions to correct substandard performances (either mechanical or human)
- Acceptable error rates
- Recent measurement results (including and external independent scoring)
- Methods the State would use to access scores and general QA information

2. Your Disaster Recovery Plan (DRP) should be described in Tab J. Please include:

- Location of the primary back-up site
- System redundancy
- Ability to restart processing from the middle of batches
- Frequency the DRP is tested
- Estimated “down time” for State lockbox processing under various conditions
- Notification procedure when DRP is implemented

Availability of Funds

1. Where is availability assigned? What is your method for assigning availability?

2. Will our checks be assigned availability continuously as they are released for collection, or will assignment be made periodically on a batch basis during the day?

3. Provide a copy of the availability schedule that will be used for our account. Indicate if this is the same schedule used in the most recent Phoenix-Hecht lockbox model release, and if different explain why it is not the same.

4. How frequently will your bank update our availability schedule?

5. Can you provide an availability end point analysis on a periodic basis? If so, explain how this report can be obtained and whether there is any charge for the report.

Information Reporting

1. Describe the format your bank will use to provide lockbox deposit and balance information to us. Provide a sample.

2. For a normal weekday, at what time will we receive the deposit and float information for that day's deposits?

3. If the daily deposit and float information will not be the same as is reported on our account analysis, explain why. What reconciliation would be required?

4. In order to meet the daily reporting deadline; at what time will your bank cut-off mail processing? Describe what happens to items that are not processed at the cut-off time.

5. Will your bank provide timely notification of payments received after cut-off in order to allow concentration of these funds?

6. Describe your bank's system (data transmission or other) for reporting remittance information to us for the following items:

- Customer account
- Invoice number
- Amount paid
- MICR line data
- Other

7. Do you offer computer download capabilities for lockbox data? If so, describe the specifications for the file and all associated costs.

Future Considerations

1. The Division may accept ACH transactions during the term of this contract. Please describe your ability to receive and process that type of transaction, including:

- Preferred ACH formats
- Handling of return items
- Information reporting

Please complete the table below to provide what your pricing would be as of January 1, 2010 for the indicated services.

Service Description	AFP Code	Estimated Volume	Per Unit Cost	Annual Cost
ACH credits received	25 02 01	25,000		
ACH addenda records received	25 02 20	25,000		
ACH rejected items	25 06 30	100		

2. Describe any plans you have for modifying your retail lockbox services, such as acquiring new hardware, over the next year.

Exhibit 1

Unemployment Tax Document Processing Data Entry Requirements

1. Correspondence is to be separated from the batch, grouped by category and forwarded to the Division. Correspondence categories are:

- Change reports.
- Non-processable items.
- All other attachments.

2. The following fields are to be keyed:

- UC-8
 - Year-Quarter
 - Account Number
 - Rate
 - Line 1 – Number of covered employees
 - Line 2 – Gross covered wages
 - Line 3 – Excess wages
 - Line 4 – Taxable wages
 - Line 5 – Tax due
 - Line 6 – Approved credit
- UC-8A
 - Year-Quarter
 - Magnetic filer block
 - Individual employee detail line
 - 1 – Social Security number
 - 2 – First name
 - 3 – Middle initial
 - 4 – Last name
 - 5 – Covered wages

3. If an individual employee detail line has a missing or incorrect Social Security number, the line is to be entered as all zeros.

4. UC-8 and UC-8A reports with matching account numbers should have matching year-quarter data. If the year-quarter data does not match, do not key UC-8 or UC-8A and return to the division. If there is no account number and/or year-quarter data on the UC-8A, default to the UC-8 data.

5. A UC-8A must be issued the same batch number as the corresponding UC-8. If a UC-8A is received without a UC-8, the account number and year-quarter must be matched with the history file to obtain the correct batch number.

6. After keying, the UC-8s and the UC-8As will be separated for return to the Division. Envelopes will remain with the UC-8s.

Exhibit 2

Edit Reports

1. The following situations should generate Edit Reports:
 - Document is missing. This report should contain the following:
 - Account number
 - Year-quarter
 - Payment record (missing or present)
 - UC-8A (missing, present or magnetic tape)
 - UC-8 (missing or present)
 - Batch number
 - Total wages from UC-8A do not equal the total wages on UC-8. This report should include the difference between the two.
 - Social Security number is missing or incorrect.
 - Negative wages are included on the UC-8A.
2. The following situations should not generate Edit Reports.
 - UC-8 with no wages on Line 2 should not generate a UC-8A missing report.
 - UC-8 with no taxable wages on Line 4 should not generate a missing remittance report.

Exhibit 3

Unemployment Insurance bid form

Service Description	AFP Code	Estimated Annual Volume	Per Unit Cost	Annual Cost
DDA: ACCOUNT MAINTENANCE	01 00 00	12		
DDA: DEPOSIT ITEMS RETURNED	10 04 00	30		
DDA: DEPOSIT ITEMS RECLEARED	10 04 02	80		
DDA: ADDITIONAL STATEMENT	01 03 20	12		
DDA: ADDITIONAL STATEMENT (CUTOFF)	10 32 00	200		
WHS: OCR LOCKBOX MAINTENANCE	05 00 00	12		
WHS: OCR SCANNABLE ITEMS	05 01 01	25,000		
WHS: OCR NON-SCANNABLE ITEMS	05 01 00	50,000		
WHS: OCR REJECT ITEMS (MISREADS)	05 05 20	100		
WHS: BATCH PREPARATION	05 03 01	3,500		
WHS: MAIL PREPARATION	05 01 13	250		
WHS: DEPOSIT TICKETS	05 03 00	350		
WHS: DATA CAPTURE (PER KEYSTROKE)	05 01 26	62,000,000		
WHS: DATA TRANSMISSION	05 04 01	250		
WHS: EXPRESS MAIL DELIVERY	05 01 3F	50		
WHS: COURIER MAIL DELIVERY	05 04 13	250		
WHS: CANADIAN ITEMS	05 99 99	100		
WHS: SORTING PER ITEM	05 01 12	75,000		
WHS: DEPOSIT ITEMS	05 99 99	75,000		
WHS: CORRESPONDENCE ONLY	05 01 1M	300		
WT: STANDING TRANSFER ORDER	35 05 10	250		
WT: REPEAT CODE STORAGE	35 05 51	12		
ACH - DEBIT FILTER / BLOCK	25 10 50	12		
ANNUAL POST OFFICE BOX RENTAL		1		
ANNUAL TOTAL				

We, the duly authorized officers of the bank, hereby agree to provide all lockbox services as specified in the State of Delaware's Request for Proposal. We have read the proposed agreement (attached as part of our proposal), fully understand the intent of the agreement, and certify that we have adequate personnel and equipment to fulfill the requirements of the State of Delaware.

Bank Name: _____

Officers' Name: (1) _____ (2) _____

Officers' Signature: (1) _____ (2) _____

Date: (1) _____ (2) _____

Exhibit 4

Training Tax bid form

Service Description	AFP Code	Estimated Annual Volume	Per Unit Cost	Annual Cost
DDA: ACCOUNT MAINTENANCE	01 00 00	12		
DDA: DEPOSIT ITEM RETURNED	10 04 00	20		
DDA: DEPOSIT ITEM RET: RECLEAR	10 04 02	25		
DDA: ADDITIONAL STATEMENT COPIES	01 03 20	20		
DDA: ADDITIONAL STATEMENT (CUTOFF)	10 32 00	200		
WHS: OCR LOCKBOX MAINTENANCE	05 00 00	12		
WHS: OCR SCANNABLE ITEMS	05 01 01	34,000		
WHS: OCR NON-SCANNABLE ITEMS	05 01 00	4,400		
WHS: OCR REJECT ITEMS	05 05 20	300		
WHS: BATCH PREPARATION	05 03 01	900		
WHS: MAIL PREPARATION	05 01 13	250		
WHS: DEPOSIT TICKETS	05 03 00	300		
WHS: DATA CAPTURE (PER KEYSTROKE)	05 01 26	90,000		
WHS: DATA TRANSMISSION	05 04 01	250		
WHS: CANADIAN ITEMS	05 99 99	100		
WHS: SORTING PER ITEM	05 01 12	40,000		
WHS: EXPRESS MAIL DELIVERY	05 01 3F	350		
WHS: COURIER MAIL DELIVERY	05 04 13	90,000		
WHS: DEPOSIT ITEMS	05 99 99	40,000		
WT: STANDING TRANSFER ORDER	35 05 10	52		
WT: REPEAT CODE STORAGE	35 05 51	12		
ACH - DEBIT AUTHORIZATION	25 10 50	12		
ANNUAL POST OFFICE BOX RENTAL		1		
ANNUAL TOTAL				

We, the duly authorized officers of the bank, hereby agree to provide all lockbox services as specified in the State of Delaware's Request for Proposal. We have read the proposed agreement (attached as part of our proposal), fully understand the intent of the agreement, and certify that we have adequate personnel and equipment to fulfill the requirements of the State of Delaware.

Bank Name: _____

Officers' Name: (1) _____ (2) _____

Officers' Signature: (1) _____ (2) _____

Date: (1) _____ (2) _____

Exhibit 5A Payment Coupon Report Sample

PERF		
REMOVE BEFORE INSERTING INTO ENVELOPE		
▼ DETACH AT PERFORATION ▼		
PERF		
Detach at Perforation and Return with Payment		
MAKE CHECK PAYABLE TO: DELAWARE UNEMPLOYMENT COMPENSATION FUND (DUCF)		
EMPLOYER NAME	ACCOUNT NO.	AMOUNT ENCLOSED
MAIL PAYMENT TO: DELAWARE DEPARTMENT OF LABOR DIVISION OF UNEMPLOYMENT INSURANCE P.O. BOX 41785 PHILADELPHIA, PA 19101-1785		
PAYMENT COUPON		FACE 3
EXTRA PERF		

Exhibit 5B Quarterly Payroll Report Sample

PERF

STATE OF DELAWARE UNEMPLOYMENT INSURANCE

Reporting Period (Yr/Qtr)

Due Date

Account No.

Federal ID Number

☐ IF YOU ARE AN APPROVED MAGNETIC MEDIA FILER, CHECK BOX AND RETURN THIS FORM. NO FURTHER ENTRIES ARE REQUIRED.

EXTRA PERF

REMOVE BEFORE INSERTING INTO ENVELOPE

▼ DETACH AT PERFORATION ▼

Employee Social Security Number	Employee Name (First Initial, Middle Initial and Last Name)	Gross Covered Wages
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31	Total this Page	
32	Total from additional pages	
33	GRAND TOTAL	

Form UC-8A Doc. No. 60-06/00/06/08

QUARTERLY PAYROLL REPORT

DO NOT USE THIS REPORT TO FILE CORRECTIONS.

PERF

AGENCY COPY

FACE 5

Exhibit 5C
Quarterly Tax Report Sample

EXTRA PERF

READ INSTRUCTIONS ON INSIDE COVER BEFORE COMPLETING
THIS REPORT

PERF

DO NOT USE THIS REPORT TO MAKE CORRECTIONS

STATE OF DELAWARE UNEMPLOYMENT INSURANCE

Reporting Period (Yr/Qtr)

Due Date

Account No.

Federal ID Number

Tax Rate

1. For each month, report the number of covered workers who worked during or received pay for the payroll period which includes the 12th of the month.	1st Month	2nd Month	3rd Month
2. Gross covered wages paid this quarter (Enter total from UC-8A, line 33.) If you had no covered wages this Quarter, enter 0; sign and return.			
3. Excess wages (Wages included in line 2 that exceed \$10,500 annually per employee)			
4. Taxable Wages (Line 2 less line 3)			
5. Tax due (Multiply line 4 by)			
6. Approved credit (See instructions.)			
7. Net tax due (Line 5 less line 6)			
8. Interest (See instructions.)			
9. Penalty (\$17.25 for late reporting)			
10. Payment due (Total of lines 7, 8 and 9)			

I certify, to the best of my knowledge, this report and the attached payroll reports are true and correct.

X _____
Signature of owner or duly authorized representative

Title Date

Make check payable to:
Delaware Unemployment
Compensation Fund (DUCF)
Write account number on
check and return with
Payment Coupon.

Form UC-8 Doc. No. 60-06/00/06/08

QUARTERLY TAX REPORT

AGENCY COPY

PERF

FACE 4

Exhibit 5D
Change Report Sample

PERF

STATE OF DELAWARE UNEMPLOYMENT INSURANCE
Use this form to report changes in status or corrections to pre-printed information

**DELAWARE DEPARTMENT OF LABOR
DIVISION OF UNEMPLOYMENT INSURANCE
P.O. BOX 41785
PHILADELPHIA, PA 19101-1785**

▼ DETACH AT PERFORATION ▼

☐ Covered employment was permanently discontinued on _____ Date _____

☐ Operations were permanently discontinued on _____ Date _____

☐ Business reorganized effective _____ Date _____

☐ Business sold on _____ Date _____

☐ Name change/correction _____

☐ Telephone number () - _____

☐ Mailing Address _____

(OUTSIDE REPRESENTATIVE MUST FILE A POWER OF ATTORNEY)

☐ Change in ownership interest _____
Please explain _____

☐ If the Federal ID shown, _____ is incorrect, please print correct number here. _____

X _____
Signature of owner or duly authorized representative Title Date

Form UC-8C Doc. No. 60-06/00/06/08

CHANGE REPORT

EXTRA PERF

FACE 2

Exhibit 6 Training Tax Report Sample

Phone
(302) 761-8482

SEE REVERSE SIDE FOR IMPORTANT INFORMATION
DELAWARE EMPLOYMENT TRAINING FUND

EMPLOYER NAME	ACCOUNT NO.	STATEMENT DATE	PAYMENT DUE DATE
POSTING DATE	DESCRIPTION	CHARGES (DOLLARS)	PAYMENT & CREDITS (DOLLARS)
			
PREVIOUS BALANCE \$	- PAYMENT & CREDITS \$	+ CHARGES \$	AMOUNT DUE \$

TO INSURE PROPER CREDIT RETURN THIS PORTION WITH PAYMENT.

PAYMENT COUPON

ACCOUNT NUMBER	DUE DATE	AMOUNT DUE \$	AMOUNT ENCLOSED \$
----------------	----------	------------------	-----------------------

MAKE CHECK PAYABLE TO: DELAWARE EMPLOYMENT TRAINING FUND (DETF)

MAIL PAYMENT TO:

Exhibit 7 Statement of Non-Collusion

This is to certify that the undersigned vendor has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal submitted this date to the State of Delaware.

This is to further certify that the signed delivery of this bid represents the vendor's acceptance of the terms and conditions of this invitation to bid including all specifications and special provisions. This statement is signed by an official of the bank who is authorized to enter the bank into a legal agreement with the State of Delaware.

Please type the following information.

NAME OF BANK _____

ADDRESS OF BANK _____

AUTHORIZED OFFICIAL _____

TITLE OF OFFICIAL _____

PHONE NUMBER _____ FAX _____

SIGNATURE OF OFFICIAL _____

FEDERAL EMPLOYER IDENTIFICATION NUMBER _____ DELAWARE BUSINESS LICENSE NUMBER _____

THIS PAGE MUST BE SIGNED AND NOTARIZED FOR YOUR BID TO BE CONSIDERED

SWORN TO AND SUBSCRIBED BEFORE ME this ____ day of _____, 2009.

Notary Public _____ My commission expires _____

City of _____ County of _____ State of _____

Name of Notary Public _____ Signature _____

Exhibit 8

Certification Regarding Debarment

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS PRIMARY COVERED TRANSACTIONS

This certification is required by regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1998 Federal Register (pages 19160 – 19211).

(BEFORE SIGNING CERTIFICATION, READ ATTACHED INSTRUCTIONS WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION)

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of these statements in this certification, such prospective participant shall attach an explanation to this proposal.

AGENCY

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE AND DATE

Instructions

1. By signing and submitting this proposal, the prospective primary participant is providing certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Department of Labor's (DOL) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the DOL determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the DOL may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DOL if, at any time, the prospective primary participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction", "debarred", "suspended", "ineligible", "lower tier covered transaction", "participant", "person", "primary covered transaction", "principal", "proposal", and "voluntarily excluded", as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the DOL for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions" provided by the DOL, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to check the List of Parties Excluded from Procurement or Nonprocurement Programs.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the DOL may terminate this transaction for cause or default.

Exhibit 9

Proposal Format and Checklist

Tab A	Cover letter (optional).
Tab B	Copy of the RFP.
Tab C	Bid proposal forms (Exhibits 3 and 4).
Tab D	List of banking officers, as described in Section II.
Tab E	Narrative of bank's plan to provide lockbox services, as described in Section IV.
Tab F	Completed Questionnaire.
Tab G	Copy of Delaware business license or similar proof of licensure.
Tab H	References.
Tab I	Availability Schedule that would be applied to the State's relationship.
Tab J	Quality Assurance Plan description Disaster Recovery Plan description.
Tab K	Sample of a DDA statement.
Tab L	Statement of Non-Collusion, as described in Section II.
Tab M	Certification regarding Debarment, Suspension, etc. (Exhibit 8)

Exhibit 10

Directions for Driving to the Division

Traveling north from southern Delaware:

- U.S. Route 13 (DuPont Highway) north toward Wilmington.
- I-495 north toward Philadelphia and the Port of Wilmington.
- Take Exit 4 toward US-13/Edgemoor Road/SR-3/Gov. Printz Boulevard.
- Turn slight right onto Hay Road.
- At the stop sign turn right onto Edgemoor Road/DE-3.
- At the traffic light (the intersection of Governor Printz Boulevard and Edgemoor Road) turn left onto Governor Printz Boulevard/US-13 toward Wilmington.
- At the traffic light turn slight right onto E Lea Boulevard.
- Please go to the directions titled "Entering Lea Boulevard."

Traveling south from the Philadelphia Metropolitan area:

- I-95 south to I-495 south via Exit 11 toward Port of Wilmington/Baltimore (crossing into Delaware).
- Take Exit 4A and follow the ramp to a stop light at Governor Printz Boulevard.
- Turn left onto Governor Printz Boulevard toward Wilmington and proceed toward stoplight at the top of the rise.
- At the traffic light turn slight right onto E Lea Boulevard.
- Please go to the directions titled "Entering Lea Boulevard."

Traveling north from Newark DE and Baltimore MD:

- I-95 north to I-495 north via Exit 5D toward the Port of Wilmington/Philadelphia.
- Take Exit 4 toward US-13/Edgemoor Road/SR-3/Gov. Printz Boulevard.
- Turn slight right onto Hay Road.
- At the stop sign turn right onto Edgemoor Road/DE-3.
- At the traffic light (the intersection of Governor Printz Boulevard and Edgemoor Road) turn left onto Governor Printz Boulevard/US-13 toward Wilmington.
- At the traffic light turn slight right onto E Lea Boulevard.
- Please go to the directions titled "Entering Lea Boulevard."

Traveling from New Jersey via the Delaware Memorial Bridge:

- Enter into Delaware via I-295.
- Exit onto U.S. Route 13 south toward US-40 west/New Castle Airport/Wilmington/Dover.
- Merge onto north DuPont Highway/US-13 north.
- Merge onto I-495 north toward the Port of Wilmington/Philadelphia.
- Take Exit 4 toward US-13/Edgemoor Road/SR-3/Gov. Printz Boulevard.
- Turn slight right onto Hay Road.
- At the stop sign turn right onto Edgemoor Road/DE-3.
- At the traffic light (the intersection of Governor Printz Boulevard and Edgemoor Road) turn left onto Governor Printz Boulevard/US-13 toward Wilmington.
- At the traffic light turn slight right onto E Lea Boulevard.
- Please go to the directions titled "Entering Lea Boulevard."

Entering Lea Boulevard:

- Proceed on E Lea Boulevard to the stoplight at Market Street.
- Drive straight through this light and make a right hand turn into the parking complex.
- When the driver enters the parking complex on the left will be a one story off cream colored building housing the drive-through stations for a Wilmington Trust bank office. Travel along the parking spaces to the left of the drive-throughs and turn left when possible. There is a green loading dock on the side of the Division's building.
- The entrance to the conference room is a left-hand set of doors under the portico beside the loading dock door. The entrance portico is marked with the Department of Labor logo and building name "Fox Valley Annex" in green lettering.

Exhibit 11

Sample U.S. Department of Labor Analysis Reports

The income expense analysis for the clearing account is the ETA 8414. It is a monthly analysis of activity in a State clearing account from the books of the bank in which employer contributions are deposited and transferred to the U.S. Treasury. It provides information on bank charges, account balances and bank compensation. It is a monthly report required by the U. S. DOL.

The income expense analysis for the benefit payment account is the ETA 8413. It is a monthly analysis of daily transactions in the state benefit payment account from the books of the bank on which benefit checks are issued. It also provides information on bank charges, account balances and bank compensation. It is a monthly report required by the U. S. DOL.

A sample of each of these two reports can be found on the following two pages.

ETA 8414 - INCOME-EXPENSE ANALYSIS, UC FUND CLEARING ACCOUNT

REPORT FOR PERIOD ENDING 1/31/2009 REGION: 03 STATE: DE

Bank Name: PNC BANK

Bank City: PHILADELPHIA

Account Number : 4531

LEDGER			
1. Beginning Balance			
2. Total Deposits			
3. Total Withdrawals			
4. Ending Balance			0
INCOME ANALYSIS			
5. Total Daily Ledger Balance			
6. Average Daily Ledger Balance			
7. Average Daily Float			
8. Average Daily Collected Balance (Line 6 - Line 7)			0
9. Reserves at 00.00%			0
10. Average Daily Loanable Balance (Line 8 - Line 9)			0
11. Earning Value at 1.25%			(0)
EXPENSE ANALYSIS			
12. Checks Depos. Local: No.	at		0
13. Checks Depos. Tran.: No.	at		0
14. Checks on Account: No.	at		0
15. Checks on Account: No.	at		0
16. Checks on Account: No.	at		0
17. Other Costs			
18. Other Costs			
19. Other Costs-Lockbox Services			
20. Total Costs (Line 12 through Line 19)			
21. NET PROFIT/LOSS			(0)

g:\acctmgmt\fedrept\banks\8414PNC.xls

Comments:

ETA 8413 - INCOME-EXPENSE ANALYSIS, UC FUND BENEFIT PAYMENT ACCOUNT
 REPORT FOR PERIOD ENDING 12/31/2009 REGION: 03 STATE: DE
 Bank Name: PNC BANK Bank City: WILMINGTON
 Account Number: 94010

LEDGER				
1. Beginning Balance				
2. Total Deposits				
3. Total Withdrawals				
4. Ending Balance				0
INCOME ANALYSIS				
5. Total Daily Ledger Balance				
6. Average Daily Ledger Balance				
7. Average Daily Float				
8. Average Daily Collected Balance (Line 6 - Line 7)				0
9. Reserves at 0.0%				0
10. Average Daily Loanable Balance (Line 8 - Line 9)				
11. Earning Value at	1.50%			
EXPENSE ANALYSIS				
12. Checks Deposited: No.	23	at	0.4500	0
13. Checks on Account: No.	624	at	0.0700	0
14. Checks on Account: No.	0	at	3.5000	0
15. Checks on Account: No.	0	at	7.0000	0
16. Other Costs	0	at	4.0000	0
17. Other Costs	0	at	2.0000	0
18. Other Costs				0
19. Total Costs (Line 12 through Line 18)				
20. NET PROFIT/LOSS				0

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Comments: