ADDENDUM ONE

Date: May 17, 2011

To: All Bidders

From: Karen Swenson, Buyer
Nebraska Department of Health and Human Services, Child Support Enforcement

RE: Questions and Answers for Request for Proposal Number 3633Z1
to be opened June 15, 2011, 2:00 p.m.

Following are the questions submitted and answers provided for the above mentioned Request for Proposal. The questions and answers are to be considered as part of the Request for Proposal.

Questions	Answers
1. Regarding RFP 3633Z1 for new hire reporting services, who is the incumbent vendor?	Policy Studies Inc.
2. PSI is in the process of reviewing the RFP but had an immediate need to inquire on Section III DD requires a certified check or Bond for $75,000, this seems to be an unusually high check/bond amount given the contract value and the level of technology required for this project. A check/bond of this size requires bidders to add fees to their pricing, increasing the cost of the contract for the State. Would the Department consider reducing the bond requirements, or alternatively, removing this requirement? This type of requirement may deter vendors from submitting a bid response. Please respond or post answer to question asap.	No. A certified check or bond in the amount of $75,000 is required as described in Section III., DD. of the RFP. The current New Hire Reporting contract provides in Section III, #3, Dedicated Performance Bond: The Contractor shall furnish a dedicated performance bond in the amount of $100,000. Therefore, there is a reduction to $75,000 in the current RFP.
3. In Section III, Terms and Conditions the RFP states, “Bidders are expected to closely read the terms and conditions and provide a binding signature of intent to comply”. Where should the vendor include this binding signature? In Addition, does the state expect the Vendor to include section III in their proposals? If so, where in the proposal should the vendor present the information?	Please refer to Page 1 for the signature, and Sections II., III., and V., of the RFP which provides detailed instructions and requirements for vendors related to the submission of their proposal. Yes, Section III. must be included in a vendor’s proposal. Organization is at bidder’s preference if it is not specified.

4. Can the state provide clear instructions as to which section(s) of "IV Project Description and Scope of Work" should be included under each subsection referenced in the "Technical Approach" section of the technical proposal (listed below) a. understanding of the project requirements; b. proposed development approach; c. technical considerations; d. detailed project work plan; and deliverables and due dates.	Please refer to the detailed instructions contained in Section V. Proposal Instructions, which provides vendors with clear instructions related to proposal submission requirements.
5. How would the Vendor go about obtaining a copy of the current new hire reporting services contract?	Please contact karen.swenson@nebraska.gov
6. Please provide the record volume for 2008 and 2009 per month and source (paper and electronic).	2009 records received: January 30,238 February 27,303 March 27,670 April 59,711 May 39,327 June 39,130 July 37,801 August 44,770 September 41,100 October 41,517 November 36,591 December 35,031 Total: 460,189; Electronic average 91%; Manual average 9% 2008 records received: January 34,026 February 36,860 March 35,237 April 42,129 May 43,461 June 51,959 July 42,064 August 48,399 September 49,156 October 46,765 November 36,173 December 30,176 Total: 496,416; Electronic average 89%; Manual average 11%

7. What is the percentage (%) breakdown of new hire reports via the following methods in 2009 and 2010? a. Mail b. Fax c. Internet Online d. FTP e. Web Upload f. Diskette g. Cartridge (Tape) h. Telephone i. Other	Please refer to response #6. Current electronic reporting methods are FTP, NET, Disk, and Phone. Current manual reporting methods are by New Hire Form, Lists, and W-4 Forms by Fax or Mail.
8. What is the current transaction rate for processing electronic and non-electronic new hire reports?	The current transaction rate is 0.265 per transaction.
9. Can the State provide the staffing levels (full and part time) that support the operations of the current project?	Staffing levels are maintained by the current vendor which is not reported or available to the Department.
10. How many employers are in the current database? Of those employers, how many are considered active? How many employers have you received a new hire report from in the last 12 months and in the last 24 months?	As of 3/31/2011 there were 49,273 active employers in the data base. During the last 12 months 20,745 employers reported new hires, and during the last 24 months 26,233 employers reported new hires.
11. How many telephone lines are being used for incoming calls? How many incoming and outgoing telephone calls were there for 2009 and 2010 per month?	The number of telephone lines used for the current contract is unknown. The 2009 Incoming Call Average: 243/month The 2010 Incoming Call Average: 263/month For 2009 the Outbound call data is unknown. The 2010 Outbound Call Average: 217/month.
12. Is there a transition plan with the current vendor? Can the State provide a copy?	The transition plan will become public when a vendor is selected.
13. Can the State provide a copy of the current compliance and outreach material?	Following are the Employer Outreach documents. Please refer to the Attachments at the end of Addendum #1. 1. All Employer Outreach 2. Employer Outreach Employer Participation Project (EPP) 3. Employer Outreach Proactive Compliance 4. Employer Reject
14. Who owns the current web site and URL?	The current vendor owns the rights to the website address.
15. Can the vendor have the telephone and fax numbers ported over to them during the contract timeframe?	Details related to the telephone and fax numbers will be discussed with the successful bidder.
16. Can the State provide a copy of the current employer packet being sent to employers? How many employers were mailed an outreach packet in 2009 and 2010?	Please refer to response #13 for Employer Outreach documents. 2009 Employer Outreach Mailing Totals: 1. All Employer: 78,422 2. Employer Participation Project (EPP): 2,157 3. Employer Proactive Compliance: 1,423 2010 Employer Outreach Mailing Totals: 1. All Employer: 77,154 2. Employer Participation Project (EPP): 1,247 3. Employer Proactive Compliance: 1,217

17. Is the EPP data being submitted electronically or by disk as stated in the RFP? How many EPP notifications were mailed in 2009 and 2010?	The Employer Participation Project (EPP) file is sent via Connect:Direct after the file is received from the Office of Child Support Enforcement (OCSE). The files are sent to the current vendor on the 3rd Saturday of March, June, September and December. Please refer to response #16 for EPP statistics.
18. Performance Bond – would the state consider reducing the amount of the performance bond to 2 months of the project cost and / or accept a letter of credit to meet the performance bond requirement. Performance bonds are not common practice with other new hire projects and reducing the need for these can help save the state cost for the new hire program.	No. Please refer to response #2. above.
19. Provide DHHS's Contract Manager monthly statistical reports during the term of this contract. The reports shall be received by the twentieth of the month following. The reports shall include New Hire records received by date and type, New Hire records sent to the Department by date and type, **New Hire records received and sent of the number of independent contractors by date and type,** and other New Hire reports as requested by the Department. (RFP Pg. 39) How does the state identify "independent contractors" and report and transmit the data?	There is a separate indicator for independent contractors on the New Hire Record layout file. The indicator is not provided to the National Directory of New Hire (NDNH) only to Nebraska's CSE system CHARTS.

Nebraska State Directory of New Hires
PO Box 144013
Austin, TX 78714-4013

<Company Name>
<Attn: HR Manager>
<Address1> <Address2>
<City, State Zip>

<Date>

Dear Employer:

Under Nebraska law all employers are required to report newly hired and re-hired employees. The State of Nebraska New Hire Reporting program is managed by Policy Studies Inc. (PSI) in Austin, Texas. The new hire reporting law has been an effective means of increasing child support collections and decreasing public assistance costs.

This letter serves as a reminder to all employers that it is your responsibility to report all new hires and rehires to the Nebraska State Directory of New Hires. Employers are required to report the following information within 20 days of the date of hire or rehire:

- Employer Federal Identification Number (FEIN),
- Employer Name,
- Employer Complete Mailing Address,
- Employee Social Security Number,
- Employee Name,
- Employee Complete Address,
- Employee Date of Hire or Re-hire
- Employee Date of Birth (optional)

Effective January 1, 2010 Nebraska employers are required to report all independent contractors in addition to new hires and rehired employees. Please refer to the Nebraska New Hire Website for further information on reporting independent contractors at www.ne-newhire.com.

There are several methods that you may use to submit reports in order to comply with the new hire reporting law. You may choose to report electronically via the Internet at www.ne-newhire.com. On the website, you may enter your new hires or upload a file through Secure File Transfer. Employers may also automate their file transmissions by establishing a File Transfer Protocol (FTP) to our secure server. If online reporting or FTP are not options for you, you may save your file to a diskette or CD and mail the diskette or CD to the Directory.

Although it is more time and cost efficient to report new hires using one of the electronic methods, we do accept reports by fax or mail. Information on all of your reporting options is available online at www.ne-newhire.com or by contacting us at 888-256-0293. Help desk staff is available Monday through Friday, 8:00 AM – 5:00 PM Central time.

Thank you for your continued support and cooperation with the Nebraska Department of Health & Human Services Child Support Enforcement and the Nebraska State Directory of New Hires.

Sincerely,
Nebraska State Directory of New Hires

Toll-Free Phone: 888-256-0293 www.ne-newhire.com Toll-Free Fax: 866-808-2007

Nebraska State Directory of New Hires
PO Box 144013
Austin, TX 78714-4013

<Company Name>
<Attn: HR Manager>
<Address1> <Address2>
<City, State Zip>

<Date>
Dear Employer:

Under Nebraska Revised Statute §48-2303 and the Federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) all public, private, non-profit, and government employers are required to report each new and rehired employee to the Nebraska State Directory of New Hires within 20 days of the employee's hire date. The State of Nebraska New Hire Reporting program is managed by Policy Studies Inc. (PSI) in Austin, Texas.

The new hire reporting laws improve child support collections both on a state and national level and reduce fraudulent re employment insurance and worker's compensation payments. Please visit our website at www.ne-newhire.com for more information.

In partnership with the Federal Office of Child Support Enforcement and a search of our new hire reporting database, it appears that your company may not be reporting new hires to our state under the employer name and Federal Identification Number listed below:

Employer Name: <NAME>
FEIN: <FED_ID>

If your company is not aware of this legal requirement, please begin reporting your new hires immediately. Please visit www.ne-newhire.com to report your new hires electronically or to reference approved methods of reporting and required information.

If you believe your company has reported all new hires as specified above and is currently reporting all new hires, or if you have any questions related to this matter, please contact the Nebraska State Directory of New Hires at the phone number listed below. Our staff will assist your company in ensuring that all new hires and re-hires are properly reported. This letter lists the FEIN your company used for reporting quarterly wages. New hire reports should be submitted with the same FEIN that is used to report your quarterly wages.

Thank you for your efforts in helping provide child support to Nebraska's children through new hire reporting. In partnership with the Nebraska Department of Health & Human Services Child Support Enforcement Division we will continue to monitor employer compliance and encourage participation by all employers.

Sincerely,

Nebraska State Directory of New Hires

Toll-Free Phone: 888-256-0293 www.ne-newhire.com Toll-Free Fax: 866-808-2007

Nebraska State Directory of New Hires
PO Box 144013
Austin, TX 78714-4013

<Company Name>
<Attn: HR Manager>
<Address1> <Address2>
<City, State Zip>

<Date>
Dear Employer:

Thank you for your efforts in reporting your new hires and rehires to the Nebraska State Directory of New Hires. The State of Nebraska New Hire Reporting program is managed by Policy Studies Inc. (PSI) in Austin, Texas. Our records indicate that during the last 6 months, there was at least one month we did not receive new hire reports from you.

Although it is possible that you may not have had any new hires or rehires to report, the number of reports that you have submitted has been sporadic. The following is a breakdown of new hires that were reported over the last 6 months:

Federal Employer Identification Number (FEIN): <FED_ID>

<month1>	<month2>	<month3>	<month4>	<month5>	<month6>	Total
<value1>	<value2>	<value3>	<value4>	<value5>	<value6>	<value total>

If the above numbers are correct and you did not have any additional new hires or rehires to report, please call our center to avoid future notices.

If you believe these totals do not accurately reflect the number of employees that should have been reported, please submit a report as soon as possible. This will ensure your compliance with Nebraska Revised Statute §48-2303, which requires all employers to report new hires and rehires within 20 days of his or her start date.

The information in this letter pertains only to the referenced FEIN. If your company has more than one FEIN or is a Multi –State employer, special circumstances may apply. If you have any questions, please contact our office at 888-256-0293 or visit our website at www.ne-newhire.com.

Thank you for your assistance in helping provide child support to the children of Nebraska.

Sincerely,

Nebraska State Directory of New Hires

Toll-Free Phone: 888-256-0293 www.ne-newhire.com Toll-Free Fax: 866-808-2007

Nebraska State Directory of New Hires
PO Box 144013
Austin, TX 78714-4013
www.ne-newhire.com

12345 0210 1 000001 000001 01/01

<Date>
<Company Name>
<Attn: HR Manager>
<Address1>
<City, State Zip>

Dear Employer:

Thank you for reporting your new hires to the state of Nebraska. This letter is to inform you that we are unable to process the attached report(s) due to missing/illegible required information. When providing the missing/ illegible information you may either return this letter with the corrected information written in the space below or resubmit the new hire report(s) for the listed employee(s). Please provide the corrected information even if the employee is no longer with your company.

If you are reporting electronically, you may resubmit the new hires with your next data transmission or if faxing or mailing your responses you may use the reject letter. Please visit our website at www.ne-newhire.com for all your reporting needs.

Your prompt attention will ensure your compliance with Nebraska Revised Statute §48-2303, which requires employers to report new hires within 20 days of the date of hire. If you have any questions, please contact the Nebraska State Directory of New Hires toll free at 888-256-0293.

Sincerely,
Nebraska State Directory of New Hires

*****Missing/Incomplete New Hire Data Report*****

Please make your corrections on this report using the space below

SSN	First Name	Middle (if any)	Last Name	Hire Date
Address:			City/State/Zip:	
Reason Rejected:			Comments:	

Employer Contact Information (optional)

Name:	Phone:
Email:	Fax:

Mail: **Nebraska State Directory of New Hires**
PO Box 144013
Austin, TX 78714-4013
Fax: **Toll Free 866-808-2007**

Employer Federal Tax ID Number (FEIN): Employer Name: