**Exhibit 1-D**

**Oklahoma Department of Human Services**

**Technical and Functional Requirements for Debit Cards**

1. Program
	1. DHS currently delivers nine programs through a Debit Card program on two different Debit Cards.
	2. Clients/Customers are also offered the option of receiving payments via direct deposit to their bank accounts.
	3. The Supplier will provide a single card approach or a two card approach that allows blocking of vendor ATM and/or POS devices defined in State and Federal law.
	4. The Supplier will propose either a Visa or MasterCard branded program. The MasterCard brand is preferred.
	5. Each cardholder account balance shall be FDIC insured up to $100,000.
	6. A “zero liability” policy shall be provided to cardholders and the States.
	7. The Oklahoma EBT interface system, which serves as a focal point for EBT account set up and maintenance information (provider/case/client demographic data) being transmitted to the Supplier’s EBT systems has a standardized client numbering system and requires that the Supplier utilize the account number as provided by the State.
	8. The Supplier may not deny enrollment to any cardholder referred by the State for participation in the program.
	9. In instances of program abuse by cardholders, the State will work cooperatively with the Supplier to determine a mutually acceptable resolution.
	10. The Supplier shall provide all manuals for State staff prior to Debit Card/Direct Deposit operations.
2. File Transmissions
	1. Each sub-program currently sends its own account (demographic) set-up and maintenance records.
	2. The State data systems are not integrated at this time but a single file would be considered.
	3. If a client receives deposits from each program they are set up and maintained independently on each State system, thus generating independent deposit files to the Supplier. The Supplier shall then combine the different records to create a system, allowing the client to use either one or two card or choose direct deposit to access their funds from multiple sources.
	4. The State may opt to transmit all account data via on-line real-time process with deposit data to be transmitted nightly in batch via a secure connection. The Supplier shall process and edit files, based on design requirements, and correctly apply deposits to the proper account and direct the flow of funds to support the preferred payment method, i.e., direct deposit or debit card.
	5. An acknowledgement file shall be returned to the State confirming the accounts that were successfully created and providing error information for any accounts and deposits that could not be created due to problems with the transmission or files.
	6. In addition to the daily files, several DHS programs will produce monthly deposit files; a schedule will be provided by DHS.
3. File Control Numbers: The Control Number is specific to the Batch ID (SS, CS, TA, AD, FC). In other words, Child Support file for Account set-up/maintenance will have a sequential control number different from the files received by TANF and SSP.
4. Required Files: The following table represents the files currently being sent between DHS and the Supplier. New processes could result in additional files.

|  |  |  |  |
| --- | --- | --- | --- |
| File/Data  | Frequency | DHS to Supplier | Supplier to DHS |
| Demographic and Change File | Conversion and Daily | Demographic and Change File | Summary File |
| Deposit File  | Daily/Monthly | Deposit File | Summary File |
| Account Status File  | Daily |   | Account Status File |
| Demographic Change File | Daily |   | Demographic Change File |
| Deposit Confirmation File | Daily |   | Deposit Confirmation File |
| Card Mailer File  | Daily |   |   |
| Demographic Maintenance Reject File | Daily |    | Demographic Maintenance Reject File |
| Deposit Reject File  | Daily |   | Deposit Reject File |
| Account Reconciliation File | Monthly |   | Account Reconciliation File |
| Deposit Expungement File | Daily |     | Deposit Expungement File |
| Deposit Escheatment File | Daily(Based on 5 years inactivity) |   | Deposit Escheatment File OST/DHS |

1. Description of Required Files
	1. Complete files and file requirements will be established during the Design phase and documented in the Interface Control Document for debit card/direct deposit.
	2. Maintenance: Add and update records when their respective systems are updated to combine the different program records to create one account and allow the client to use.
	3. Demographic and Change File- All programs will be connecting to the Supplier’s system via the same connectivity. Each program will send their own demographic with one card to access their deposits from multiple sources (Child Support, Aid to the Aged Blind and Disabled (aka State Supplemental) Foster Care, Adoption Subsidy, LIHEAP, Sales Tax Rebate, Refugee Assistance, DDSD Family Assistance and TANF).
	4. The Demographic Maintenance File shall, at a minimum support the following functions:
		1. Create Accounts and Issue the new debit card
		2. Add additional programs to existing accounts
		3. Create accounts to support direct deposit
		4. Accounts Maintenance and demographic updates
	5. Deposit File- Deposit File Processing Rules
		1. Account Deposit files will be processed at the batch level and return files generated at the end of each batch processed.
		2. The Supplier shall perform a pre-processing view of the file to determine fatal file errors.
		3. Files are to be rejected in their entirety when criteria defined in the pre-processing steps fail (header and trailer error edit checks).
		4. Once the pre-processing pass/fail criterion is validated, individual records shall be processed.
		5. Within this processing phase, individual records shall be rejected when the defined edit criteria is not met.
		6. The Supplier will reject a file in its entirety if a control number is out of sequence. The reject for a control number sequence issue will identify the expected control number in the summary report.
		7. The Account must be established on the Supplier's system prior to receipt of any deposit records.
		8. When a deposit record is received and processed, the Supplier shall check the direct deposit flag on the system to determine if the deposit is for a debit card or direct deposit account.
	6. Accounts Status File
		1. The Supplier shall create an Account Status File daily for each program. The process shall run nightly (even on holidays and weekends) just after midnight and identify the activity for that calendar day.
		2. The minimum file requirements for account activity information are as follows:
			1. A detail record shall be sent when a new Account record is successfully setup on the Supplier’s system.
			2. Each program will receive a record in their Account Status File indicating that the account has been established or that a program has been added to an existing account. For example, each file will contain a detail record for each program as they are added to the system. Therefore if Supplier receives an account set-up for Child Support and then a record for TANF was sent to add that program, a record would be written to the file for the Child Support account set-up, and a record would be written to the TANF file as well.
			3. Updates shall not be included in the Account Status File, only new adds.
		3. A detail record shall be sent to the State when a PIN has been selected by the primary or alternate cardholder. Each program that the client has on their account at the time the Account Status File is generated will receive this detail record in their Account Status File indicating that a PIN has been selected.
		4. A detail record shall be sent to the State to identify any accounts where the Primary client’s card has been statused as “Returned”, identifying an undeliverable card. The Supplier shall write a record to the Account Status File for each card statused as “Returned” during the calendar day. Each program that the primary client has on their account at the time the Account Status File is generated will receive this detail record in their file indicating a returned card.
		5. A detail record shall be sent to the State to identify any accounts where the client has selected and has established a direct deposit account on the Supplier's system. Direct deposit account management will be entered and maintained by the Supplier and entered via the Administrative Terminal (AT).
		6. A detail record shall be sent to the State to identify any accounts where the client has either voluntarily withdrawn from direct deposit or requested conversion to a debit card or incorrect banking information exists and the client is converted to an electronic payment card after five (5) days.
		7. A detail record shall be sent to the State to identify any accounts where a card is issued to a primary cardholder only; this detail record will be returned to the State if the card is an initial card and or replacement.
		8. A detail record shall be sent to the State to identify any accounts where a card is issued to a secondary only; this will be returned to the State if the card is an initial card and or replacement.
	7. Demographic Change File
		1. The Supplier shall create a daily file to report back to DHS any demographic updates made to accounts on the Supplier's system through either the Administrative Terminal or external files.
		2. Data records contained in this file shall be transmitted to DHS as a result of changes in demographic data through:
			1. Demographic changes (addresses or telephone numbers) by clients to CSR's;
			2. Returned Card updates to address information if card is re-mailed as a result of a USPS forwarding address label being on the returned envelope;
			3. Batch file updates from the programs.
		3. This file is used only for one-way reporting of Account Changes (the Supplier tractor to DHS).
		4. Minimum Business Rules:
			1. The Account Record must be established prior to input of the Account Change information.
			2. The Supplier shall produce a single file daily and send the file back to DHS.
			3. Any change to client demographic data will result in a record being included in the Demographic Change file.
			4. All changes made to an account will be included in the file in the order processed by the Supplier.
			5. Entry or updates to e-mail addresses by the client on the client portal will be included in this file.
			6. Each record in the file shall identify the source of the update as either one of the programs or through the Administrative Terminal (AT)
			7. If an account is updated multiple times in a single day, the Demographic Change File will contain multiple records, one for each update identifying the source of each update.
			8. The file will not contain changes on alternate cardholder information.
	8. Deposit Confirmation File
		1. Every calendar day, the Supplier shall transmit to the State a Deposit Confirmation File that contains the details of deposits (debit card or direct deposit) posted to the Supplier’s system.
		2. The records written to the Deposit Confirmation File shall be based on posting date (entry date), not available date, or settlement date. Therefore, if a Deposit File is received and processed at 03:00 am CST on 6/02/14, the Deposit Confirmation File that runs just after midnight on 06/03/14 for 06/02/14 deposits will include the 03:00 am deposit (regardless of the availability date of the deposit).
		3. The file will also include deposit records that are for direct deposit accounts.
		4. A file will be created for each program.
	9. Accounts Reconciliation File
		1. On the 1st day of each calendar month, the Supplier shall generate the Account Reconciliation File that contains the listing of primary client accounts on the Supplier’s system.
		2. All records in the file will represent the disposition of the data as of the time the process runs for creating the file.
		3. The following business rules are minimum requirements and shall apply to the Account Reconciliation File:
			1. Accounts added to the Supplier’s system after midnight on the last day of the month will be on the next month’s Account Reconciliation File.
			2. The Supplier shall send a separate file for each program.
			3. Each file shall contain a detail record for each program that is on an account. Therefore if an account had Child Support and TANF at the time the Account Reconciliation File ran, a record would be written to the Child Support Account Reconciliation File and the TANF Account Reconciliation File.
			4. The file will include only Primary cardholders.
			5. The file will include all clients regardless of the status of their current card/direct deposit.
			6. The file will include a flag identifying if an account has a debit card.
			7. The file will include a flag identifying if an account has Direct Deposit. Note: A single record could have both the debit card flag and the Direct Deposit flag if the account had a debit card and then changed to direct deposit.
	10. Deposit Expungement File
		1. Every calendar day, the Supplier shall transmit to the State a Deposit Expungement File for each program that contains the details of deposits that have been expunged from the system.
		2. The records written to the Deposit Expungement File are based on settlement date of the expungement.
		3. Funds will expunge from an account in the following conditions:
			1. Returned Expunged - applies to transactions that have inactive cards for ninety (90) days. Inactive is defined as never having pinned the card.
			2. Returned card - once an initial card has been returned, funds will be returned to the State by program. Returned cards that are replacement cards will not trigger an expungement of the balance of the account.
			3. Funds sent in error, or funds sent after a cardholder’s date of death.
			4. The following minimum business rules will apply to the Deposit Expungement File:
				1. The file shall contain a record for each individual deposit being expunged.
				2. Funds may or may not be for the total deposit.
				3. If a primary has a card that is not pinned for more than ninety (90) days but the secondary card holder does have a pinned card the Supplier shall not expunge benefits for this account.
	11. Deposit Escheatment File
		1. The Supplier shall transmit to the State a Deposit Escheatment File for accounts that contain deposits that have been escheated from EPPIC after five years of inactivity.
		2. The records written to the Deposit Escheatment File are based on settlement date of the escheatment.
		3. Funds will escheat from an account in the following condition:
			1. Returned Escheatment - applies to accounts that have had no activity for five years.
			2. Inactivity is defined as no transaction activity based on swipe activity for a debit, deposits do not count as activity.
	12. Interface Control Document (ICD)
		1. The Supplier shall develop an Interface Control Document (ICD) detailing the required format for each file that is sent between DHS and the Supplier as specified.
		2. The Supplier shall also include with each file a discussion of the processing rules that apply to that file.
		3. Further the Supplier will make every attempt to utilize current file formats in order to minimize the need for the State to change file formats.
	13. Account Set-up and Maintenance
		1. An account record must be established prior to receipt of any deposit records.
		2. Account Record name/address changes (updates) will not trigger a new issuance of a debit card, only an update to the Account Record. The exception to this rule is the returned card process (a replacement fee shall not be assessed for this rule). The Supplier shall issue a replacement card if it determines the record is an update (change) and the existing card on the account is statused as “returned”.
		3. Supplier shall receive and update demographic changes (address and telephone number changes) and transfer of said information shall occur as follows:
			1. The Supplier will receive and update demographic changes from cardholders and transfer that information to the State.
			2. The State will receive and update demographic changes from cardholders and transferring that information to the Supplier.
			3. The State will send updating demographic changes and transferring that information to the Supplier for update.
	14. Adding a Program to an Existing Account
		1. As previously described, add records will be received for each program from the State. When the incoming file is processed, if the account number exists on the Supplier’s system, then the system will check the program of the record being sent in and compare it to the program already on the system for that account number.
		2. If the program already exists for the incoming account number, the Demographic record will be processed as an update to the primary client on the account.
		3. If the account number exists, and the system determines that the program in the record does not already exist on the account for that account number, the system will add that program to the client’s account.
		4. For example:
			1. An account exists with the following:
				1. Account number = A123456789
				2. Program = Child Support
			2. The Supplier's system then receives a Demographic Maintenance Record with the following:
				1. Account number = A123456789
				2. Program = Aid to the Aged, Blind and Disabled
			3. The Supplier's system will add the AABD program to the existing account.
		5. When adding the additional program to the existing account the Supplier’s system will do the following:
			1. Add the new program to the existing account.
			2. The system will modify demographic data with the add record of the new program, regardless of whether or not the data is different.
			3. The Family Violence Indicator will only be updated by a Child Support update.
			4. Ignore the Card Issuance Flag for the new program being added to the account. The card issuance flag will not be treated as an initial issue or a reissue when adding an additional program to an existing account regardless of how the flag is set in the record.
	15. Direct Deposit for New Program Add to Existing Account
		1. As described, the Supplier will determine if the record being processed is a new account set-up or a new program being added to an existing account.
		2. When adding an additional program to an existing account, the Supplier’s system will ignore the direct deposit fields. This will result in the following:
			1. If the existing program on the account was set-up as a direct deposit account, all subsequent programs added to the account will be set-up as direct deposit.
			2. If the existing program on the account was set-up as a debit card, all subsequent programs added to the account will be set-up as a debit card.
			3. The client may elect at any time to switch from direct deposit to debit card or from debit card to direct deposit. The switch will be made for all programs on the account. The client is not able to select certain programs be direct deposit and other programs be debit card.
	16. Account Update
		1. Updates to client’s demographic information will be triggered by Demographic Maintenance File records sent by any of the programs. When sending an update to the client demographic information, the State will send all the demographic information in the record.
		2. The Supplier’s system shall overlay the information on the database for the client with the information in the record. The State may send an updated record from each program when a modification is made to a particular system. Each update record is to be treated independently. For example, if an account is set-up with CS and SSP, and the client data is updated within both of these State systems, the data in each update record may be different (i.e. CS may send John Smith and SSP may send Jonathan Smith), the Supplier will process the records independently. The update is to be processed as an overlay and processed as they are received; one program does not take precedence over another.
		3. If an update to an Account is sent in the same file as the Account Setup record, it will not matter which record appears first. The first record received will be processed as an add and the second record should always treated as an update.
	17. Account Maintenance and Closure: The Supplier shall, at a minimum, provide an account maintenance and closure process that has the following capabilities:
		1. Assures each cardholder account remains available for load until the State advises that it no longer intends to make loads to that cardholder account; provides for no charges or fees associated with the level of cardholder account activity or inactivity;
		2. Provides the ability for the State to identify duplicate account numbers and status those accounts as inactive. The inactive status shall only be displayed on the Admin Terminal and shall not affect the card or usage of the card by the cardholder.
	18. Family Violence Indicator
		1. The DHS will transmit a Family Violence Indicator (FVI) for Child Support accounts. The Supplier shall display the indicator prominently for Customer Call Center staff to ensure the address is never given to any person. The FVI will be maintained and displayed for both the primary and secondary cardholders.
		2. The Supplier shall not remove the FVI when another record is sent by another program.
	19. International Addresses: The Supplier shall accept, process, and distribute cards for international addresses in the following manner:
		1. All account set-ups will be processed on-line, real-time, or via batch files. Should the State have an international address field that must be populated (with a field type other than USA) the State will transmit zeros in the country code.
		2. The Supplier will not issue a card based on the transmission of zeros in the country code.
		3. The populated zero cases will not reject at the batch file level during the time of transmission.
		4. All State updates to the international address field will be via the Administrative Terminal.
		5. Should the State perform an update against a country code that is “000” to a valid country code (for example) “USA” an update to the record and country code would occur but a card will not be issued.
		6. DHS will also have the ability to add account set-up and maintenance via the Administrative Terminal as an alternate method to sending demographics that include international addresses.
		7. Once an international address has been updated, DHS designated staff shall issue a card via the Admin Terminal.
		8. All other requirements for debit card shall be in effect for international addresses.
	20. Deposits
		1. The Supplier shall receive and process all deposit records transmitted by the State and shall have procedures in place to prevent duplicate deposit posting.
		2. Should a duplicate deposit occur, the Supplier shall be responsible for restoring deposit amounts to their approved levels within a maximum of forty-eight (48) hours and any funds expended prior to restoration of authorized deposit levels prior to availability date.
		3. The Supplier shall process deposits and post the deposit amounts to the appropriate debit card/direct deposit accounts, based on the unique account number, program type, and unique authorization number generated by the State for each payment/benefit authorization.
	21. Availability
		1. The State shall provide an availability date, which is included in the deposit detail record passed to the Supplier, in the nightly batch files.
		2. The Supplier shall post all deposits with a date in the past or current date upon receipt and settlement. All deposits with a future availability date shall be made available at 12:01 am (CST) on the specified date.
	22. Direct Deposit
		1. The Supplier shall provide for customers/clients to receive deposits via a checking or savings account in accordance with NACHA standards.
		2. The Supplier shall be responsible for entering and maintaining account information with a 100% accuracy level.
		3. The Supplier shall remedy any client account in which an error was made in entering the account information within twenty-four (24) hours of problem identification.
		4. Clients reporting incorrect deposit data shall not have their deposits corrected until the Supplier has received the funds back from the banking institution or other account holder.
		5. The Supplier shall be responsible for resolving any payment issues with the client’s bank.
		6. All account information is to be entered and/or updated within twenty-four (24) hours of receipt.
		7. The State requires staff responsible for entering and updating direct deposit information be located in Oklahoma.
		8. Each DHS Program will initiate electronic deposit records though automated batch file transfers. The Supplier will determine whether a deposit is for Direct Deposit or for a debit card based on the disposition of the account on the Supplier’s system.
		9. The Supplier will receive and post ACH reject files for deposits that were not accepted by the receiving bank. The deposit will repost on the Supplier’s system as undelivered. System accounting totals for Direct Deposit will be adjusted and funds will be held in suspension while the Supplier initiates communications with the recipient to correct the account information or transition the direct deposit to debit card.
		10. Clients may switch to and from Direct Deposit and the debit card as often as requested.
	23. Minimum Direct Deposit Business Rules. The following business rules shall also apply to Direct Deposit account holders:
		1. Once direct deposit is established all future deposits will be sent to the client’s bank account.
		2. Already existing cash balances on the case when direct deposit is added will remain on the debit card account and be assessed with the debit card at a minimum. The ability to transfer debit card balances to direct posit will result in extra points being awarded.
		3. The Supplier shall log in history the incoming deposit and the outgoing ACH deposit transaction.
		4. Direct deposit account holders can establish a user ID and Login on the client portal.
	24. Minimum Direct Deposit Enrollment Form Business Rules
		1. The Supplier shall be responsible for providing primary cardholders with Direct Deposit Enrollment Forms.
		2. The State shall have final approval of the Direct Deposit Enrollment Form.
		3. The following business rules shall apply to Direct Deposit Enrollment Forms:
			1. The primary cardholder sends the completed Direct Deposit Enrollment Form to the Supplier’s Oklahoma based location.
			2. The Supplier then enters the direct deposit information into the existing account through the administrative terminal.
			3. Incomplete/incorrect forms will be rejected and returned to the account holder within twenty-four (24) hours of receipt.
			4. When a Direct Deposit Form is rejected, the individual will continue to receive their deposits via the debit card.
			5. Incomplete forms will be returned to the account holder with an explanation of the error.
			6. Primary account must exist on the Supplier’s system to add direct deposit information.
	25. Direct Deposit for International Customers: The Supplier shall allow for the deposit of funds at any US bank regardless of country in the same manner as prescribed in Requirement 5.v.
	26. Direct Deposit to Debit Card
		1. There will be occasions where direct deposit funds to a personal bank account will be returned because of closed accounts, change in banking relationships, invalid ACH account numbers, incorrect numbers, as well as banks will merge and retire old routing transit numbers, etc. When these conditions occur, the Supplier will initiate a call campaign and attempt to locate the individual whose deposit has been returned. If the recipient is reached and new personal bank account information is obtained, the authorized user will update the account information and the nightly batch cycle will create a deposit record in the next ACH file process. The deposit is correctly routed and posted to the personal bank account.
		2. When the individual is not reached within five (5) calendar days, the Supplier will convert an account from direct deposit to debit card by updating the account information through the Administrative Terminal.
			1. Prior to any card issuance the Supplier will validate that an active card does not already exist from a prior account set-up. This action will provide better customer service to the client by maintaining thei,r existing card. The updated account record will transition the account to debit card and a debit card will be issued in the nightly cycle to the cardholder.
			2. The Supplier will send a letter to the individual in question, informing them of this action and recommend the reading of the rights and responsibilities of the individual as defined in the Disclosure Statement that will be issued with the card. This letter will inform the individual that no further direct deposits will be made to the personal account previously used and that all future deposits will be accessible through the use of the Oklahoma Electronic Payment Card.
	27. The Supplier shall submit a monthly report (ACH Reject Report) of all direct deposit rejects, date of reject, date(s) of contact and date the account was switched to a debit card.
2. Expungements/Unclaimed Property
	1. Expungements- It is the State’s position that undelivered cards and unpinned cards do not constitute ownership of funds and therefore requires that the Supplier expunge and return deposits under the following conditions:
		1. Unpinned Cards - applies to accounts that have inactive cards for ninety (90) days. Inactive is defined as never having pinned the card (for primary or secondary).
		2. Undelivered Cards - once an initial card has been returned and statused by the Supplier funds will be returned to the State by program.
	2. Expungement File
		1. The Supplier shall produce and transmit a daily Deposit Expungement File for each program that contains the details of deposits that have been expunged from client accounts. The records written to the Deposit Expungement File are based on settlement date of the expungement.
		2. The following business rules will apply to the Deposit Expungement File:
			1. The file will contain a record for each individual deposit being expunged.
			2. Expungement will be by direct deposit.
		3. The following business rules apply to the Office of State Treasurer Expungement ACH file:
			1. Each program will receive an ACH file for their specific program funds (TANF and SSP will be combined).
			2. Funds will be returned at the sum level for each program, meaning that no individual detail records will be included in the ACH file except for the funds amounts.
			3. The Supplier will ACH the returned funds to the State’s individual bank(s) of choice.
	3. Funds Sent in Error
		1. Funds sent in error will be returned in the same manner that expungement funds are received.
		2. DHS staff will have the ability to status an account as pending and to request funds be returned for error or if funds were sent after the eligibility ended. These can be included in the same expungement file or a new file created.
		3. The file will contain a record for each individual deposit being returned.
		4. The return money will be returned by program, but each program can be returned at the sum level or deposit level.
		5. Partial refund will be required by program and deposit.
		6. The pending status will be by program.
	4. Unclaimed Property
		1. In accordance with the State’s Unclaimed Property laws the Supplier shall return all funds residing on the system that have not previously been expunged and have not been accessed for five (5) years.
		2. Each case will be expunged on a yearly basis in the following manner:
			1. When benefits are added, the benefit last used timestamp should be set to the benefit available date.
			2. The Supplier shall expunge the entire account after the respective benefit has been in the account for the respective number of years (currently five (5) years) without any client activity on the account.
	5. Daily Settlement to Supplier: To fund the client’s accounts for debit card and Direct Deposits, the State shall initiate two wire transfers, per program, based on the deposit amounts successfully loaded to the Supplier’s system.
	6. Transaction Processing
		1. At a minimum the following transactions shall be supported:
			1. Accepting transactions coming from an authorized transaction acquirer.
			2. Authorizing or denying transactions.
			3. Sending response messages back to the transaction acquirer authorizing or rejecting client transactions.
			4. Logging the authorized/denied transactions for subsequent settlement and reconciliation processing, transaction reporting, and for viewing through transaction history.
		2. At a minimum the Supplier shall validate the following information before processing a transaction:
			1. Verify client card number (PAN) is active.
			2. Verify PIN is correctly entered.
			3. Verify number of consecutive failed PIN tries (maximum of four) has not been exceeded.
			4. Verify sufficient client balance to complete transaction.
			5. If any of the conditions are not met, the transaction is denied.
			6. The final validation of sufficient balance ensures that each deposit is properly posted based upon availability of funds.
3. Cardholders
	1. Cardholder Changes Notice: The Supplier shall provide sixty (60) calendar day advance written notice to the State of changes affecting cardholders.
	2. Client Portal: The Supplier shall provide cardholders with a secure web-based management tool that, at a minimum, provides the following:
		1. Establish a user-id and password upon verification;
		2. Change password upon verification;
		3. View and print on-line statements (a minimum of three (3) months) of detailed financial transactions posted to the account.
		4. Print statements in “printer friendly” formats;
		5. Provide detail deposit information by program;
		6. Provide detail child support deposits by FGN;
		7. Current balance information;
		8. Access to:
			1. all cardholder notification materials,
			2. collaterals,
			3. Frequently Asked Questions,
			4. Call Center contact info,
			5. links to DHS,
			6. Direct Deposit form,
			7. Secondary Cardholder form,
			8. location of banks accepting the card, and
			9. ATM locations throughout the State;
		9. Shall be available to direct deposit customers as well as debit card customers. The site will display provided deposit information on direct deposit accounts.
		10. DHS shall have final approval of the design and contents of the website
		11. This tool shall be provided at no cost to cardholders.
	3. Additional Cardholder Services
		1. The Supplier shall notify the State of changes affecting the Cardholders.
		2. The Supplier shall notify Cardholders of changes in policy or procedures that affect them.
	4. Card Specifications/Distribution
		1. The Supplier may be required to provide the State with a redesigned debit card.
		2. The copyright for the design of the card, including all artwork and print, shall be owned by the State of Oklahoma in perpetuity.
		3. The State will provide input to the design process and shall approve the card design.
		4. The State retains the right to rename the new debit card.
		5. The card shall be a branded VISA or MasterCard card, shall operate via the VISA or MasterCard network, shall be accepted by any participating merchant, and the card will allow for PIN-based and signature-based purchases.
		6. The card must operate as a debit card or another electronic payment-type card and have no line of credit associated with it.
	5. Card Production/Distribution
		1. The State requires a magnetic card which is fully compliant with all federal laws and regulations, meeting industry standards for quality.
		2. It must be similar in design and technology to any bank-issued ATM card.
		3. The card must include security features to activate the card and to prevent counterfeiting.
		4. The following are the minimum standards for cards:
			1. The primary or secondary’s name and PAN (Primary Account Number) shall be embossed on the face of the card.
			2. The primary cardholders name to be embossed will be identified in the file sent by the State.
			3. A statement that clearly states, “Do Not Write PIN on Card.”
			4. A toll-free telephone number for cardholders to contact the twenty-four (24) hour Customer Service Call Center for card and account assistance.
			5. A tamper-evident signature panel on the back of the card for the cardholder signature.
		5. The Supplier shall be responsible for card production and issuance of both initial and replacement cards.
			1. The initial card will be provided to the cardholder at no cost to the State or cardholder and replacement cards, at the rate of one per year, will be provided to the cardholder at no cost to the State or cardholder.
			2. Cards are required to be mailed to the cardholder within a maximum of forty-eight (48) hours after receipt of account set-up/maintenance files.
			3. The State shall have final approval for the design and content of the card mailer and instructional materials associated with the usage of the account and card.
4. Returned Cards
	1. Returned/undeliverable cards shall be forwarded to a location selected by the Supplier for handling but must be within the continental United States.
	2. Returned cards with no USPS provided forwarding address shall be destroyed and statused as “Returned” by the Supplier through the Administrative Terminal.
	3. The following minimum standards shall apply:
		1. Once a card has been statused (new or replacement) as Returned, the Supplier will send nightly the Account Status File nightly to the State which contains notifications of account numbers that had PAN's statused as “Returned” that day.
		2. Once a card has been returned and statused, the funds associated to that account will be expunged and returned to the State.
		3. The State shall determine the correct address and send an updated Demographic Maintenance File.
		4. A card is reissued automatically by the Supplier based on an incoming Demographic Maintenance File record when all of the following conditions exist:
			1. An update code is received.
			2. The current card on the account has a status of “Returned”
			3. The address in the account update record is different than the address on the Supplier’s database.
		5. Secondary cardholders will not automatically be reissued a card upon status of “Returned”. Secondary cardholders will have to contact the Customer Call Center to request a new card but shall not be charged a card replacement fee.
		6. There shall be no replacement card fee for replacement cards generated by a batch file update for returned cards nor will the Supplier increment the free replacement counter when a card is replaced that was previously statused as returned.
		7. Returned cards with a USPS forwarding address sticker will be re-mailed to the primary cardholder with the correct address.
		8. The card will be placed in a new envelope and mailed to the USPS provided forwarding address.
		9. The address will be updated by the Supplier on the administrative terminal.
		10. The card will not be statused as Returned.
		11. The State will receive the address update record in the Demographic Change File.
	4. Expired Cards
		1. The Supplier shall automatically track the card expiration date for all active cards and mail a new card (of the same card number) to the client prior to the card expiration date.
		2. No replacement cards will be issued if the account is “inactive” AND the account balance is less than $5.
		3. Cardholders shall be entitled to a new card with the same card number at no cost under any circumstance where the cardholder did not receive the renewal card automatically issued due to card expiration.
		4. The Supplier shall keep the existing card active while a new card (of the same card number) is mailed before its expiration date. The existing card will be deactivated upon activation of the new card,
	5. Secondary Cardholders
		1. The Supplier shall provide for a primary account holder to authorize another individual (secondary cardholder) to have access to accounts.
		2. The Supplier shall be responsible for all secondary cardholder forms, entry and shall validate a secondary cardholder request and will require an original signature from the primary account holder before adding any secondary cardholders.
		3. The Supplier shall track and report to the State secondary cardholder activity such as when the card is pinned, expunged or reissued.
		4. The Supplier will treat the primary and secondary cardholder as two separate people.
			1. The secondary cardholder’s card will carry the secondary cardholder’s name and have a unique PAN separate from the primary.
			2. The secondary cardholder shall have unlimited access to the account’s funds.
			3. All secondary cards will be mailed to the primary cardholders address.
	6. Secondary Cardholder Business Rules. Following are the minimum business rules for secondary cardholders:
		1. Only primary cardholders can request one secondary card for their account.
		2. There shall be no State validation or notification to the State of a primary cardholders request to add a secondary.
		3. The Supplier will not validate the secondary cardholder’s SSN against a third party database.
		4. Secondary cardholder demographic data shall not be sent back to the State.
		5. The Family Violence Indicator on an account containing Child Support will be maintained for the primary and secondary cardholder.
		6. The Secondary will select their own PIN utilizing the predefined PIN select criteria.
		7. Secondary address changes will be excluded from the Demographic Change File.
		8. Secondary cardholders shall not have access to any of the primary cardholder’s account information supplied via the Supplier debit card website.
		9. Active secondary bio information will display on the website.
		10. Primary account holders may request removal of secondary cardholders through the Customer Call Center or in writing. The Call Center shall verify the required account information before disabling a cardholder.
		11. The secondary will be added to the account’s cardholders’ history.
		12. Once disabled the secondary’s slot for an active secondary becomes available.
5. PIN Management
	1. DHS requires that each cardholder have a Personal Identification Number (PIN). Using a PIN to access deposits helps to ensure that only the intended cardholder can obtain the authorized deposits.
	2. The PIN shall be a series of 4 numeric characters.
	3. The Supplier will validate the PIN at the host for all electronic transactions processed as cash back transactions and ATM’s. Signature-based transactions do not validate PINs.
	4. IVR PIN Selection
		1. PINs shall not be assigned to cards when the cards are created.
		2. The clients must select their PINs before the card can be used.
		3. The Supplier shall provide for clients to pin cards via an IVR PIN selection option.
		4. DHS requires that the Supplier allow for the client to enter either the last four digits of their SSN or account number and DOB to validate a caller’s identity.
		5. The Supplier shall also allow for PIN changes via the same process.
	5. PIN Fails
		1. The cardholder shall be allowed four (4) consecutive invalid PIN attempts before the card will be locked.
		2. Once the cardholder reaches the maximum PIN fails threshold, the transactions performed by the card will be denied due to excessive PIN fails, even if the cardholder uses the correct PIN.
		3. The PIN shall be reset at midnight each day, allowing the cardholder open access to the posted deposits.
		4. The cardholder may unlock the card by selecting a new PIN, if immediate access is needed.
6. ATM Access
	1. The card must perform through an operating ATM network and allow for nationwide and international.
	2. The number of free ATM transactions shall not be less than two (2) per month.
7. POS Access
	1. The card shall be used by the cardholder to purchase goods and services anywhere the brand (Visa/MasterCard) is accepted, including via the internet, mail order, and telephone order.
	2. The operating network shall query the cardholder’s available balance at the time of any PIN-based POS transaction and will disallow those that would exceed the cardholder’s balance.
	3. The cardholder may receive cash back with a POS transaction based on either the store limit or the negotiated cash-back withdrawal limit.
	4. The Supplier shall provide for bank teller cash-back access.
8. Customer Services
	1. The ARU and Customer Service Center shall support the following functions:
		1. Cards which have been classified/ categorized as “Deceased” as a result of a call from a family member shall not be reissued or be allowed to add a secondary cardholder without the express approval of the DHS Financial Administrator of Electronic Payment Systems.
		2. Cards which have been statused as “Fraud or Deceased” will transfer to a CSR
		3. Report Demographic Changes- The Supplier shall update address and telephone number changes when reported to the CSR’s and transmit the updates daily, via the demographic change file
		4. Direct Deposit- info shall be available to direct deposit customers/clients
		5. Supplier shall allow for caller to “opt out” to a CSR for direct deposit questions or assistance
		6. Distribution of Forms - A caller shall be able to select an option to request either a direct deposit enrollment or secondary cardholder form mailed to the current verified address within two (2) business days of request.
	2. Dispute Resolution Process
		1. Disputes occur when a cardholder identifies discrepancies in the balance of their debit card record, or when a merchant is not paid for transactions that provided goods or services to a cardholder.
		2. The Supplier must provide a process to initiate a dispute resolution procedure to identify the individual(s) affected and adjust funds to compensate and complete the transaction between the merchant/ATM and the cardholder.
		3. All dispute findings will be reported to the State.
	3. Client Training Material
		1. Supplier shall provide instructional materials to the cardholders.
		2. The materials must be written in both English and Spanish at a reading level no higher than the seventh grade.
		3. The State shall have final approval of instructional materials provided with the card.
		4. Training materials will be included in the card issuance packet to ensure that the cardholder understands how to activate the account, their rights, and responsibilities, how to use the card, identification of any associated fees, and where to call in case of questions for reporting of claims/issues.
	4. Client Web Site
		1. The Supplier shall develop and maintain a web site for Debit Card Clients.
		2. The web-based application will be security protected to ensure a user has access to only that information applicable to them.
		3. The following minimum requirements shall be available:
			1. Website to be available via public website;
			2. Site will be up 24 hours per day, 7 days per week, 365 days per year unless DHS has preapproved a scheduled maintenance outage which will occur during off peak hours as determined by DHS.
			3. Capture and maintain e-mail addresses and transmit, via batch file addresses to DHS;
			4. Supplier will use industry best security practices and allow providers to manage account specific information such as E-mail, PIN, Secret Question, / Answer for password resets;
			5. Provide a minimum of 3 years of data;
			6. Provide the ability to download the data.
			7. Reports shall be available in “printer friendly” versions.
			8. Reports shall be downloadable into a minimum of Excel, PDF and txt format.
			9. At a minimum the following fields shall be required:
				1. Banking Status
				2. PAN# (swipe)
				3. Transaction Date
				4. Transaction Time
				5. Transaction Type
				6. Deposit amount
				7. Transaction amount.
9. Reports
	1. System Accounting Report. This daily report shows the settlement activity for the selected settlement date by deposit type, i.e. debit card and direct deposit. A report is created for each program.
	2. ACH Expungement Report. This daily report is a readable version of the ACH file that is generated for expungements (returned deposits back to the State) in the event of an initial card being statused as returned and accounts not being activated for 90 days. The expungement ACH file shall contain a batch for each program with ACH records.
	3. Deposit File Summary Report. This report is generated each time a deposit file is transmitted and identifies the count and dollar value of the deposit records posted in the Supplier's system and the count and dollar value of the records rejected.
	4. Direct Deposit Reject Report. This report is generated daily and identifies all ACH rejects and the number of days since the reject.
	5. Account Activity Reports. The Supplier shall provide daily account activity reports reflecting all account actions received from the State via batch or on-line during a debit card processing day, or taken on behalf of the State by the Supplier. The reports shall provide detail on card issuance, statusing, pin activity, etc. that impacts the debit card account.
	6. Account Maintenance File Summary Report. This report is generated each time an Account Maintenance file is received. The report should identify counts of processed and rejected records in the incoming file. In the event of an error, the error record is identified as well as the reject reason.
	7. Dispute Resolution Process Report. This report is generated daily and identifies all cases in which a dispute has been filed, the nature of the dispute, number of days since the initial report and current status. The report shall only identify cases that are in process and not those cases resolved.
	8. Management Statistics Report.This quarterly report will provide an overview of the number and value of the transactions conducted during the quarter. It shall also include statistics on accounts and cards.