

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 9
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
JPMORGAN CHASE BANK, N.A. Governmental Institute Banking Mail Suite MI1-8078 Detroit MI, 48226	Dawn Stokes	dawn.m.stokes@jpmorgan.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	313-256-2320	4650

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	UIA	Debbie Ciccone	(313)-456-2507	CicconeD@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Brandon Samuel	(517) 284-7025	SamuelB@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Banking Services - UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2 - 1 Year	October 1, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
X	One Year – five Months	<input type="checkbox"/>		March 1, 2018
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$6,829,272.85		\$0.00	\$6,829,272.85	
DESCRIPTION: Effective October 1, 2016 this contract is amended as follows:				
1. Exercise a one year and five month option. The revised contract expiration date is March 1, 2018 2. Delete and replace Article 1 – Statement of Work (SOW) per the attached to incorporate Change Notice No. 1, Change Notice No. 2 and operational updates per revised Appendix G, Change Notice No. 7 Article 1 – Statement of Work (SOW) Modification Summary 3. Delete and replace Appendix A, Pricing and pricing in Change Notices 1 and 2 per the attached to modify from “per record” to “per keystroke” (see Tax Lock Box – Year 6 and 7) 4. Delete and replace Appendix F, Keypunch Instructions per the attached				



5. Delete Appendix G, FileNET Record Layout
6. Delete Appendix H, Tax Lockbox Record Layout.
7. Modify Article 2 , Terms and Conditions as follows:

7.1 Section I-I Accounting Records: Delete and replace with the following:

The Contractor will be required to maintain all pertinent financial and accounting records and evidence pertaining to the Contract. Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Auditor General at any time during the Contract period and any extension thereof, and for three (3) years from the expiration date and final payment on the Contract or extension thereof. Contractor shall not make available for inspection any examination reports, regulatory filings or other information that it is prohibited by law from disclosing to third parties and further provided that the records to be made available shall be limited to those that directly relate to transactions of the State under this Contract and shall not include records relating to other accounts or customers of the Contractor.

7.2 Section I-J Indemnification: Delete and replace with the following:

- a. General Indemnification: Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all losses, liabilities, damages, reasonable costs, reasonable attorney fees, and expenses (including those required to establish the right to indemnification), to the extent arising out third party claims or actions of or relating to: (a) any infringement, misappropriation, or other violation of any Intellectual Property Right of any Third Party in connection with any Service or Deliverable provided under the Statement of Work; and (b) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to negligent or more culpable action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).
- b. Indemnification Procedure: The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations. The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's prior written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim. Any litigation activity on behalf of the State or any of its subdivisions, under this Section I-J, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

7.3 Section I-K Limitation of Liability: Delete and replace with "Damages Disclaimers and Liabilities" as follows:

- a. Disclaimer of Damages. Neither party will be liable, regardless of the form of action, whether in contract, tort, negligence, strict liability or by statute or otherwise, for any claim related to or arising under this contract for consequential, incidental, indirect, punitive, or special damages, including without limitation lost profits and lost business opportunities.
- b. Limitation of Liability. In no event will either party's aggregate liability to the other party under this contract, regardless of the form of action, whether in contract, tort, negligence, strict liability or by statute or otherwise, for any claim related to or arising under this contract, be more than two times the annual amount paid to Contractor under this Contract.
- c. Exceptions. Subsections (a) (Disclaimer of Damages) and (b) (Limitation of Liability) above, shall not apply to:
 - Contractor's obligation to indemnify under Section I-J of this Contract
 - Damages arising from either party's recklessness, bad faith, or intentional misconduct.

7.4 Section I-M Warranties and Representations, subsection 1 is deleted and replaced with the following:
 The Contractor will perform all services in accordance with commercially reasonable standards in the industry;

7.5 Section I-O Work Product and Ownership is deleted

7.6 Section I-R Contractor's Liability Insurance is deleted and replaced with "Insurance Requirements" as follows:

Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of A- or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents" as additional insureds as their interests may appear using the insurer's blanket additional insured endorsement.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents" as additional insureds as their interests may appear using the insurer's blanket additional insured endorsement; and (2) include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Bankers Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u> \$3,000,000 Each Wrongful Act \$3,000,000 Annual Aggregate	
Crime (Fidelity) Insurance or Bankers Blanket Bond	
<u>Minimal Limits:</u> \$1,000,000 Employee Theft Per Loss	Contractor must have their policy: (1) cover forgery and alteration, theft of money and securities, robbery and safe burglary, computer fraud, funds transfer fraud, money order and counterfeit currency, and (2) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as Joint Loss Payees.



If any of the required policies provide claims-made coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least one (1) year after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of one (1) year after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and upon request within 20 calendar days of the expiration date of the applicable policies or upon renewal; (b) require that subcontractors maintain the required insurance; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled and not renewed; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7.7 Section I-W Assignment is deleted and replaced with the following:

The Contractor shall not have the right to assign this Contract or to assign or delegate any of its duties or obligations under this Contract to any other party without the prior written consent of the State except to a subsidiary or affiliate or successor in interest so long as the successor is adequately capitalized and can provide adequate assurances that the successor can perform the services under this Contract. Any purported assignment in violation of this section shall be null and void.

7.8 Section I-BB Notices, "For the Contractor" is deleted and replaced with the following:

Dawn Stokes
Banker and Authorized Officer
JPMorgan Chase Bank N.A.
611 Woodward Avenue Floor 2
Detroit, MI 48226-3408
(313) 253-2320
Dawn.m.stokes@jpmorgan.com

7.9 Section I-PP Transition Assistance is deleted and replaced with the following:

If this Contract is not renewed at the end of this term, or is canceled prior to its expiration, for any reason, the Contractor must provide for up to **180 calendar days** after the expiration or cancellation of this Contract, all reasonable transition assistance requested by the State, to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this Contract, (notwithstanding this expiration or cancellation) except for those Contract terms or conditions that do not reasonably apply to such transition assistance.

7.10 Section I-QQ Disclosure of Litigation, Paragraph 2: Add last sentence "Contractor's publically filed documents available through Contractor's website, an automated service or through the Security and Exchange Commission's website referencing its material litigation will be deemed to satisfy the requirements of this Section."

All other terms, conditions, specifications, and pricing remain the same. Per Agency request, Contractor agreement, and DTMB Procurement approval.



Article 1 – Statement of Work (SOW)

1.010 Project Identification

1.011 Project Request

This is a Contract for banking services for the Unemployment Insurance Agency (UIA). These services include a Benefit Payment Checking Account, through which Unemployment benefit checks will be processed; an Unemployment Deposit Clearing Account, for depositing the Unemployment Insurance tax payments received; a Lockbox processing service to process Unemployment Insurance tax forms and accelerate the depositing of the related tax payments received; a Restitution Deposit Clearing Account for depositing claimant restitution payments received; and a Restitution Lockbox processing service to process and accelerate the depositing of the Restitution payments received.

1.012 Background

The Unemployment Insurance Program was established under the Social Security Act of 1935 to provide income insurance for unemployed workers when suitable jobs are not available, thereby helping the workers to maintain purchasing power. Except for limited standards in the federal laws, the State develops its own programs and has wide latitude in administering them. The expenses of administration of State Unemployment Insurance laws are borne by the federal government, which provides technical assistance and oversees the use of granted funds. The UIA also administers, at the State level, federally - enacted programs for payments to ex-service personnel (UCX), to former federal personnel (UCFE), to workers adversely affected by foreign trade (TRA), and other unemployed individuals who qualify under Special Unemployment Assistance programs. Payments under the latter programs are from federal funds; UIA levies an unemployment insurance tax against employers' payrolls for the payment of the State Unemployment Insurance Benefits.

The UIA has made a number of changes to their processing procedures over the years in order to improve customer service and take advantage of technological advances. In 2008 the UIA implemented electronic benefit payments. Electronic payments are processed by a third party vendor; however all of the funds to cover the payments will flow through the benefit account. In addition, the UIA is continuously exploring ways to expand electronic reporting and payments from employers.

1.020 Scope of Work and Deliverables

1.021 In Scope

The scope of this project includes the establishment and maintenance of three separate bank accounts: a Benefit Payment Account, a Restitution Clearing Account, and a UI Tax Clearing account; and two separate lockbox operations: a Restitution Lockbox operation and a Tax Lockbox operation. The keypunching of various forms in order to facilitate the collection of taxes and claimant payments will also be required. Adequate Collateral Security must be maintained at all times and a competitive earnings rate must be provided on the State's deposit amounts. Specific requirements for each are stated below.

COLLATERAL SECURITY: The Contractor must provide the maximum security, as to form and amount, on funds deposited in the Unemployment Insurance Benefit Payment, Restitution Clearing and Deposit Clearing Accounts. Currently, base collateral to cover normal daily Benefit, Clearing, and Restitution Account balances is expected to be \$35,000,000.00. However there are large quarterly tax collections deposited into the Deposit Clearing Account that will require additional collateral of up to \$525,000,000.00 for two to three weeks. Unless specified otherwise, Collateral Security must be deposited with the Federal Reserve Bank, or a branch of the district in which the depository is located, in an amount at least equal to funds on deposit less any amount that is federally insured. The collateral must be in the form of transferable obligations, which are fully insured or guaranteed by the United States, or general obligations of the State of Michigan. In the case of pledged securities which are not negotiable without the depository's endorsement of assignment, the depository may in lieu of placing its unqualified endorsement on each security, furnish an appropriate resolution and irrevocable power of attorney authorizing the Federal Reserve Bank to assign the securities.

In the event of the depository's insolvency or closure, or appointment of a receiver, liquidator, or other similar officer to terminate its business, the depository agrees that all principal and interest payments on any security pledged due as of



the date of the insolvency or closure shall be held separate and apart from any other assets and shall be available to satisfy any claim made by UIA.

The financial institution must submit a list of proposed securities for prior approval before pledging to:

Deborah Ciccone, Manager
Unemployment Insurance Agency
Trust Fund Accounting, Suite 12-150
3024 W. Grand Blvd.,
Detroit, MI 48202

This list should contain the name and date of issue, amount, interest rate, maturity date and the total amount of the original bond issue, if available.

When the collateral has been approved by the Unemployment Insurance Agency and the safekeeping custodian agreed upon, the financial institution shall instruct the custodian to furnish the Unemployment Insurance Agency with original safekeeping receipts or advices assigning the collateral. (The ownership of the custodian shall be independent from the ownership of the financial institution.) The custodian must send original safekeeping receipts or advices to the Manager, Trust Fund Accounting, at the address shown above.

The financial institution must have prior approval of the Unemployment Insurance Agency for all substitutions.

The financial institution must request approval of the Unemployment Insurance Agency for the release of a security without replacement

EARNINGS CREDIT: The costs to operate the UIA bank accounts and lockbox operations will be paid through either a compensation process, direct payment, or a combination of the two. The compensation process will use the sum of the earnings collected on the daily balances in each account during the month to offset the related banking costs. The Contractor must provide a detailed narrative description of its methodology for determining the monthly earnings calculation for each account. The vendor must include either the specific interest rate that will be used in the calculation; or, in the case of an adjustable rate, a specific indicator (ie: 3-month Treasury Bill rate published weekly) that will be used to determine the rate.

BENEFIT PAYMENT ACCOUNT: Benefit Payment activities are centralized. Payments are dispersed using both paper checks and electronic payments. All UI benefit checks issued will be drawn against a single Benefit Payment Account. The unemployment benefit checks will be negotiated by payees at various check cashing facilities in Michigan and other states (some checks are mailed to payees in other states). The Contractor may not charge a fee to unemployed workers for negotiating an unemployment benefit check. All negotiated checks will be processed through the usual bank clearance process. All UI electronic payments will be transferred daily via either wire transfer or ACH. Deposits to the account will be in the form of checks and wire transfers of funds from the Unemployment Trust Fund through the Federal Reserve System.

RESTITUTION CLEARING ACCOUNT: Restitution deposit clearing activities are centralized at Cadillac Place, 3024 W. Grand Blvd., Suite 12-150, Detroit, Michigan 48202, the UIA's Main Office location. The UIA Trust Fund Accounting unit is responsible for collecting and processing remittances from claimants that have been overpaid. Refund checks issued to claimants will be drawn against this Restitution Clearing Account. The Contractor may not charge a fee to claimants for negotiating a restitution refund check. Excess funds will be transferred via wire transfer to either our Unemployment Trust Fund at the Federal Reserve or the Contingent Fund with the State Treasurer.

eLOCKBOX ACCOUNT: At the request or with the approval of UIA, the bank must provide the option of electronic transfer of employer funds to the bank from certain remitters.

U.I TAX CLEARING ACCOUNT: Employer tax deposit clearing activities are centralized at Cadillac Place - 12th Floor, 3024 W. Grand Blvd., Detroit, Michigan 48202, the UIA's Main Office location. The UIA Tax Office is responsible for collecting and processing employer remittances and returns. The daily usable balance in the account, less the compensating funds for account maintenance activity and Lockbox processing, will be transferred daily via wire transfer to our Unemployment Trust Fund at the Federal Reserve. Refund checks issued to employers are also drawn against this Deposit Clearing Account.



RESTITUTION LOCKBOX: Currently, collections of approximately 80,000 payments a year are deposited. Approximately ninety-nine percent of the deposit volume will be expected to come from the Lockbox process, with the balance being deposited by UIA staff.

Restitution remittances will be deposited into a commercial bank clearing account. The remittance will usually be transmitted with a payment coupon. Various other forms and correspondences may also be included. These remittances and the payment coupon are the only media to be processed by the bank upon receipt from the claimant. All other media enclosed by the claimant shall be date stamped and delivered to the UIA's Benefit Overpayment Collection Unit.

U.I. TAX LOCKBOX: Each quarter, approximately 200,000 tax return envelopes are opened and sorted into various batches for deposit. Approximately ninety-nine percent of the deposit volume will come from the Lockbox process, with the balance being deposited by UIA staff.

These remittances are deposited into a commercial bank clearing account. The remittance is usually transmitted with a tax form, UIA 4101, payment coupon. Various other forms and correspondences may also be included. These remittances are the only media to be processed by the bank upon receipt from the employer. All other media enclosed by the employer shall be date stamped and delivered to the UIA's Tax Office, Team Support Unit.

1.022 Work and Deliverable

1. Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:
2. Quality and Security Control: The lockbox bank is completely responsible for maintaining the confidentiality, safety and security of all source documents placed in its custody, as well as all output data (media) produced. Privacy Act(s) protecting the employers submitting the remittance documents and payments are statutes of law, which apply to this data while in the custody of the contracting bank. The source documents and output media will be the contracting bank's responsibility from lockbox pickup to delivery at the UIA. The bank shall be liable to the UIA for any and all costs required to reconstruct all records lost or damaged for any reason, while in the bank's possession should the Bank not act with reasonable care.

BENEFIT PAYMENT ACCOUNT: The descriptive data in this section is provided as a means for evaluating and assessing the activity volume and extent of service required for the Unemployment Insurance Benefit Payment Account. The data listed is the monthly or daily average using calendar year 2014 data. This activity may change significantly as a result of changes in the economy or from changes in federally funded supplemental benefit programs. The contracting bank must be capable of handling sudden changes in volume. Item counts listed for paper benefit check processing and imaging (notated with an * below) are estimates based on anticipated usage. The agency expects to issue paper benefit checks only on an exception basis. Electronic benefit payments are administered under a separate contract, although all of the funds will flow through this account.

<u>ACTIVITY DESCRIPTION</u>	
- Average Daily Account balance	\$9,700,000
- Number of Incoming Wire transfers per month	4
- Number of Deposits per month	4
- Estimated number of checks processed annually*	4,300
- Ave. number incoming ACH transfer/month	215
- Ave. number outgoing wires /month	25
- Estimated number of inquiries, discrepancy adjustment requests, etc. per month	218



SPECIFIC BENEFIT PAYMENT ACCOUNT SERVICE REQUIREMENTS:

The following represents the minimum banking services that UIA requires for a satisfactory maintenance of the Unemployment Insurance Benefit Payment Account:

1. Maintain a daily outstanding check file for payment confirmation and variance resolution.
2. Receive a daily check issuance and void file via FTP transmission. Update and maintain an outstanding check file.
3. Receive a weekly manual check issuance listing and voided check listing for update to the outstanding check issuance file.
4. Disburse funds to claimants that present a legitimate Unemployment Insurance check. The claimant will be expected to provide adequate proof of identification; however, no additional fees may be charged by the Contractor to a claimant for cashing an Unemployment Insurance Agency issued benefit check.
5. Processing paid checks utilizing a 'positive pay' process; where all paid items are verified against our check issuance file prior to posting to the account.
6. Preparing and transmitting (FTP) an electronic file of the checks paid each month. See Appendix B for format specifications.
7. Preparing a monthly electronic check paid listing.
8. Imaging of paid checks – front and back. Images of all checks paid must be provided to the UIA in an electronic format. Currently, the UIA is using a product called Chase Access to access the check images. The Contractor may provide an alternate product to access the check images. The product must be compatible with UIA's current network operations, and produce imaged copies equivalent or better than we are currently receiving.
9. Processing checks, wire transfers, deposits, and stop payment requests.
10. Preparing a monthly "Statement of Account" summary. Processing debit/credit advices for paid item exceptions, including adjustments for raised checks and forged endorsements. All daily exception adjustments to the account must be supported by debit memos or credit advices and listed individually on the monthly summary "Statement of Account". Except as noted in the "Pickup and Deliveries" section, these monthly "Statement of Account" summaries are to be delivered by noon of the fifth business day after the date of the statement to the following address:

Unemployment Insurance Agency
 Trust Fund Accounting, Suite 12-150
 3024 W. Grand Blvd.
 Detroit, Michigan 48202

11. Reporting daily to the UIA by phone, fax or e-mail the ledger balance and the item count of paid checks.
12. Preparing an Income and Expense Analysis Report for Federal Reporting Requirements; currently form ETA 8413 (See Appendix C for the report preparation instructions.).
13. Performing the normal bank bookkeeping activities relating to computation of daily account balance, summary daily statement of account, etc., including compliance with the regulatory provisions of the uniform commercial law in the maintenance of the account.
14. Items that cannot be supported within 30 days after notification by the UIA, the contracting bank will adjust the related account until such items can be supported.
15. Facilitating the processing of forgery affidavits, acquiring reimbursement for erroneously cashed items. All credit memos issued in resolution to a forgery claim must be final. Provisional credits will not be accepted.

RESTITUTION CLEARING ACCOUNT: The descriptive data in this section is provided as a means for evaluating and assessing the activity volume and extent of service required for the Unemployment Insurance Restitution Clearing Account. This data is a monthly average for calendar year 2014, and may change as a result of economic or federal program changes. The contracting bank must be capable of handling a substantial increase in volume.

<u>ACTIVITY DESCRIPTION</u>	
- Average daily account balance	\$9,114,631
- Monthly average number of branch deposits	38
- Average unencoded checks deposited each month	347
- Monthly average of refund checks issued	413
- Est. number of adjustments, intra bank transfers and returned items, etc. for each month	50



-LBX check avg monthly 10,157

SPECIFIC RESTITUTION CLEARING ACCOUNT SERVICE REQUIREMENTS:

The following represents the minimum banking services that this agency deems necessary for a satisfactory maintenance of the Unemployment Insurance Restitution Clearing Account:

1. Processing encoded and unencoded deposits.
2. Processing wire and intra bank transfer of funds.
3. Accepting responsibility for supporting documentation after transactions have been completed.
4. Receive and process a weekly manual check issuance and voided check listing, to maintain a check issuance file.
5. Processing checks paid daily utilizing a 'positive pay' process, where all paid items are verified against the check issue file prior to posting.
6. Imaging of paid checks –front and back. Images of all checks paid must be provided to the UIA in an electronic format. The UIA currently has an electronic document retention system called FileNet. The Contractor may provide an alternate product to access the check images. The product must be compatible with UIA's current network operations, and produce imaged copies equivalent or better than we are currently receiving.
7. Preparing a monthly "Statement of Account" to report the daily depositing, debit, credit, paid checks, fund transfer, activities, etc. All exception adjustments to the account must be supported by debit or credit advices, and listed individually on the "Statement of Account". Except as noted in the "Pickup and Deliveries" section, these monthly "Statement of Account" summaries are to be delivered by noon of the fifth business day after the date of the statement to the following address:

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 Trust Fund Accounting, Suite 12-150
 3024 W. Grand Blvd.
 Detroit, Michigan 48202

8. Performing the normal bookkeeping activities relating to the daily account balance computation, monthly statement of account summary, etc., including compliance with the regulatory provisions, of the uniform commercial law in the maintenance of the account.
9. Items that cannot be supported within 30 days after notification by the UIA, the contracting bank will adjust the related account until such items can be supported.
10. Disburse funds to claimants that present a legitimate Unemployment Insurance Agency check. The claimant will be expected to provide adequate proof of identification; however, no fees may be charged by the Contractor to the claimant for cashing an Unemployment Insurance Agency issued refund check.

U.I TAX CLEARING ACCOUNT: The descriptive data in this section is provided as a means for evaluating and assessing the activity volume and extent of service required for the Unemployment Insurance Deposit Clearing Account. Except for the Average daily account balance*, this data is a monthly average for calendar year 2014, and may change as a result of economic or federal program changes. Note that during the four peak collection months, the average daily account balance is extremely high. The balance declines significantly during the remaining months. The contracting bank must be capable of handling a substantial increase in volume.

ACTIVITY DESCRIPTION

- Estimated Average daily account balance*	\$20,774,840
- Number of outgoing wire transfers for each month	9
- Number of unencoded checks being deposited for each month the taxes are due; currently; January, April, July, and October	217,812
- Number of unencoded checks being deposited for each of the months the taxes are <u>not</u> due	79,358



- Average number of adjustments, intra bank transfers and returned items, etc. for each month	150
- Employer refund checks paid for each month	746

SPECIFIC DEPOSIT CLEARING ACCOUNT SERVICE REQUIREMENTS:

The following represents the minimum banking services which this agency deems necessary for a satisfactory maintenance of the Unemployment Insurance Deposit Clearing Account:

1. Processing encoded and unencoded deposits.
2. Processing wire and intra bank transfer of funds.
3. Accepting responsibility for supporting documentation after transactions have been completed.
4. Processing checks paid daily.
5. Reporting daily to the UIA by phone, fax or e-mail the ledger balance, the useable balance and the available balance.
6. Preparing an Income and Expense Analysis Report Form ETA 8414. (See Appendix D for the report preparation.)
7. Preparing a monthly "Statement of Account" to report the daily depositing, debit, credit, paid checks, fund transfer, activities, etc. All exception adjustments to the account must be supported by debit or credit advices, and listed individually on the "Statement of Account". Except as noted in the "Pickup and Deliveries" section, these monthly "Statement of Account" summaries are to be delivered by noon of the fifth business day after the date of the statement to the following address:

 Unemployment Insurance Agency
 Trust Fund Accounting, Suite 12-150
 3024 W. Grand Blvd.
 Detroit, Michigan 48202
8. Performing the normal bookkeeping activities relating to the daily account balance computation, monthly statement of account summary, etc., including compliance with the regulatory provisions, of the uniform commercial law in the maintenance of the account.
9. Items that cannot be supported within 30 days after notification by the UIA, the contracting bank will adjust the related account until such items can be supported.
10. Receiving and processing EFT transfers from employers. Currently this is processed manually by the UIA, but may in the future need to process automatically.

RESTITUTION LOCKBOX: The narrative information in this section is provided as a means for evaluating and assessing the activity, volume and extent of service required for Lockbox processing. This volume of activity may vary with economic or federal program changes. The Contractor must be capable of handling a substantial increase in volume.

ACTIVITY DESCRIPTION

- Est. number of unencoded checks processed 85,000

Remittance and Payment Coupon:

The claimant's name and Claimant Identification Number (CID) are pre-printed on the payment voucher. Payment coupons, Form UIA 4101, will be submitted with the claimant's remittance. The voucher includes a space for the entry of the payment amount. All payment vouchers will have index fields required for electronic batch transmission and imaging transmission.

At least 95% of all remitted dollars must be deposited in the UIA Restitution Clearing Account within 24 hours of receipt. The remaining 5% of the remitted dollars shall be deposited within 48 hours of receipt. The bank will provide a single lockbox to process all restitution remittances made to the UIA. This lockbox may be represented by a Post Office Box number.

Specific Restitution Lockbox Processing Requirements:

Collecting Mail: The contracting bank must arrange for the pick-up or delivery of claimant remittances and payment coupons from the lockbox on a daily basis.



Opening Mail: On receipt of pick-up or delivery, all envelopes shall be opened, and the contents extracted. A dated mail receipt is tag put on the work. Keep all contents and envelopes together until initial verification requirement is satisfied. Any correspondence received that does not include a payment will be forwarded to the UIA with a CID.

DATE TAGING SHALL BE COMPLETED PRIOR TO ANY ADDITIONAL PROCESSING

Initial Verification Requirements:

Sort the acceptable for processing documents from the exception items to be forwarded to UIA.

ACCEPTABLE Remittances must meet the following criteria:

1. ACCEPTABLE PAYEES:

Unemployment Insurance Agency	UIA
Unemployment Agency	UA
Michigan Unemployment	Unemployment
Michigan Unemployment Agency	MUA
State of Michigan-UA	State of Michigan – UIA
State of Michigan	

2. ACCEPTABLE REMITTANCE DEVICES:

Personal Checks	Certified Checks
Money Orders	Cashiers Checks
Cash*	

Cash* - Normally, the bank will not receive cash; however, if cash is received, the bank shall provide appropriate controls for handling of the cash, prepare a credit document to represent the cash, and process that document in the same manner as any other remittance.

NON-ACCEPTABLE Remittances will meet one of the following criteria:

- a) Payee other than on the acceptable payee list.
- b) Checks stamped or annotated "Payment in Full" or "Paid in Full".

Processing of Exception Items to be forwarded to the UIA:

Non-acceptable remittances, as well as all enclosed correspondence, forms and notes are to be date stamped and delivered daily to UIA Benefit Overpayment Unit, Suite 12-450, Cadillac Place, 3024 W. Grand Blvd., Detroit, Michigan 48202.

The UIA required that the bank provide a daily register of those exception items involving money. One copy shall be included with the forwarded items, and one shall be maintained in a binder at the bank. Items will be identified by the Claimant number or Claimant CID.

Preliminary Edit and Processing Requirements:

The Claimant number must be included on both the payment coupon and remittance device. If the claimant has not placed the ID number on the remittance device, the bank shall enter that number on the face of the remittance device. The UIA will provide the vendor with a 'dummy' number for payments that are received without a payment coupon. Any payments received with multiple ID numbers will be processed according to the business rules. See Appendix E.

Batching and Scanning:

UIA uses a batch process in which batch sizes vary among the two types of batches to be processed by the bank (with a maximum of 50 items per batch).

Batch numbers are nine digits in length beginning with the Fiscal Year (FY) designation (e.g., 2014-1234). Batch numbers are assigned sequentially beginning with __00001 on October 1st, the beginning of the UIA's fiscal year, and ending on September 30th of the following calendar year (e.g., 2014-00001 on October 1, 2014, through 2015-34637 on September 30, 2015).



Batch Date New Fiscal Year Exception:

Each year on 10/01/YY, the batch date must be changed to reflect the present year plus 1 preventing a failed batch-date error. The following January 1st (01/01/yy) the date must be changed back to the present year. This process is repeated again on 10/01.

The contracting bank will be required to provide pricing commensurate with the reading of an OCR line to scan required information, to provide a FTP transmission of that information in a format compatible with the UIA (MiDAS) System. Information from the OCR scan includes the CID or claimant ID number, the expected payment dollar amount, voucher type, media number and check digit. If the CID or Claimant Number cannot be determined, process the item as an exception item and forward to the UIA.

U.I. TAX LOCKBOX: The narrative information in this section is provided as a means for evaluating and assessing the activity, volume and extent of service required for Lockbox processing. The numerical data provided in Appendix E is from fiscal year 2009. This data may vary with economic or federal program changes. The Contractor must be capable of handling a substantial increase in volume.

TAX REPORT AND PAYMENT:

The employer's name, address, account number, tax rate, Federal Employer Identification Number (FEIN), debit or credit account balance, and the quarter ending date for which employer information is required are pre-printed, by the UIA, on Form UIA 1028, Employer's Quarterly Tax Report. This document is mailed to all active Michigan employers near the middle of the last month of each calendar quarter. Other items of information on the 1028 report: Gross Wages, Taxable Wages, Tax Due, Amount Enclosed and the number of Covered Workers employed during each month of the quarter, are provided by the employer. Data to be key encoded by the contracting bank will be designated specific sections below and Appendix F.

The tax form (UIA 1028) and remittance are submitted by employers each quarter. Employers are required to file the tax report on or before the 25th of the month following the end of each quarter. Employers must file tax reports for all quarters, even if no tax is due or no payment is being made. Remittances usually decline with each subsequent quarter due to a cap (\$9,500 in 2002 and \$9,000 in subsequent years) on the taxable wages of each person employed in the state. Following is the average percentage of total yearly UIA tax dollars that are received for each quarter. The number of tax reports filed will be fairly consistent for every quarter.

1st Quarter	01/01	through 03/31	59%
2nd Quarter	04/01	through 06/30	20%
3rd Quarter	07/01	through 09/30	12%
4th Quarter	10/01	through 12/31	9%

There are approximately 200,000 Michigan employers remitting \$1.4 billion each year. There are also approximately 5500 reimbursing employers submitting quarterly payments. Remittances vary from a few cents to many millions of dollars. Most remittances are in the one thousand to twenty-five thousand dollar range.

At least 95% of all remitted dollars must be deposited in the UIA Clearing Account within 24 hours of receipt. The remaining 5% of the remitted dollars shall be deposited within 48 hours of receipt. The bank will provide a single lockbox to process all remittances made to the UIA. This lockbox may be represented by a Post Office Box number. However, for bulk deliveries from service bureaus and accounting organizations that will be made by common carriers such as UPS et al, a street address must be made available.

BATCHING:

UIA uses a batch process in which batch sizes vary among the ten types of batches to be processed by the bank. Each batch is sized to facilitate manual error correction. (See Batch Processing section below.)

Batch numbers are nine digits in length beginning with the Fiscal Year (FY) designation (e.g., 2014-12345). Batch numbers are assigned sequentially beginning with __00001 on October 1st, the beginning of the UIA's fiscal year, and ending on September 30th of the following calendar year (e.g., 2014-00001 on October 1, 2013, through 2014-34637 on September 30, 2014).

Batch Date New Fiscal Year Exception:

Each year on 10/01/YY, the batch date must be changed to reflect the present year plus 1 preventing a failed batch-date error. The following January 1st (01/01/yy) the date must be changed back to the present year. This process is repeated again on 10/01.



UIA reserves the right to request a small range of batch numbers from the contracting bank, at any time. These batch numbers are used for in-house processing. Historically, these numbers have been requested on a weekly to bi-weekly basis, and are generally limited to no more than 3 to 10 batch numbers which are processed on the same day on which the numbers are requested.

KEY ENCODING:

The contracting bank will be required to provide keypunch services to key encode required information, and to provide a FTP transmission of that information in a format compatible with the UIA mainframe system.

SPECIFIC U.I. LOCKBOX PROCESSING REQUIREMENTS:

Collecting Mail: The contracting bank must arrange for the pick-up or delivery of UIA tax reports and remittances from the lockbox at least once per day to insure timely processing of all incoming receipts.

Opening Mail: On receipt of pick-up or delivery, all envelopes must be opened, and the contents extracted and date stamped with the received date. Keep all contents and envelopes together until initial verification requirement is satisfied.

DATE STAMPING SHALL BE COMPLETED PRIOR TO ANY ADDITIONAL PROCESSING.

INITIAL VERIFICATION REQUIREMENTS:

Sort the acceptable for processing documents from the exception items to be forwarded to UIA.

ACCEPTABLE REMITTANCE DEVICES MUST MEET THE FOLLOWING CRITERIA:

1. **ACCEPTABLE PAYEES:**

Unemployment Insurance Agency	UIA
Unemployment Agency	UA
Michigan Unemployment	Unemployment
Michigan Unemployment Agency	MUA
Michigan Unemployment Security Agency	State of Michigan-UA
Michigan Unemployment Security Commission	Unemployment Tax
Michigan Employment Security Agency	MESA
Michigan Employment Security Commission	MESC
Michigan Employment Agency	Michigan ESA
Unemployment Compensation (UC)	Employment
State of Michigan – MESA	State of Michigan
State of Michigan – MESC	Michigan Employment

ANY PAYEE - ** IF THE AMOUNT ON THE REMITTANCE DEVICE IS THE SAME AS THE AMOUNT ON FORM UIA 1028, LINE 11 **

2. **ACCEPTABLE REMITTANCE DEVICES:**

Personal Checks	Certified Checks
Business Checks	Money Orders
Cashiers Checks	Cash

ACH and debit/credit card payments –With prior approval from the UIA Tax Office.

Cash - Normally, the bank will not receive cash; however, if cash is received, the bank shall provide appropriate controls for handling of the cash, prepare a credit document to represent the cash, and process that document in the same manner as any other remittance.

NON-ACCEPTABLE REMITTANCES WILL MEET AT LEAST ONE OF THE FOLLOWING CRITERIA:

3. **NON-ACCEPTABLE REMITTANCE DEVICE WILL CONTAIN A:**

- a) Payee other than on the acceptable payee list.
- b) Postdated negotiable instrument.
- c) Checks stamped or annotated "Payment in Full" or "Paid in Full".



~~THE VENDOR WILL FORWARD TO THE UIA, ALONG WITH ALL ENCLOSED DOCUMENTATION INCLUDING TAX REPORT.~~

4. NON-ACCEPTABLE TAX REPORT WILL CONTAIN A:

- a) Any tax report with no information or all zeros on lines 5, 6, 7, 8 and 11 which has any variation of "Out of Business" written upon the form.
- b) Any tax report annotated "Account Paid in Full" or "Paid in Full".

THE VENDOR WILL FORWARD TO THE UIA, ALONG WITH ALL ENCLOSED DOCUMENTATION INCLUDING ANY REMITTANCE DEVICE.

PROCESSING OF EXCEPTION ITEMS TO BE FORWARDED TO THE UIA:

Non-acceptable UIA reports and remittances, as well as all enclosed correspondence, forms and notes are to be date stamped and delivered daily to UIA Tax Office, Team Support, Suite 12-600, Cadillac Place, 3024 W. Grand Blvd., Detroit, Michigan 48202.

The UIA requires that the bank provide a daily register of those exception items involving money. One copy shall be included with the forwarded items, and one shall be maintained in a binder at the bank. Items will be identified by UIA employer number, or if an UIA number is not available, by FEIN (Federal Employer Identification Number).

PRELIMINARY EDIT AND PROCESSING REQUIREMENTS:

For FORM UIA 1028, EMPLOYERS QUARTERLY TAX REPORT:

Only UIA 1028's submitted directly from UIA as "Company Work" or "Number Applied For".

Some employers, or their agents, will provide one remittance device which covers a number of tax reports, or more than one remittance device which totals the amount entered on one tax report. These items shall be isolated and checked for accuracy.

If the written amount of the remittance device varies from the numerical amount, accept the remittance device for the amount that matches the UIA 1028, tax report, Line 11. If neither the written nor numerical amounts match the amount indicated on the UIA 1028, accept the numerical amount and change the UIA 1028, tax report, as indicated below. If the item in question is a remittance device with no tax document, accept the numerical amount.

If a UIA 1028, tax report, with a single remittance device has different amounts indicated on the remittance device and on Line 11 of the tax report, the bank shall assume that the amount indicated on the remittance device is correct, and shall draw a single line through the amount on Line 11, and enter the remittance device amount in the boxes provided at the bottom left of the UIA 1028 under the heading "For UIA Use Only, Do Not Write Below Line". A bank employee must initial all such changes. Care must be taken when correcting line 11 since, as noted above, employers may include one remittance device to cover a number of tax reports, or several remittance devices to cover the remittance amount indicated on one tax report.

The UIA employer number must be included on both the tax document and remittance device. If the employer has not placed the UIA employer number on the remittance device, the bank shall enter that number on the face of the remittance device.

Form UIA 1028s and remittance devices will be received with no UIA employer number or with the words "Number Applied For" or some variation of that wording indicated on the document. These may be tax documents with remittance devices, tax documents with no remittance devices, or remittance devices alone. The number 1111111 (seven ones) shall be entered as the employer number on the tax document and remittance device. Processing shall then continue as usual.

The UIA employer number on tax documents and remittance devices submitted by some employers may contain more than seven digits. This will most commonly occur with deliveries from service bureaus or accounting firms who are submitting multiple reports and payments. When this occurs, the first seven digits of the number, including any leading zeros, will represent the actual employer number. The bank shall circle the correct seven-digit UIA employer number prior to the key-encoding process.



If the UIA 1028, Employer's Quarterly Tax Report, Notice of Estimated Tax Liability, has no "Quarter Ending Date" indicated on line 3, the bank shall process the document with the most recently completed quarter ending date.

1st Quarter	March 31
2nd Quarter	June 30
3rd Quarter	September 30
4th Quarter	December 31

BATCH PROCESSING OF REPORTS AND PAYMENTS FOR DEPOSIT AND KEY ENCODING:

The batching process no longer require the use of various Batch Types for differing levels of bank activity, the UIA requires that unit cost of processing Batches be shown as bid items.

The bank is required to process the following UIA forms:

- FUTA Form 1110
- Loose Payments (check only) and Form 4101
- 1028 Remit
- 1028 Non-Remit

Acceptable reports and payments, payments only and reports only must be sorted into batches before preparing deposits and key encoding.

The batch UIA form numbers, the five transaction codes associated with the various batch and the maximum number of items that can be included in each batch are:

UIA 1028, tax report w/remittance
40 items

UIA 1028 tax report with no remittance
90 items

Remittance Device Only (no UIA 1028)
40 items

Voluntary Payment, Remittance Device Only (no UIA 1020 tax report)
40 items

NOTE: Voluntary will always be forwarded from the UIA in an envelope marked "Batch." The processing dates will usually be between January 1st and April 30th.

UIA 1110, FUTA tax credit
90 items

NOTE: FUTA will be forwarded from the UIA in an envelope marked "FUTA, Batch".

UIA 4101, Employer's Quarterly Tax Payment Coupon
Transaction

NOTE: Use payment transmittal Only when mailing quarterly payment without Form UIA 1028 (Employer's Quarterly Wage/Tax Report).

BATCHING PROCESS:

1. All items in a batch must share the same received date, even if the batch includes only one item.
2. Assign batch numbers consecutively to each batch processed.
3. The following must be included on the UIA 1110:
 - (a) Batch Number
 - (b) Received Date
 - (c) Remittance Amount (only if a remittance is received)



4. If the remittance amount on the report does not match the amount of the check:
 5. If there is a remittance, the following information must be included on the face of the remittance device:
 - (a) Batch Number
 - (b) Employer Account Number
 - (c) Received Date
 6. Form N13624, UIA Quarterly Financial Batch Header, must be prepared for each batch. The batch header includes; batch number, batch date, received date, transaction code, number of reports in the batch, number of payments in the batch, and the total payment amount of the batch. The header also includes spaces for the initials of bank staff that assembles the batch, runs report tapes, runs check tapes and balances the batch.
 7. NOTE: THE FOLLOWING ITEMS 6, 7, 8, 9 AND 10 MUST BE COMPLETED BY DIFFERENT BANK EMPLOYEES.
 8. For Batch with remittance and 10, prepare a proof tape of the dollar amounts of the remittance devices. Enter the number of checks listed on the tape below the total amount of the payments. Indicate the total number of payments on the batch header under "NO. OF PAYMENTS" and the dollar amount on the batch header under "TOTAL PAYMENT AMOUNT".
 9. For Batch circle the year indicated following the words "APPLICATION FOR STATE UNEMPLOYMENT TAX CREDIT". Prepare a proof tape of the credit amounts indicated on the UIA 1110 form above the words:
 - i. "1983 FUTA Tax Penalty" or
 - ii. "1984 FUTA Tax Penalty" or
 - iii. "1985 FUTA Tax Penalty" or
 - iv. "20XX FUTA Tax Penalty" or
 - v. "Figure A (additional FUTA taxes paid)."
 10. Prepare electronic documented proof of the credit amounts indicated on the UIA 1110s. In the area below the total of the individual credit amounts, enter the count of reports listed on the document proof. Enter this number under "TOTAL NUMBER OF REPORTS" on the batch header. Enter the total of the credit amounts under "TOTAL PAYMENT AMOUNT" on the batch header.
 11. Process Batch when there is remittance verify that the totals shown on the remittance and report proof tapes are equal. Enter that amount in the "TOTAL PAYMENT AMOUNT" space on the batch header.
- Endorse all remittance instruments using a standard endorsement that includes, "For Deposit Only", "UIA" and the UIA's UI Bank Clearing Account number.
12. Prepare a photocopy (front only) of all Batch negotiable instruments to be used in key encoding.
 13. A count of the reports in the batch should be indicated on the batch header at "TOTAL NUMBER OF REPORTS".
 14. Assemble batch for key encoding to FTP:
 - (a) UA 1110s, Batch Header, Proof provided of amounts at:
 - "1993 FUTA Tax Penalty" or
 - "1994 FUTA Tax Penalty" or
 - "20XX FUTA Tax Penalty" or
 - "Figure A (additional FUTA taxes paid)."
 16. A standard batch folder shall be prepared for each batch. The batch number shall be annotated at the right side of the tab of the folder. The provide proof of both reports and remittances shall be stapled on the inside back of the folder at the left side of the tab. Enclose tax reports for Batch and the photocopies or electronic images of the remittance devices in the folder with the batch header at front. Tax reports may be loosely rubber-banded. Do not rubber-band photocopies or batch headers.



17. Deliver batches and file transmissions to UIA Tax Office - Team Support, within 72 hours of original document receipt at the lockbox, except as noted in the "Pickup and Delivery" section.

NOTE: Please note that ALL DAILY TRANSMISSIONS must include at least one batch containing remittances (cash batch) or the UIA system will not accept the input.

PROCESSING STEPS TO BE FOLLOWED FOR EACH BATCH:

1. UIA 1110s FUTA CREDIT FORMS
 - a. Shall be processed using 1 through 3, 5 through 7; and 14 through 17.

PREPARE REMITTANCE DEPOSITS:

1. A minimum of one electronic deposit must be prepared for each day to the UIA UI Clearing Account. The electronic deposit or a detail listing containing each batch number and the "Total Payment Amount" must be prepared.
2. The amount of the deposit must be verified with the proof machine for batch total figures. A copy of the deposit shall be attached to the proof machine's batch total report.
3. Remittance documents dishonored for NSF or uncollected funds must be presented for payment twice. Returned items shall be routed to the Trust Fund Accounting Section, Suite 12-150, 3024 W. Grand Blvd., Detroit, MI. 48202.

REPORTING:

A computer file transmission shall be generated with the following information:

- (a) Batch Number
- (b) Batch Date
- (c) Received Date
- (e) Transaction Code
- (f) Number of Payments (Remittance Devices)
- (g) Total Payment Amount

If (f), (g) and/or (h) are zero, the bank shall enter zeros (at least three zeros on (h)).

The batch header listing shall be in numeric batch sequence with a summary control report on the following:

- (a) Batch Date
- (b) Batch Range Being Reported
- (c) Total Number of Batches Reported
- (d) Total Dollars (this figure should agree with the total dollars).

PICKUPS AND DELIVERIES:

The contracting bank must arrange for the pickup of tax reports and remittances from the Lockbox at least once per day to insure timely processing of all incoming receipts.

The bank shall arrange to make an afternoon pickup and delivery each work day of batches and exception items at the UIA, Tax Office, Suite 12-600; 3024 W. Grand Blvd, Detroit, Michigan; 48202. Our historical delivery time has been 2:30 to 3:00 pm, and our processing systems are set up for delivery and pickup during that period. If any changes to the delivery schedule are to be made, they must be pre-arranged with the UIA/Lockbox liaison at least 24 hours prior to the change. During quarter endings, as indicated above, a minimum of one pickup and delivery a day will be required by the UIA Tax Office.

The UIA shall include any cash deposit to be made with the other items to be picked up by the bank messenger each day. The bank shall arrange for that deposit to be credited to the UIA UI Clearing Account on the same day on which the bank messenger picks it up.

Do not make deliveries or pickups on Saturdays, Sundays and the scheduled state holidays listed below:



Day	Observance
New Year's Day	January 1; or first working day afterward if on a Saturday or Sunday.
Martin Luther King Day	Third Monday in January.
Presidents' Day	Third Monday in February.
Memorial Day	Last Monday in May.
Independence Day	July 4, or on Friday if the holiday is on Saturday or on Monday if the holiday is on Sunday.
Labor Day	First Monday in September.
Veterans Day	November 11, or on Friday if the holiday is on Saturday or on Monday if the holiday is on Sunday.
Thanksgiving Holiday	Fourth Thursday and Friday in November
Christmas Eve	December 24; or, the working day before if on a Saturday or Sunday.
Christmas Day	December 25, or the first working day following if on a Saturday or Sunday.
New Year's Eve	December 31, or the working day before if on a Saturday or Sunday.

QUALITY AND SECURITY CONTROL:

The Contractor must provide an effective and efficient quality and security control program:

1. Control the flow of work between the source of receipt (lockbox) and the completion of the processes to assure compliance with production time lines and security requirements.
2. Control the quality of service rendered to meet all performance requirements.
3. Ensure that sub-contractors have an acceptable quality control system and meet required performance standards.
4. Provide and maintain a testing and examination system to ensure that the staff and equipment provide optimum in performance.
5. The lockbox bank is completely responsible for maintaining the confidentiality, safety and security of all source documents placed in it's custody, as well as all output data (media) produced. Privacy Act(s) protecting the employers submitting the remittance documents and payments are statutes of law, which apply to this data while in the custody of the contracting bank. The source documents and output media will be the contracting bank's responsibility from lockbox pickup to delivery at the UIA. The bank shall be fully liable to the UIA for any and all costs required to reconstruct all records lost or damaged for any reason, while in the bank's possession.
6. The UIA Tax Office will continually review and evaluate errors, and the State of Michigan reserves the right to cancel the lockbox arrangement because of errors of any kind. The bank will not be permitted a daily percentage rate of error by type or quantity.
7. The contracting bank will conduct periodic status meetings with representatives of the UIA to report progress and problems encountered in the delivery of required services. These meetings may be conducted monthly for the first year of a new banking arrangement, and at least quarterly thereafter. The UIA will make available to the bank appropriate contact persons and telephone numbers for the purpose of responding to any bank questions.
8. The lockbox bank must comply with the deposit requirement as imposed by the U.S. Department of Labor: Deposit into the UI Clearing Account 95% or more of the total dollar amount received at the lockbox by the next business day after receipt, and the deposit of all remaining receipts within one business day thereafter.
9. The UIA has the right to monitor and evaluate the bank's on-site quality control program for all services called for by a lockbox arrangement to the extent practicable and in a manner that will not unduly affect the bank's operations.
10. The contracting bank is completely responsible for maintaining the confidentiality, safety and security for all source documents placed in the bank's custody, as well as all data output media produced. Privacy act(s) protecting the private employers and claimants are statutes of law, which apply to those data while in the hands of the bank. The bank must state clearly their proposed system for security and control.
11. Minimum security and control arrangements shall include, but are not limited to:
 - (a) The transportation of the source documents and output media between UIA and the Contractor's business must be in a completely closed and locked vehicle.



(b) All media must be kept, at all times, in the Contractor's or subcontractor's place of business stated in the bid document, and be protected against inspection by persons not directly involved with performance of the UIA's purchase order.

(c) The media must be protected physically at all times against loss or damage from any source or for any reason. Source documents and output media is to be in secure facilities with working sprinkler systems. Document must be stored securely while in possession of contracting bank.

(d) The bank's premises must be reasonably and adequately protected at all times by a working fire protection system and a burglar alarm system.

(e) The Contractor shall notify its employees and it's subcontractors of the above security and control requirements and obligations.

(f) The Bank's proposed security and control measures must be considered workable and acceptable by the State of Michigan before the vendor will be awarded a purchase order from this quotation. The State reserves the right to inspect the lockbox operations. The State also reserves the right to have internal and/or external auditors present during peak collection periods for the lockbox operations.

ELECTRONIC WIRE TRANSFER OF REMITTANCES: (e-LOCKBOX)

At the request or with the approval of UIA, the bank must provide the option of electronic transfer of employer funds to the bank from certain remitters.

In the event of this type of transfer, the bank shall agree to and comply with the rules governing Automated Clearing House and Wire Transfer transactions.

In the event of the electronic transfer of remittance, the bank shall:

1. Accept and process the transfer.
2. Provide the UIA Contract Compliance Inspector, within 24 hours, hard copy or electronic confirmation of all Electronic Fund Transfers including both wire and ACH transactions.
3. Credit the total amount of such electronic transactions to the UIA UI Bank Clearing Account.

TECHNOLOGICAL IMPROVEMENTS:

Indicate, in writing, what technologies are currently available, or under development, at your facility that might improve your potential service to the UIA above the level of service required in this request for proposal. The Contractor must keep the UIA apprised of any technological improvements that become available during the term of the contract. These technological improvements shall include, but not be limited to, scanning, imaging, CD ROM information storage, and electronic transfer of funds and/or media.

The Contracting bank must be capable of providing images of checks, increase use of electronic payments and accept debit/credit card payments.

1.030 Roles and Responsibilities

1.031 Contractor Staff, Roles, and Responsibilities

- a. The Contractor must provide a project manager to act as a central point of contact for all contractual activities.
- b. All Key Personnel may be subject to the State's interview and approval process. Key Personnel defined as Site Manager and Production Manager.
- c. If the subcontractor has access to confidential information, also provide security requirement information for the subcontractor (Appendix C).

**1.040 Project Plan****1.041 Project Plan Management**

- a. The Contractor will carry out this project under the direction and control of the Unemployment Insurance Agency.
- b. Although there will be continuous liaison with the Contractor team, the client agency's project director will meet quarterly as a minimum, with the Contractor's project manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems which arise.
- c. During the initial implementation and start up of the lockbox operation, the Contractor will submit brief written biweekly summaries of progress which outline the work accomplished during the reporting period; work to be accomplished during the subsequent reporting period; problems, real or anticipated, which should be brought to the attention of the client agency's project director; and notification of any significant deviation from previously agreed upon work plans. A copy of this report will be forwarded to the named buyer in Purchasing Operations.
- d. Within five (5) working days of the award of the Contract, the Contractor will submit to the Unemployment Insurance Agency project director for final approval a work plan. This final implementation plan must be in agreement with section IV C subsection 2 as proposed by the bidder and accepted by the State for Contract, and must include the following:
 - (1) The Contractor's project organizational structure.
 - (2) The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal.
 - (3) The project breakdown showing sub projects, activities and tasks, and resources required and allocated to each.
 - (4) The time phased plan in the form of a graphic display, showing each event, task, and decision point in your work plan.

1.042 Reports**Reports**

Reporting requirements for specific areas are detailed in section II-C.

1.050 Reserved**1.060 Proposal Pricing****1.061 Proposal Pricing**

For authorized Services and Price List, see Attachment A.

Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for the expense at the State's current travel reimbursement rates. See www.michigan.gov/DTMB for current rates.

1.062 Price Term

Prices quoted are firm for the entire length of the Contract.

1.063 Tax Excluded from Price

- (a) Sales Tax: For purchases made directly by the State, the State is exempt from State and Local Sales Tax. Prices must not include the taxes. Exemption Certificates for State Sales Tax will be furnished upon request.



(b) Federal Excise Tax: The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices must not include the Federal Excise Tax.



APPENDIX A

YEAR SIX AND SEVEN PRICING

1. BENEFIT PAYMENT ACCOUNT
2. RESTITUTION CLEARING ACCOUNT
3. UI TAX CLEARING ACCOUNT
4. RESTITUTION LOCK BOX
5. TAX LOCKBOX/ E-LOCKBOX



APPENDIX A

 BENEFIT PAYMENT ACCOUNT
 EXPENSE ANALYSIS
 YEAR SIX AND SEVEN PRICING

Account Activity	Standard	Unit Rate Units or Fee-	Year Six Total
1 CHECKS DEPOSITED	UNIT	48 \$	00581 \$ 2.79
2 CHECKS ON ACCOUNT	UNIT	52.000 \$	0.0714 \$ 3,713.16
3 CHECKIMAGING	UNIT	52.000 \$	0.0286 \$ 1,485.27
4 STOP PAYMENTS	UNIT	12 \$	16.3216 \$ 195.86
5 DEBIT AND CREDIT ADVICES	UNIT	2.000 \$	\$
6 OVERDRAFTS	UNIT	1 \$	\$
7 INCOMING WIRE DEPOSITS	UNIT	48 \$	5.7840 \$ 277.63
8 INCOMING ACHTRANSFERS	UNIT	2.500 \$	0.0204 \$ 5101
9 OUTGOING FEDERALWIRES	UNIT	300 \$	8.1608 \$ 2,448.24
10 OUTGOING ACHTRANSFERS	UNIT	100 \$	0.0051 \$ 0.51
11 ELECTRONIC DATA TRANSMISSIONS-INCOMING	MONTHLY	260 \$	5.7840 \$ 1,503.83
12 ELECTRONIC DATA TRANSMISSIONS-OUTGOING	MONTHLY	12 \$	5.7840 \$ 69.41
13 SUMMARY STATEMENT OF ACCOUNT	MONTHLY	12 \$	16.4032 \$ 196.84
14 ACCOUNT MAINTENANCE FEE	MONTHLY	12 \$	45.9045 \$ 550.85
15 ARP STOP/INQUIRY	UNIT	12 \$	24.1152 \$ 289.38
16 ARP CHECK INQUIRY	UNIT	50 \$	0.2448 \$ 12.24
17 ACCOUNT RECONCILIATION PLAN	MONTHLY	12 \$	31.1131 \$ 373.36
18 ON LINE ACCOUNT INQUIRY	MONTHLY	12 \$	15.3015 \$ 183.62
19 OTHER CHARGES:			
INFO SVCS TRANSACTIONS LOADED	UNIT	65496 \$	0.0102 \$ 668.12
ACCESS ACCOUNT TRANSFER ITEM	UNIT	144 \$	2.2952 \$ 330.51
JPMORGAN ACCESS CLIENT MAINT	MONTHLY	12 \$	76.5075 \$ 918.09
JPMORGAN ACCESS SUBSCRIPTION FEE	UNIT	336 \$	5.1005 \$ 1,713.77
ACH REVERSALS	UNIT	0 \$	16.3216 \$
ACH FILE PROCESSING	MONTHLY	12 \$	3.0603 \$ 36.72
DEPOSITORY CREDIT	UNIT	420 \$	1.1119 \$ 467.00
ELECTRONIC STOP PAYMENT	UNIT	0 \$	7.6508 \$
PHONE OPERATOR BOOK DEBIT	UNIT	0 \$	2.0912 \$
PHONE OPERATOR REPT FED DEBIT	UNIT	0 \$	9.6501 \$
PHONE EXPRESS PHONE DEBIT	UNIT	0 \$	9.6501 \$
ARP EXCEPT ON ITEMS	UNIT	0 \$	10201 \$
ARP OUTGOING FILE	UNIT	0 \$	35.7035 \$
DEPOSIT INSURANCE FEE	UNIT	12 \$	9.350.5400 \$ 112,206.48



APPENDIX A

 RESTITUTION CLEARING ACCOUNT
 EXPENSE ANALYSIS
 YEAR SIX AND SEVEN

Account Activity	Standard	Unit Rate Units or Fee-	Year Six Total
1 Checks Deposited Unencoded - On Us	Unit	87,600 \$	0.0581 \$ 5,093.53
2 Branch Deposits	Unit	240 \$	1.1119 \$ 266.86
3 Returned Item	Unit	150 \$	4.3456 \$ 651.84
4 Returned Item Re-deposits	Unit	300 \$	1.9280 \$ 578.40
5 Checks on Account	Unit	5,100 \$	0.0714 \$ 364.18
6 Stop Payments	Unit	6 \$	16.3216 \$ 97.93
7 Debit Credit Advices	Unit	180 \$	\$
8 Outgoing Wire transfers transfers	Unit	18 \$	8.1608 \$ 146.89
9 Intra Bank Transfer	Unit	12 \$	5.1005 \$ 61.21
10 Account Maintenance Fee	MONTHLY	12 \$	16.4032 \$ 196.84
11 Other Charges:			
Checks Deposit			
Unencoded - Transit	Unit	\$	0.0816 \$
Deposit Checks Encoding	Unit	13.128 \$	0.0388 \$ 508.89
	TOTAL		\$ 7,966.60

*All rates quoted will be firm for the duration of the Contract (see Section 11-E)



APPENDIX A

U.I. TAX CLEARING ACCOUNT
EXPENSE ANALYSIS
YEAR SIX AND SEVEN

Account Activity	Standard	Unit Rate		Year Six Total	
		Units	or Fee-\$		
1 Checks Deposited Unencoded-On Us	Unit	575000	\$	0.0581	\$ 33,433.78
2 Checks Deposited Encoded-On Us	Unit	100	\$	0.0581	\$ 5.81
3 Checks on Account	Unit	1,700	\$	0.0714	\$ 121.39
4 Outgoing Wire Transfers	Unit	135	\$	8.1608	\$ 1,101.71
5 Debit Advices	Unit		\$		\$
6 Credit Advices n	Unit	600	\$		\$
5 Stop Payments	Unit	6	\$	1632.16	\$ 97.93
6 Returned Items	Unit	600	\$	434.56	\$ 2,607.38
7 Returned Items Redeposited	Unit	1,100	\$	1.9280	\$ 2,120.79
8 Account Maintenance Fee	Monthly	12	\$	16.4032	\$ 196.84
9 Intra Bank Transfer	Unit	12	\$	510.05	\$ 612.1
10 Branch Deposits	Unit	430	\$	1.1119	\$ 478.12
11 Other Charges:			\$		\$
Checks Deposits					
Unencoded - Transit	Unit	-	\$	0.0816	\$ -
Deposit Checks Encoding	Unit	86,208	\$	0.0386	\$ 3,341.75
		TOTAL			\$ 43,566.70

*All rates quoted will be firm for the duration of the Contract (see Section 11-E)



APPENDIX A

RESTITUTION LOCKBOXACCOUNT
EXPENSE ANALYSIS
YEAR SIX AND SEVEN

J.P.Morgan
Proforma Analysis

Pricing Quoted herein is valid from 60 days from the date of this presentation

June 2013

Customer: State of Michigan ECR Rate: 0.20%

Service Analysis *

Service	Number of Units	Unit Price	Charge For Service	Balance Required
NETWORK LOCKBOX (WNLB)				
SNLB CLOSED LBX IMAGE VIEWING - (1)	0	\$20.0000	\$0.00	\$0.00
Subtotal			\$0.00	\$0.00
SCANNABLE LOCKBOX (SNLB)				
SNLB SCANNABLE ITEM	92820	\$0.2000	\$18,564.00	\$112,931,000.00
SNLB OCR DOCUMENT	92820	\$0.0200	\$1,856.40	\$11,293,100.00
SNLB OCR DOC IMAGE CAPTURE - (1)	92820	\$0.0200	\$1,856.40	\$11,293,100.00
SNLB DEPOSIT PREPARATION	252	\$2.0000	\$504.00	\$3,066,000.00
SNLB SORT - MANUAL	104004	\$0.1000	\$10,400.40	\$63,269,100.00
SNLB BALANCING	104004	\$0.0500	\$5,200.20	\$31,634,550.00
SNLB DOC IMAGE PRESENTMENT - (1)	12	\$100.0000	\$1,200.00	\$7,300,000.00
SNLB LONG TERM STORAGE-CHECK - (1)	103224	\$0.0200	\$2,064.48	\$12,558,920.00
SNLB LONG TERM STORAGE-B&W DOC - (1)	92820	\$0.0300	\$2,784.60	\$16,939,550.00
SNLB ALERTS - (1)	0	\$1.0000	\$0.00	\$0.00
SNLB ADDITIONAL REPORTS - (1)	0	\$25.0000	\$0.00	\$0.00
SNLB MAINTENANCE	12	\$125.0000	\$1,500.00	\$9,125,000.00
SNLB ITEM - NON-SCANNABLE	104004	\$0.3000	\$3,121.20	\$18,987,300.00
SNLB UNPROCESSABLE ITEM	264	\$0.3000	\$79.20	\$481,800.00
SNLB NO CHECK ITEM	516	\$0.3000	\$154.80	\$941,700.00
SNLB CHECK CLEARING	103224	\$0.0600	\$6,193.44	\$37,676,760.00
SNLB INCOMING COURIER PACKAGE	0	\$17.0000	\$0.00	\$0.00
SNLB CASH PROCESSING	0	\$10.0000	\$0.00	\$0.00
SNLB CHECK MICR CAPTURE	103224	\$0.0250	\$2,580.60	\$15,698,650.00
SNLB DATA CAPTURE	0	\$0.0120	\$0.00	\$0.00
SNLB DATA TRANSMISSION MAINT	12	\$100.0000	\$1,200.00	\$7,300,000.00
SNLB DATA TRANSMISSION ITEM	196044	\$0.0200	\$3,920.88	\$23,852,020.00
SNLB CHECK COPY	0	\$0.1500	\$0.00	\$0.00
SNLB PAPER DELIVERY PREP	780	\$0.2000	\$156.00	\$949,000.00

* Volumes and Balances on this proforma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.
** Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.



Service Analysis *

Service	Number of		Charge For Service	Balance Required
	Units	Unit Price		
SNLB PACKAGE PREP	12	\$25.0000	\$300.00	\$1,825,000.00
SNLB DOCUMENT IMAGE CAPTURE - (1)	516	\$0.1000	\$51.60	\$313,900.00
SNLB ADDITIONAL PROGRAMMING - (2)	1	\$7000.0000	\$7,000.00	\$42,583,333.33
SNLB RETURN ITEM MAINTENANCE - (1)	0	\$15.0000	\$0.00	\$0.00
Subtotal			\$70,688.20	\$130,019,883.33
Total Charge For Services			\$70,688.20	\$130,019,883.33

* Volumes and Balances on this proforma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.

** Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.



Proforma Notes, Assumptions & Disclaimers

Lockbox Assumptions - Assume 8,667 checks/payments received monthly - Assume 7,735 checks will be received with a scannable OCR document - Assume 867 checks received without an OCR document (10%) - Assume 22 checks per month will be returned as unprocessable (.025%) - Assume 43 no checks will be received per month (documents received without a check)(.05%)

1. Receivables Edge Price Point
2. Implementation fee is \$4,000 - Additional programming for custom format and/or coupon fee has been estimate at \$3,000 = 30 hours @ \$100 per hour - Additional processing requirements may require additional fees
3. First year annual fee of \$70,688.20 includes implementation fee of \$7,000.00. Annual cost after year one would be \$63,688.20



APPENDIX A

TAX LOCKBOX / E-LOCKBOX

YEAR SIX AND SEVEN

U.I. TAX E-LOCKBOX	Number of Units	Unit Price
ACH Receiver Services		
ACH RECEIVER SVCS-MAINTENANCE	1	\$95.000
ACH RECEIVER SVCS-TRANSACTION	variable	0.050
ACH RECEIVER SVCS-REFORMAT	variable	0.010
ACH RECEIVER SVCS-DATA TRANS	21	\$5.000
ACH RECEIVER SVCS-RETURN ITEM	0	\$6.000
ACH RECEIVER SVCS-ADDENDA	0	\$0.015
ACH RECEIVER SVCS-SETUP FEE* (one time implementation fee)	1	\$500.000

POSITIVE PAY DIRECT SEND		
POSITIVE PAY NO RECON – MAINT	1	\$30.000
EXECPTION ITEM	0	\$1.000
POSITIVE PAY WITHOUT RECON ITEMS	0	\$0.000
ISSUE INPUT FILE WITHOUT RECON	21	\$10.000
OUTPUTFILE (paid items daily transmission)	21	\$35.000

TAX LOCKBOX	Unit Price
Service Description	Current Unit Rate
**Data Entry Keystroke Level	Per key stroke \$0.005
*Record types Include Employer Header, Employee Detail & Wage Detail	
Service Description	Current Unit Rate
Batch Report w/Remittance (Transactions w/check)	\$1.3404
Batches Report Only (Transactions – Wage Only)	\$0.3770
Batches Remittance Only (Transaction – Check Only)	\$2.2821
Batches Report Only (Transaction – Non Wage)	\$0.3153
Batch Set-up Charge (Batch Preparation)	\$0.3307

*Check Deposit Return Images (I-Vault) – Web-based access to Images of returned checks
Price: \$1.00 per item – no monthly maintenance fee
Images are available for up to 7 years
Up to 5 users can be added
Images cannot be downloaded, but they can be saved and/or printed

*Email Notification – through Secure Email on ACCESS
Price: \$1.00 per item – monthly fee
Up to 2 email addresses allowed
Items will remain available online for 90 days unless deleted
Set up for end of day or hourly

*Three months fee of both services; the three-month trial will begin around November 1, 2012. Revised September 21, 2015

**Pricing change to reflect conversion from “per record” to “per keystroke charging” effective 5/2015.



**MICHIGAN UNEMPLOYMENT INSURANCE AGENCY (MUIA)
EARNINGS CREDIT RATE (ECR) ENHANCEMENT PROPOSAL**

In response to the State of Michigan's November 4, 2010 request, we are also able to offer an economic benefit to the MUIA in the way of a proposed enhanced Earnings Credit Rate (ECR) arrangement as follows:

In regard to Section 1.021 of the RFP and our proposal, it should be noted that, effective December 31, 2010 under the recently enacted U.S. federal Dodd-Frank Act, non-interest bearing transactional bank demand deposit accounts will have **unlimited** U.S. FDIC deposit insurance coverage continuing through December 31, 2012. In this connection, per the **COLLATERAL SECURITY** requirement provision, as all of the MUIA demand deposit accounts with us would be 100%-fully federally insured by the FDIC, it is our understanding that Collateral Security as described in this Section 1.021 would not be required during this period.

Per the foregoing, and if the MUIA will not require **COLLATERAL SECURITY** on its demand deposit accounts because of the full federal-FDIC insurance coverage on these accounts through 12/31/12, we offer to increase the Add on Rate (%) arrangement under our Earnings Credit Rate (ECR) proposal and modify our Bidder' Response in the **EARNINGS CREDIT** Section to read as follows:

Bidder Response:

For compensation on a balance basis, the monthly earnings credit allowance for each account is calculated based on the average collected balance, less the Federal Reserve Requirement -- which is presently 0% -- multiplied by the Earnings Credit Rate (ECR) taking into account the actual days elapsed on a 365/366 day-year basis.

Through December 31, 2012 the MUIA will receive an Earnings Credit Rate (ECR) that will be set each month based on the average of the 3 month U.S. Treasury Bill rate published weekly plus a 28 basis points per annum "add-on" until the average 3 month U.S. Treasury Bill rate for the month reaches 80 basis points annum. After that, this add-on rate will be graduated so that the sum of the 3 month U.S. Treasury Bill rate plus the add-on rate will not exceed 1.08% per annum.

When the average 3 month U.S. Treasury Bill rate for the month reaches 1.08% per annum, the add-on rate component will become 0%.

In this connection, please refer to the example as follows:

3 Month Treasury Bill Rate (%)	Add on Rate (%)	Effective Rate (%)
0.15	0.28	0.43
0.25	0.28	0.53
0.50	0.28	0.78
0.75	0.28	1.03
0.80	0.28	1.08
0.85	0.23	1.08
0.90	0.18	1.08
0.95	0.13	1.08
1.00	0.08	1.08
1.08	0.00	1.08

After December 31, 2012 and until the expiration date of the contract, the Earnings Credit Rate (ECR) arrangement will be as set-forth per our July 22 RFP proposal response covering the Earnings Credit Section, i.e. based on the ECR set each month determined by the monthly average of the 3 month U.S. Treasury Bill rate published weekly plus a 20 basis per annum "add-on" until the average 3 month U.S. Treasury Bill rate for the month reaches 80 basis points per annum. Beyond that point, this add-on rate will be graduated so that the sum of the 3 month U.S. Treasury Bill rate plus the add-on rate will not exceed 1.00% per annum. When the average 3 month U.S. Treasury Bill rate for the month reaches 1.00% per annum, the add-on rate component will become 0%.



APPENDIX B

PAID ITEMS SPECIFICATIONS

FTP FORMAT SPECIFICATIONS - A data file of paid items is to be written by the bank in accordance with UIA specifications. All transmissions are to be made via a dedicated line according to the time periods noted in the Pickups and Deliveries section. Any reformatting required to meet UIA file specifications will be performed by the contracting bank.

The contracting bank should have the capability to recreate the paid item file for a bank processing date in case the original transmission is unreadable or lost. The data, therefore, must be retained by the bank for a minimum of 30 calendar days.

The paid items transmissions should foot to the check paid amount provided on the monthly bank statement and listing of detailed items paid.

MONTHLY PAID ITEMS TRANSMISSION

FIELD NAME	DATA TYPE	LENGTH	comments
Record Type	Alpha	1	Input codes - I = issues, S = stopped items, V = void or cancel items Output codes - P = paid items, R = reconciled items, O = outstanding items, S = stopped items, V = void or cancel items, C = miscellaneous credit item, D = miscellaneous debit item
Filler	Alpha	1	
Account Number	Numeric	20	The account number field should contain the JPMorgan Chase supplied number associated with the account.
Filler	Alpha	1	
Serial/Check Number	Numeric	18	This field has been maximized to 18 digits for future growth. The current ARP system supports serial numbers up to 10 digits in length. The remaining 8 digits should contain zeros.
Filler	Alpha	1	
Amount	Numeric	18	This field is Numeric - 2 Decimal Places The amount field should not contain signed data or decimal points. This field has been maximized to 18 digits for future growth. The current check processing system supports amount up to 10 digits in length. The 8 digits should contain zeros.
Filler	Alpha	1	
Issue Date	Numeric	8	ccyymmdd
Filler	Alpha	1	
Paid Date	Numeric	8	ccyymmdd
Filler	Alpha	1	
Additional Data	Alpha-numeric	15	UIA refund key if not used it should contain spaces
Expanded Additional Data	Alpha-numeric	50	If field is not used it should contain spaces
Filler	Alpha	6	



APPENDIX B

PAID ITEMS SPECIFICATIONS

PAID ITEMS LISTING - A computer generated file of all checks paid for each monthly statement cut-off period is required. Essentially, it is to contain check numbers (all in serial number order), date paid and dollar amount.

The paid items listing format should be similar to the following, however the contracting bank may revise it with UIA approval, providing the stipulation as to content and summary totals are complied with.

PAID ITEMS REPORT

Account Number _____

Date Paid _____

<u>Serial Number</u>	<u>Amount</u>
xxxxxxxx	xxx.xx
<u>xxxxxxxx</u>	<u>xx.xx</u>
xxxx	xxxx.xx Total

The paid items listings are to be delivered by noon of the fifth day after the month end date to the following address:

Unemployment Insurance Agency
 Trust Fund Accounting – Suite 12-150
 3024 W. Grand Blvd.
 Detroit, MI 48202

PAID CHECK IMAGING – The paid checks for each day will be imaged by the contracting bank in serial order. Electronic images will be retained by chase and made accessible to the UIA via Chase Access. Electronic Images will be retained by Chase for 7 years.



APPENDIX B-1

MONTHLY PAID ITEMS TRANSMISSIONS

FIELD NAME	DATA TYPE	LENGTH	comments
Record Type	Alpha	1	Input codes - I = issues , S = stopped items, V = void or cancel items Output codes - P = paid items, R = reconciled items, O = outstanding items, S = stopped items, V = void or cancel items, C = miscellaneous credit item, D = miscellaneous debit item
Filler	Alpha	1	
Account Number	Numeric	20	The account number field should contain the JPMorgan Chase supplied number associated with the account.
Filler	Alpha	1	
Serial/Check Number	Numeric	18	This field has been maximized to 18 digits for future growth. The current ARP system supports serial numbers up to 10 digits in length. The remaining 8 digits should contain zeros.
Filler	Alpha	1	
Amount	Numeric	18	This field is Numeric - 2 Decimal Places The amount field should not contain signed data or decimal points. This field has been maximized to 18 digits for future growth. The current check processing system supports amount up to 10 digits in length. The 8 digits should contain zeros.
Filler	Alpha	1	
Issue Date	Numeric	8	ccyymmdd
Filler	Alpha	1	
Paid Date	Numeric	8	ccyymmdd
Filler	Alpha	1	
Additional Data	Alpha-numeric	15	UIA refund key if not used it should contain spaces
Expanded Additional Data	Alpha-numeric	50	If field is not used it should contain spaces
Filler	Alpha	6	



APPENDIX C

ETA 8413 PREPARATION INSTRUCTIONS

All transactions affecting the Benefit Payment Account are to be reported on the ETA Form 8413 as follows:

1) Daily ledger balance, column 'A'

The amount to be entered on each line will be the ledger balance of the Benefit Payment Account for each day of the month, including Saturday, Sunday and Holidays.

2) Deposits to account, columns 'B' and 'C'

Record on a daily basis, the number of items (B) and amount (C) of all deposits to the Benefit Payment Account, including wire transfers of funds to the account from Federal Reserve Banks.

3) Withdrawals from account, columns 'D' and 'E'

Record on a daily basis, the number of items (D) and amount (E) of all unemployment insurance benefit checks or warrants cashed against the Benefit Payment Account.

4) Income Analysis:

a. Average Daily Ledger Balance – this figure is derived by dividing the total of the daily ledger balances, column 'a', exclusive of the prior month's balance, by the total number of calendar days in the month.

b. Less Average Daily Float – On not-wired transferred funds

c. Average Daily Collected balance – 'a' minus 'b'.

d. Average Daily Loanable Balance – Enter the difference of the average daily collected balance and the required reserve.

e. Earnings Credit Allowance – Enter the product of the average investable balance multiplied by the percent of interest earned, divided by 365 (days per year), multiplied by the number of calendar days in the month. Show percent.

5) Expense Analysis:

a. Checks Deposited – Enter the product of the number of checks deposited multiplied by the charge per check for such service.

b. Checks on account – Enter the product of the number of unemployment insurance benefit checks or warrants cashed multiplied by the charge per check for such service.

c. Other costs – Identify and enter any other chargeable cost, including FDIC fees, related to servicing the Unemployment Insurance Benefit Payment Account. Include item counts and per item rate.

d. Total cost – Enter the total of all the costs of servicing the Unemployment Insurance Benefit Payment Account.

e. Net profit/loss – Enter the difference between the earnings on the average loanable balance and the total costs.

f. Date and signature – Enter the date the form is prepared. The signature showing the individual designated by the bank officials as the person responsible for the analysis of the Unemployment Insurance Benefit Payment Account

The Form ETA 8413 should show the name and location of the bank, the month for which the analysis is prepared, and the account number of the Unemployment Insurance Benefit Payment Account. The form should be forwarded within 10 business days to:

Unemployment Insurance Agency
Attention : Trust Fund Accounting, Suite 12-150
3024 W. Grand Blvd.
Detroit, MI 48202



BES 8413
 INCOME-EXPENSE ANALYSIS
 (As Shown by the Depository Bank)

APPENDIX C (1)

T

BENEFIT ACCOUNT

DAYS OF THE MONTH	A.	B.	C.	D.	E.	January, 20XX	
	DAILY LEDGER BALANCE	No.	DEPOSITS TO BENEFIT ACCOUNT	No.	WITHDRAWLS FROM BENEFIT ACCOUNT	INCOME ANALYSIS	
			AMOUNT (OMIT CENTS)		AMOUNT (OMIT CENTS)	BALANCE ANALYSIS	
	18,807,412.48		PRIOR MONTH BALANCE				
1					Average Daily Ledger Balance		20,959,885.70
2					Less: Average Float		7.45
3					Average Collected Balance		20,959,878.25
4							
5					Average Loanable Balance		20,959,878.25
6					Earnings Credit Allowance @		
7							
8					EXPENSE ANALYSIS		
9					Account Services		
10					FDIC Fee	X @	
11					Account Maintenance	X @	
12					Banking Center Services		
					Branch Credits Posted	X @	
13					Depository Services		
14					Credits Posted	X @	
15							
16							
16							
17					Disbursement Services		
18					Checks/Debits Posted	X @	
					Electronic Stop Payment	X @	
19					Reconciliation Services		
20					Image Capture Per Item	X @	
21					Full Recon Maintenance	X @	
22					ARP Exception Items	X @	
23					ARP Outgoing File	X @	
24							
25					Automated Clearing House		
26					ACH Maintenance	X @	
27					ACH Debits Originated	X @	
28					ACH Credits Originated	X @	
29					ACH Notification of Change	X @	
30							
31							
					Total Charge For Services		0.00
			(Month End Balance)				
					Net Service Charge		0.00
Total							
Signature of Cashier:					Comments:		
Reconciled:							
						Profit / Loss	0.00



APPENDIX D

ETA 8414 PREPARATION INSTRUCTIONS

All transactions affecting the Deposit Clearing Account are to be reported on the ETA Form 8414 as follows:

1) Daily Ledger Balance , column 'A'

The amount to be entered on each line will be the ledger balance of the Deposit Clearing Account for each day of the month, including Saturday, Sunday and Holidays.

2) Deposits to account, columns 'B' and 'C'

Record on a daily basis, the number of items (B) and amount (C) of all deposits to the Deposit Clearing Account.

3) Withdrawals from account, columns 'D' and 'E'

Record on a daily basis the number of items (D) and amount (E) of all checks or warrants cashed against the Deposit Clearing Account; including the wire transfers of funds from the account to the Federal Reserve Banks.

4) Income Analysis:

a. Average Daily Ledger Balance – this figure is derived by dividing the total of the daily ledger balances, column 'a', exclusive of the prior month's balance, by the total number of calendar days in the month.

b. Less Average Daily Float – On not-wired transferred funds

c. Average Daily Collected Balance – 'a' minus 'b'.

d. Average Daily Loanable Balance – Enter the difference of the average daily collected balance and the required reserve.

e. Earnings Credit Allowance – Enter the product of the average daily loanable balance multiplied by the percent of interest earned, divided by 365 (days per year), multiplied by the number of calendar days in the month. Show percent.

5) Expense Analysis:

a. Checks Deposited – Enter the product of the number of checks deposited multiplied by the charge per check for such service.

b. Checks on account – Enter the product of the number of checks or warrants cashed multiplied by the charge per check for such service.

c. Other costs – Identify and enter any other chargeable cost, including the FDIC fees, related to servicing the Unemployment Insurance Deposit Clearing Account.

d. Total cost – Enter the total of all the costs of servicing the Unemployment Insurance Deposit Clearing Account.

e. Net profit/loss – Enter the difference between the earnings on the average loanable balance and the total costs.

f. Date and signature – Enter the date the form is prepared. The signature showing the individual designated by the bank officials as the person responsible for the analysis of the Unemployment Insurance Deposit Clearing Account

The ETA Form 8414 should show the name and location of the bank, the month for which the analysis is prepared, and the account number of the Unemployment Insurance Deposit Clearing Account. The form should be forwarded within 10 business days to:

Unemployment Insurance Agency
Attention : Trust Fund Accounting, Suite 12-150
3024 W. Grand Blvd.
Detroit, MI 48202



APPENDIX E
KEYING INSTRUCTIONS

MICHIGAN UNEMPLOYMENT INSURANCE AGENCY LBX 771760
11/25/2013

BATCH WORK BY RECEIVED DATE.

MULTIPLE CHECKS = YES=SCANNABLE AND YES=FULL PAGE

STAMP THE RECEIVED DATE ON THE FIRST CHECK OF EACH BATCH.

GROUPS:

GROUP 1 – SCANNABLE

- SINGLE COUPON/SINGLE CHECK - BALANCED AND UNBALANCED
- SINGLE COUPON/MULTIPLE CHECKS – BALANCED AND UNBALANCED
- MULTIPLE COUPONS/SINGLE CHECK – BALANCED TO PREPRINTED/HANDWRITTEN AMOUNT ON COUPON
- MULTIPLE COUPONS/MULTIPLE CHECKS – BALANCED TO PREPRINTED/HANDWRITTEN AMOUNT ON COUPON – TRY TO MATCH ONE FOR ONE WHEN POSSIBLE

GROUP 2 – FULL PAGE

- ALL SCANNABLE PAYMENTS RECEIVED WITH CORRESPONDENCE
- CHECK REC'D WITH A SINGLE COUPON W/O A SCANLINE
- MULTIPLE CHECKS REC'D WITH A SINGLE COUPON W/O SCANLINE
- CHECK REC'D WITH MULTIPLE COUPONS AND ONE OR MORE COUPONS DO NOT HAVE A SCANLINE (BALANCED)
- MULTIPLE CHECKS REC'D WITH MULTIPLE COUPONS AND ONE OR MORE OF THE COUPONS DO NOT HAVE A SCANLINE (BALANCED) – TRY TO MATCH ONE FOR ONE WHEN POSSIBLE

GROUP 3 – FULL PAGE

- CHECK ONLY REC'D WITH OR W/O CLAIMANT # OR SSN (W/O COUPON)
- CHECK ONLY REC'D WITH MULTIPLE CLAIMANT #S AND/OR MULTIPLE SSN (W/O COUPON)
- MULTIPLE COUPON/SINGLE CHECK – UNBALANCED
- MULTIPLE COUPONS/MULTIPLE CHECKS - UNBALANCED

**DATA KEYING INSTRUCTIONS:****BALANCING:**

GROUP 1 & GROUP 2 – REQUIRED, IF OUT OF BALANCE REJECT AND PROCESS IN GROUP 3

GROUP 3 – IF OUT OF BALANCE, APPLY DUMMY CLAIMANT # (0000000000, 10 ZEROS) AND DUMMY SSN (000000000, 9 ZEROS) TO THE DIFFERENCE.

GROUP 1**RECEIVED DATE:**

- DATA KEY THE RECEIVED DATE WHICH IS STAMPED ON THE FIRST CHECK OF EACH BATCH.
- IF NONE, USE PROCESSED DATE.

APPLIED AMOUNT

- DATA KEY UPTO 10 DIGITS
- SINGLE COUPON/SINGLE CHECK – DATA KEY CHECK AMOUNT AS APPLIED AMOUNT
- SINGLE COUPON/MULTIPLE CHECKS – DATA KEY SUM OF CHECK AMOUNT AS APPLIED AMOUNT
- MULTIPLE COUPONS/SINGLE CHECK – DATA KEY PREPRINTED AMOUNT OR HANDWRITTEN AMOUNT FROM FACE OF COUPON. IF OUT OF BALANCE, REJECT & PROCESS IN GROUP 3
- MULTIPLE COUPONS/MULTIPLE CHECKS – DATA KEY PREPRINTED AMOUNT OR HANDWRITTEN AMOUNT FROM FACE OF COUPON. IF OUT OF BALANCE, REJECT & PROCESS IN GROUP 3.

GROUP 2**RECEIVED DATE:**

- DATA KEY THE RECEIVED DATE WHICH IS STAMPED ON THE FIRST CHECK OF EACH BATCH.
- IF NONE, USE PROCESSED DATE.

CLAIMANT # (IF GREATER THAN 10, EDIT)

- KEY UP TO 10 DIGITS FROM FACE OF COUPON
- IF NONE, ZERO FILL (0000000000, 10 ZEROS)
- IF A/N, ZERO FILL (0000000000, 10 ZEROS)
- IF LESS THAN 10 DIGITS, ZERO FILL (0000000000, 10 ZEROS)
- IF GREATER THAN 10 DIGITS, ZERO FILL (0000000000, 10 ZEROS)
- CLAIMANT # CAN ALSO BE REFERRED TO AS "MIN" OR "CLAIMANT MIN".

MEDIA

- 11 A/N CHARCTERS CAPTURED FROM FACE OF COUPON ONLY
- IF NONE OR NO COUPON PROVIDED, LEAVE BLANK

VOUCHER TYPE

- 1 ALPHA CHARACTER CAPTURED FROM FACE OF COUPON ONLY
- THE VOUCHER TYPE CAN BE LOCATED IN THE LAST POSITION OF THE MEDIA NUMBER. EXMAPLE 1234567890 E. THE LETTER "E" WOULD BE THE VOUCHER TYPE.
- VALIDATE VOUCHER TYPES ARE E, G, I, R, C, F, L.
- IF NONE ON FACE OF COUPON, LEAVE BLANK (SET UP WILL DEFAULT TO "E")

APPLIED AMOUNT

- DATA KEY UPT O 10 DIGITS
- SINGLE COUPON/SINGLE CHECK – DATA KEY CHECK AMOUNT AS APPLIED AMOUNT
- SINGLE COUPON/MULTIPLE CHECKS – DATA KEY SUM OF CHECK AMOUNTS AS APPLIED AMOUNT
- MULTIPLE COUPONS/SINGLE CHECK – DATA KEY PREPRINTED AMOUNT OR HANDWRITTEN AMOUNT FROM FACE OF COUPON. IF OUT OF BALANCE, REJECT & PROCESS IN GROUP 3.
- MULTIPLE COUPONS/MULTIPLE CHECKS – DATA KEY PREPRINTED AMOUNT OR HANDWRITTEN AMOUNT FROM FACE OF COUPON. IF OUT OF BALANCE, REJECT & PROCESS IN GROUP 3.

GROUP 3**RECEIVED DATE:**

- DATA KEY THE RECEIVED DATE WHICH IS STAMPED ON THE FIRST CHECK OF EACH BATCH.



IF NONE, USE PROCESSED DATE.

HIERACHY FOR DATA KEYING CLAIMANT # AND SSN:

- KEY FROM FACE OF CHECK, IF NONE
- KEY FROM CHECK STUB, IF NONE
- KEY FROM REMITTANCE, IF NONE, ZERO FILL

CLAIMANT # (IF GREATER THAN 10, EDIT)

- KEY UP TO 10 DIGITS
- IF A/N, ZERO FILL (0000000000, 10 ZEROS)
- IF NONE, ZERO FILL (0000000000, 10 ZEROS)
- IF LESS THAN 10 DIGITS, ZERO FILL (0000000000, 10 ZEROS)
- IF GREATER THAN 10 DIGITS, ZERO FILL (0000000000, 10 ZEROS)
- CLAIMANT # CAN ALSO BE REFERRED TO AS "MIN" OR "CLAIMANT MIN".

SSN (IF GREATER THAN 9, EDIT)

- KEY UP TO 9 DIGITS
- IF A/N PROVIDED, ZERO FILL (000000000, 9 ZEROS)
- IF NONE, ZERO FILL (000000000, 9 ZEROS)
- IF LESS THAN 9 DIGITS, ZERO FILL (000000000, 9 ZEROS)
- IF GREATER THAN 9 DIGITS, ZERO FILL (000000000, 9 ZEROS)

APPLIED AMOUNT

- DATA KEY UP TO 10 DIGITS
- DATA KEY CHECK AMOUNT AS APPLIED AMOUNT FOR SINGLE CLAIMANT # AND/OR SINGLE SSN
- IF MULTIPLE CLAIMANT # AND/OR MULTIPLE SSN PROVIDED, DATA KEY CORRESPONDING AMOUNT TO EACH CLAIMANT # AND/OR SSN. IF NO CORRESPONDING CLAIMANT # OR CORRESPONDING SSN, APPLY CHECK AMOUNT TO DUMMY CLAIMANT # 0000000000 (TEN 0s) AND DUMMY SSSN 000000000 (NINE 0s).



**APPENDIX F
KEYPUNCH INSTRUCTIONS**

IBML Data Capture

- All jobs to capture and pass Received date MMDDYYYY format
- All jobs to capture and pass UIA Batch Number
- All jobs to capture and pass Process date per IBML DATE Utility

Field	Length	Required	Format	Edit
Received Date	8	Y	MMDDYYYY	Cannot be greater than the Processing Date
UIA Batch Number	5	Y	NNNNN	Pre-printed on header ticket and captured by Barcode. The processing year will add-on by the system to create the nine-digit batch number.

TMS Check Scanline Fix

After Pass 1 is completed, all imaged work with remittance enters a pre-ICR stage where check scan lines can be corrected. Scan Line Fix will be used for scan line corrections. Operators will be required to correct all items with exception conditions. An item is determined to have an exception condition if a required field is missing, has can't read characters, or if an edit failure is detected in Pass 1. Only those items with bad scan lines are presented for fixing. If a batch needs to be processed in Scan Line Fix, it must be corrected before further Data Entry can be performed on that batch. Scan Line Fix will be used for Check MICR line.

The following format contains the fields for check:

Field Name	Length	Required	Visible	Edit
Auxiliary number (check #)	10	N	Y	
Routing and Transit number	9	Y	Y	ALL NUMERIC
Bank Account number	16	Y	Y	

TMS Form ID Correction

Each page of the UIA full-page documents contains a Form and Page number. This shall be keyed in Form ID Correction processing stage. The table below defines the form (page #) and Document ID to be keyed.

Form Identification (Form ID)

Form	Keyed Form Id
UIA 1028 Page 1	10281
UIA 1028 Page 2	10282
UIA 1110	System Sets
UIA 4101	System Sets



TMS Check Amount Entry

TMS will use CAR to capture the check amount. If confidence is low then the check image will be presented in TMS check amount entry. The following are the requirements for check amount field:

Field Label	Length	Required To Key	Edit
AMOUNT	10	Yes	Cannot be zero



UA 1028 Reports Page 1

Field Label	Data Type	Length	Required to Key	Edits/Comments Warn = Overridable Edit
AMENDED CK BOX	N	1	N	<ul style="list-style-type: none"> Warn if Checked due to rarity
QTR END DATE	N	8	N	<ul style="list-style-type: none"> Be captured as MMDDYYYY System will convert to QYYYY for transmission Can be left blank and system will convert to zeroes on transmission No quarters greater than Process Quarter allowed (if process date is 1/25/15 and Process Quarter is Q1 or 12015, a QTR END DATE of 0315 or March 2015 is acceptable) Warn if blank or older than current quarter Greater than 10 years prior not allowed. Ex 2015 current year, 2004 would be allowed but not 2003.
FEIN	N	9	N	<ul style="list-style-type: none"> Edit will ensure at least FEIN or UIA Number is present If keyed, must be 9 digits Warn if all one digit
UIA ACCOUNT NUM	N	10	N	<ul style="list-style-type: none"> Edit will ensure at least FEIN or UIA Number is present If keyed must be 7 or 10 digits, if 7 digits the system will add 3 zeros on the end. If left blank, user will be warned but advanced user can post. System will convert to all zeroes on transmission. If keyed, must be 7 or 10 digits Warn if all one digit If first seven digits match first seven digits of the FEIN user will be warned to review, but will post if matches form.
WORKERS 1ST MONTH	N	6	N	<ul style="list-style-type: none"> Warn if blank
WORKERS 2ND MONTH	N	6	N	<ul style="list-style-type: none"> Warn if blank
WORKERS 3RD MONTH	N	6	N	<ul style="list-style-type: none"> Warn if blank
FAM	A	1	N	<ul style="list-style-type: none"> If keyed, must be F - Keying F to maintain key what you see and help extraction. System will convert to 1. Warn if populated since uncommon
DEL	A	1	N	<ul style="list-style-type: none"> If keyed, must be X Warn if populated since uncommon System will use to remove records marked with X and have zero wages
SOCIAL SECURITY	N	9	N	<ul style="list-style-type: none"> Warn if keyed and less than 9 digits – if overridden system will convert to all zeroes Warn if not in SOM SSN table to help catch keying mistakes



				<ul style="list-style-type: none"> Warn if all one digit Warn if names or wages are present but SSN is blank. User can post blank and system will convert to all zeroes
LAST NAME	A	16	N	<ul style="list-style-type: none"> Following words are not allowed "att", "attached", "none", "employee", "employees", "enclosed", "spreadsheet", or "see" System will replace dashes and apostrophes with spaces Warn if SSN populated and field is blank
FIRST NAME	A	12	N	<ul style="list-style-type: none"> Following words are not allowed "att", "attached", "none", "employee", "employees", "enclosed", "spreadsheet", or "see" System will replace dashes and apostrophes with spaces Warn if SSN populated and field is blank
MI	A	1	N	
GROSS WAGES	N	12	Y	<ul style="list-style-type: none"> Edit compare sum gross wages in table to page total
PAGE TOTAL	N	12	Y	<ul style="list-style-type: none"> Non-Form field, will be written on form during batching. Edit compare sum gross wages in table to page total



UA 1028 Reports Page 2

Field Label	Data Type	Length	Required to Key	Edits/Comments Warn = Overridable Edit
FAM	A	1	N	<ul style="list-style-type: none"> If keyed, must be F - Keying F to maintain key what you see and help extraction. System will convert to 1. Warn if populated since uncommon
DEL	A	1	N	<ul style="list-style-type: none"> If keyed, must be X Warn if populated since uncommon System will use to remove records marked with X and have zero wages
SOCIAL SECURITY	N	9	N	<ul style="list-style-type: none"> Warn if keyed and less than 9 digits -- if overridden system will convert to all zeroes Warn if not in SOM SSN table to help catch keying mistakes Warn if all one digit Warn if names or wages are present but SSN is blank. User can post blank and system will convert to all zeroes
LAST NAME	A	16	N	<ul style="list-style-type: none"> Following words are not allowed "att", "attached", "none", "employee", "employees", "enclosed", "spreadsheet", or "see" System will replace dashes and apostrophes with spaces Warn if SSN populated and field is blank
FIRST NAME	A	12	N	<ul style="list-style-type: none"> Following words are not allowed "att", "attached", "none", "employee", "employees", "enclosed", "spreadsheet", or "see" System will replace dashes and apostrophes with spaces Warn if SSN populated and field is blank
MI	A	1	N	
GROSS WAGES	N	12	Y	<ul style="list-style-type: none"> Edit compare sum gross wages in table to page total
PAGE TOTAL	N	13	Y	<ul style="list-style-type: none"> Non-Form field, will be written on form during batching. Edit compare sum gross wages in table to page total
TOTAL GROSS WAGES	N	13	N	<ul style="list-style-type: none"> Cannot be a negative amount Warn if Total Gross - Excess Wages not equal to Taxable wages. Contributing and Reimbursing Check boxes are not captured so can not be used in edit. But the edit is overridable. Total Gross, Excess or Taxable, one them must be populated



EXCESS WAGES	N	13	N	<ul style="list-style-type: none"> • Cannot be a negative amount • Warn if Total Gross – Excess Wages not equal to Taxable wages. Contributing and Reimbursing Check boxes are not captured so can not be used in edit. But the edit is overridable. • Total Gross, Excess or Taxable, one them must be populated
TAXABLE WAGES	N	13	N	<ul style="list-style-type: none"> • Cannot be a negative amount • Warn if Total Gross – Excess Wages not equal to Taxable wages. Contributing and Reimbursing Check boxes are not captured so can not be used in edit. But the edit is overridable. • Total Gross, Excess or Taxable, one them must be populated
AMOUNT ENCLOSED	N	13	Y	<ul style="list-style-type: none"> • Included in Transaction Balancing of Forms vs Checks
FINAL CK BOX	N	1	N	<ul style="list-style-type: none"> • Warn if Checked due to rarity
APPORTIONMENT CK BOX	N	1	N	<ul style="list-style-type: none"> • Warn if Checked due to rarity
FEIN	N	9	N	<ul style="list-style-type: none"> • ONLY PRESENT IF PAGE 2 IS BY ITSELF • Edit will ensure at least FEIN or UIA Number is present • If keyed, must be 9 digits • Warn if all one digit
UIA ACCOUNT NUM	N	10	N	<ul style="list-style-type: none"> • ONLY PRESENT IF PAGE 2 IS BY ITSELF • Edit will ensure at least FEIN or UIA Number is present • If keyed must be 7 or 10 digits, if 7 digits the system will add 3 zeros on the end. • If left blank, user will be warned but advanced user can post. System will convert to all zeroes on transmission. • Warn if all one digit • If first seven digits match first seven digits of the FEIN user will be warned to review, but will post if matches form.



Form UIA 1110 - FUTA Tax Credit

Field Label	Data Type	Length	Required to Key	Edits/Comments Warn = Overridable Edit
TAX YEAR - YYYY	N	4	N	<ul style="list-style-type: none"> Keyed as YYYY If Oct, Nov or Dec process date then allow one year in future otherwise do not allow future years. Warn if not less than current year Warn if blank, advanced user can override and system will zero fill in transmission. Greater than 10 years prior not allowed. Ex 2015 current year, 2004 would be allowed but not 2003.
UIA ACCOUNT NUM	N	10	Y	<ul style="list-style-type: none"> If keyed must be 7 or 10 digits, if 7 digits the system will add 3 zeros on the end. If left blank, user will be warned but advanced user can post. System will convert to all zeroes on transmission. Warn if all one digit
LINE A	N	9	N	<ul style="list-style-type: none"> Force Verify Edit, will make user review second time no matter initial value keyed.



UIA Form 4101 Coupon

Field Label	Data Type	Length	Required to Key	Edits/Comments Warn = Overridable Edit
UIA ACCOUNT NUM	N	10	Y	<ul style="list-style-type: none"> If keyed must be 7 or 10 digits, if 7 digits the system will add 3 zeros on the end. If left blank, user will be warned but advanced user can post. System will convert to all zeroes on transmission. Warn if all one digit
QTR END DATE	N	8	Y	<ul style="list-style-type: none"> Must be valid MMDDYYYY date Future quarter not allowed Warn if not less than Process Quarter (if process date is 1/25/15 and Process Quarter is Q1 or 12015, a QTR END DATE of 0315 or March 2015 is acceptable)
AMOUNT ENCLOSED	N	13	N	<ul style="list-style-type: none"> Included in Transaction Balancing of Forms vs Checks

Check Only Form

Field Label	Data Type	Length	Required to Key	Edits/Comments Warn = Overridable Edit
UIA ACCOUNT NUM	N	10	Y	<ul style="list-style-type: none"> If keyed must be 7 or 10 digits, if 7 digits the system will add 3 zeros on the end. If left blank, user will be warned but advanced user can post. System will convert to all zeroes on transmission. Warn if all one digit



Transaction Level Edits

Form/Field	EDIT
System Form Id	<p>System Form Id is used by PDC to determine which GUI to present. For Combined Lockbox, before PDC the transaction edit will set the system form id based on the keyed form ids.</p> <p>For Loose Payments and Mich Credit Lockboxes, since there is only one form in the lockbox, we do not key a form id, so the transaction edit will set it based on lockbox. If the wrong form happens to be processed the user would reject it in PDC itself.</p>
Combined Lbx Qtr End Date	<p>For the Combined data transmission the Qtr End date is sent in format QCCYY. Transaction edit will use following logic to convert MMY that user keys in PDC:</p> <p>For Keyed Qtr Date = 03YY then convert to 120YY For Keyed Qtr Date = 06YY then convert to 220YY For Keyed Qtr Date = 09YY then convert to 320YY For Keyed Qtr Date = 12YY then convert to 420YY</p>
1028 Short SSN	<p>If user keyed a SSN less then 9 digits (excluding blanks), then the transaction edit will convert it to all zeroes.</p>
1028 Family Value Field	<p>The 1017/1028 forms use "F" to mark a family owned business and for consistency we key "F". But on transmission this flag is sent as "1", so transaction edit will convert it after PDC.</p>
1028 Delete Field	<p>If user keyed "X" in Delete field, and the same row has no Gross Wages, then transaction edit will mark the record to be excluded from the transmission. If there are Gross Wages present, then this record will be included in the transmission.</p>
1028 Name Fields	<p>If dash or apostrophe is keyed in name field in PDC, transaction action edit will convert it to a space.</p>



UIA Data Transmission will consist of three flat files, one for each system lockbox.

System Lockbox	File Name (Case Sensitive)
33598	combinedfile.txt
335981	LoosePaymentsFile.txt
335982	MichiganTaxCreditFile.txt

Note: RJZF = Right Justified Zero Filled, LJSF = Left Justified Space Filled

Combined File

Combined File Sample

```

C10242014LB20150149800000100000013014270000001000000056084
T0012345678942046606000320140000030000030000001301427000000080800000000049642700000030000001301427000000560840172014000
W204123456732014362171366TEST      TEST      00003066020
W204123456732014364042815TEST      TEST      B00008050000
W204123456732014372198700TEST      TEST      00001898250
C10242014LB2015014990000013000001850643500000130000000182782
T0012345678900443809000320140000020000020000009100000000065000000000260000000002000000910000000000196810202014000
T002234567890113791700032014000007000007000000311710600000024122560000000704850000000800000031171060000000609310202014000
W113123456032014369549012TEST      TEST      S00006461560
W113123456732014377029064TEST      TEST      A00005040000
W113123456732014346865485TEST      TEST      A00001760000
W113123456732014471217050TEST      TEST      J00002941000
    
```

Combined File Rules

- 1) C Record - Batch Header - One per Batch - Req 100.01
- 2) T Record - Detail Record - One per Form in Transaction - 1028 only has one, not one per page
- 3) W Record - Wage Record - One per Wage Record 1028 forms - Can be none if no wage data
- 4) C Record must be followed by a T record.
- 5) W record must be preceded by a T or W record.
- 6) C Records must be in order by Batch Number (Positions 12-20)
- 7) No File Trailer or Header
- 8) File Name: combinedfile.txt
- 9) File name is case sensitive

Combined File Batch Header Layout (C Record)

Field Number	Field Name	Length	Position	Data Type	Pad Justify	Comments
1	Record Type	1	1-1	A		Constant "C"
2	Batch Date	8	2-9	N		Process Date MMDDYYYY
3	Source	2	10-11	A		Constant "LB"
4	Batch Number	9	12-20	N		9 numeric - YYYYxxxxx where YYYY = fiscal processing year - xxxxx is sequential starting at 00001 through 99999 for each YEAR
5	Number of Tax Reports	7	21-27	N	RJZF	Recon Field - the number of Combined Reports in the batch
6	Total Gross Wages	13	28-41	N	RJZF	Recon Field - the sum of the Total Gross Wage in the batch
7	Number of Payments	7	42-49	N	RJZF	Recon Field - the number of Report Payments in file
8	Total Payment Amount	13	50-63	N	RJZF	Recon Field - Should match the total amount of Payments in file



Combined File Detail Record Layout (T Record)

Field Number	Field Name	Length	Position	Data Type	Pad Justify	Comments
1	Record Type	1	1-1	A		Constant "T"
2	Sequence	3	2-4	N		Sequence of the Payment in the batch - starts at 001 for each new Batch Number
3	FEIN	9	5-13	N		
4	UIA Employer Number	10	14-23	N		Combines the UIA Employer Number and multi-unit number. If only 7 digits keyed will pad with three zeroes on end. Default to zeroes if keyer left blank
5	Quarter Ending	5	24-28	N		QYYYY, Q = 1,2,3 or 4: Ex. 03/31/YYYY would convert to 1YYYY 06/30/YYYY would convert to 2YYYY 09/30/YYYY would convert to 3YYYY 12/31/YYYY would convert to 4YYYY. Default to zeroes if keyer left blank
6	Workers 1st Month	6	29-34	N	RJZF	Number entered in the 1st Month field of the Combined Report Default to zeroes if keyer left blank
7	Workers 2nd Month	6	35-40	N	RJZF	Number entered in the 2nd Month field of the Combined Report Default to zeroes if keyer left blank
8	Workers 3rd Month	6	41-46	N	RJZF	Number entered in the 3rd Month field of the Combined Report Default to zeroes if keyer left blank
9	Gross Wages	13	47-59	N	RJZF	NO DECIMAL, NOT EMPLOYEE GROSS WAGES FROM TABLE, BUT FROM HEADER
10	Excess Wages	13	60-72	N	RJZF	NO DECIMAL
11	Taxable Wages	13	73-85	N	RJZF	NO DECIMAL
12	Number of Wage Records	7	86-92	N	RJZF	Recon Field - total number of wage records for this Combined Report
13	Total Gross Wages	13	93-105	N	RJZF	Recon Field - the sum of the Gross Wages fields from the Wage Records for this Combined Report - NO DECIMAL
14	Payment Amount	11	106-116	N	RJZF	NO DECIMAL
15	Received Date	8	117-124	N		MMDDYYYYY
16	Amended	1	125-125	N		yes = 1 / no = 0
17	Final Report	1	126-126	N		yes = 1 / no = 0
18	Apportionment	1	127-127	N		yes = 1 / no = 0



Combined File Wage Record Layout (W Record)

Field Number	Field Name	Length	Position	Data Type	Pad Justify	Comments
1	Record Type	1	1-1	A		Constant "W"
2	UIA Employer Number	10	2-11	N		Combines the UIA Employer Number and multi-unit number If only 7 digits keyed will pad with three zeroes on end. Default to zeroes if keyer left blank
3	Quarter Ending	5	12-16	N		QYYYY, Q = 1,2,3 or 4: Ex. 03/31/YYYY would convert to 1YYYY 06/30/YYYY would convert to 2YYYY 09/30/YYYY would convert to 3YYYY 12/31/YYYY would convert to 4YYYY. Default to zeroes if keyer left blank
4	SSN	9	17-25	N		Default to zeroes if keyer left blank
5	Emp Last Name	16	26-41	A	LJSF	
6	Emp First Name	12	42-53	A	LJSF	
7	Emp Middle In	1	54-54	A		
8	Emp Gross Wages	10	55-64	N	RJZF	NO DECIMAL Default to zeroes if keyer left blank
9	Family Status Indicator	1	65-65	N		yes = 1 / no = 0

Loose Payments File

Loose Payment File Sample

```

H10242014LB201501435L00000080000000273367
I001234567800010062014      0000000001771
I002234567800010062014      0000000016372
I003234567900010062014      0000000005287
I004234567300010062014      0000000005500
I005234567900010062014      0000000100467
I006234567900010062014      0000000047990
I007234567900010062014      0000000047990
I008234567900010062014      0000000047990
H10242014LB201501436L00000010000000010614
I001234567900010072014      0000000010614
H10242014LB201501437L00000030000000102304
I001234567900010082014      0000000005501
I002234567900010082014      0000000009303
I003234567920010082014      0000000087500
    
```



Loose Payment File Rules

- 1) H Record - Batch Header - One per Batch
- 2) I Record - Detail Record - One per Check
- 3) H Record must be followed by I Record.
- 4) H Records must be in order by Batch Number (Positions 12-20)
- 5) No File Trailer or Header Records
- 6) File Name: LoosePaymentsFile.txt
- 7) File name is case sensitive

Loose Payments File Batch Header (H Record)

Field Number	Field Name	Length	Position	Data Type	Pad Justify	Comments
1	Record Type	1	1-1	A		Constant "H"
2	Batch Date	8	2-9	N		Processing date. MMDDYYYY
3	Source	2	10-11	A		Constant "LB"
4	Batch Number	9	12-20	N		9 numeric - YYYYxxxxx where YYYY = fiscal processing year - xxxxx is sequential starting at 00001 through 99999 for each YEAR
5	Payment Type	1	21-21	A		V = Voluntary, L = Loose, R = Report, W = Warrant, A = Amended Report
6	Number of Payments	7	22-28	N	RJZF	Recon Field - should match total number of payments in the detail portion of the batch/file
7	Total Batch Amount	13	29-41	N	RJZF	Recon Field - total amount of payments in the detail portion of the batch/file -NO DECIMAL

Loose Payments File Detail Record (I Record)

Field Number	Field Name	Length	Position	Data Type	Pad Justify	Comments
1	Record Type	1	1-1	N		Constant "I"
2	Sequence	3	2-4	N		Sequence of the Payment in the batch - starts at 001 for each new Batch Number
3	UIA Employer Number	10	5-14	N		7-digit UIA number plus 3-digit multi-unit number If only 7 digits keyed will pad with three zeroes on end. Default to zeroes if keyer left blank
4	Received Date	8	15-22	N		MMDDYYYY
5	Quarter Ending Date	8	23-30	N		MMDDYYYY Default to zeroes if keyer left blank
6	Total Payment Amount	13	31-43	N	RJZF	NO DECIMAL



Michigan Tax Credit File

Michigan Tax Credit File Sample

HLB2015014331024201400000020000008063597
 I00123456780001020201420110000003258848
 I00223456780001020201420120000004804749
 HLB2015014341024201400000110000049454781
 I00123456780001021201420100000006212549
 I00223456780001021201420100000001727579
 I00323456780001021201420100000000069073
 I00423456780001021201420110000012992389

Michigan Tax Credit File Rules

- 1) H Record - Batch Header - One per Batch
- 2) I Record - Detail Record - One per 1110 Form
- 3) H record must be followed by I Record
- 4) H Records must be in order by state's Batch Number (Positions 12-20)
- 5) No File Trailer or Header Records
- 6) File Name: MichiganTaxCreditFile.txt
- 7) File name is case sensitive

Michigan Tax Credit File Batch Header (H Record)

Field Number	Field Name	Length	Position	Data Type	Pad Justify	Comments
1	Record Type	1	1-1	A		Constant "H"
2	Source	2	2-3	A		Constant "LB"
3	Batch Number	9	4-12	N		9 numeric - YYYYxxxxx where YYYY = fiscal processing year - xxxxx is sequential starting at 00001 through 99999 for YEAR
4	Batch Date	8	13-20	N		Processing date. MMDDYYYY
5	Number of Applications	7	21-27	N	RJZF	Recon Field - total number of MI Tax Credit Applications in detail record
6	Total Line A	13	28-40	N	RJZF	Recon Field - sum of all Total Line A fields in detail record



Michigan Tax Credit File Detail Record (I Record)

Field Number	Field Name	Length	Position	Data Type	Pad Justify	Comments
1	Record Type	1	1-1	A		Constant "I"
2	Sequence	3	2-4	N		Sequence of the Form in the batch - starts at 001 for each -new Batch Number
3	UIA Employer Number	10	5-14	A	LJZF	7-digit UIA number plus 3-digit multi-unit number If only 7 digits keyed will pad with three zeroes on end. Default to zeroes if keyer left blank
4	Received Date	8	15-22	N		MMDDYYYY
5	Quarter Ending Year	4	23-26	N		CCYY Default to zeroes if keyer left blank
6	Total Line A	13	27-39	N	RJZF	NO DECIMAL



Appendix G
Change Notice No. 7 Article 1 – Statement of Work (SOW) Modification Summary

1. Section 1.022, Work and Deliverable

- 1.1 All references to Form 1020 are deleted and replaced with Form 1028. If a Form 1020 is received, it must be returned to the UIA
- 1.2 Forms 1017, 1028, 4101, 1110, and check only's are processed by Contractor
- 1.3 RESTITUTION LOCKBOX
 - 1.3.1 Page 11- Opening Mail
 - 1.3.1.1 Remove sentences pertaining to Contract date stamping opened items
 - 1.3.1.2 Insert- A dated mail receipt tag is put on the work.
 - 1.3.2 Page 12- NON- ACCEPTABLE Remittances
 - 1.3.2.1 Remove b) Postdated negotiable instrument
 - 1.3.2.2 Remove c) Checks stamped or annotated "Payment in Full" or "Paid in Full"
- 1.4 Page 13- SPECIFIC U.I. LOCKBOX PROCESSING REQUIREMENTS: Due to the decrease in the amount of mail at quarter endings, the Bank completes one pick-up a day between the 20th and 30th of January, April, July and October.
- 1.5 Page 14- replace the following for "Business Closed" items
 - 1.5.1 4. NON-ACCEPTABLE TAX REPORT WILL CONTAIN A:
 - a) Any tax report with no information or all zeros on lines 5, 6, 7, 8, and 11 which has any variation of "Out of Business" written upon the form.
- 1.6 Pages 16 & 17, Updated the following forms:
 - 1.6.1 Futa Form 1110- 07
 - 1.6.2 Loose Payments (check only) and form 4101- 03, 04, 10
 - 1.6.3 1028 Remit- 01, 05
 - 1.6.4 1028 Non-remit- 02, 06, 09
- 1.7 Page 19 - BATCHING PROCESS, Section 12: Removed the reference to magnetic tape.
- 1.8 Page 19- BATCHING PROCESS, Section 14: Updated section
- 1.9 Page 21- PREPARE REMITTANCE DEPOSITS: 1)& 2) Revised to address no longer preparing deposit tickets and deposit electronically.
- 1.10 Page 21- PICKUPS AND DELIVERIES: Revised to a one pick-up requirement
- 1.11 Page 22- QUALITY AND SECURITY CONTROLS
 - 1.11.1 Updated Section 5
 - 1.11.2 Updated Section 11 (c)

2. Section 1.031 Contractor Staff, Roles and Responsibilities

- 2.1 Update Section B. Key Personnel for Site and Production Manager.

3. APPENDIX F- KEY PUNCH INSTRUCTIONS: Update forms and file layouts.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 8
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
JPMORGAN CHASE BANK, N.A. Governmental Institute Banking Mail Suite MI1-8078 Detroit MI, 48226	Dawn Stokes	dawn.m.stokes@jpmorgan.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	313-256-2320	4650

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	UIA	Debbie Ciccone	(313)-456-2507	CicconeD@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Brandon Samuel	(517) 284-7025	SamuelB@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Banking Services - UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2 - 1 Year	September 1, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
X	One Month	<input type="checkbox"/>		October 1, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$6,829,272.85		\$0.00	\$6,829,272.85	

DESCRIPTION: Effective September 1, 2016 this contract is exercising a one-month option. The revised contract expiration date is October 1, 2016.

All other terms, conditions, specifications, and pricing remain the same. Per agency request, contract agreement, and DTMB Procurement approval.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 7
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
JPMORGAN CHASE BANK, N.A. Governmental Institute Banking Mail Suite MI1-8078 Detroit MI, 48226	Dawn Stokes	dawn.m.stokes@jpmorgan.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	313-256-2320	4650

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	UIA	Debbie Ciccone	(313)-456-2507	CicconeD@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Brandon Samuel	(517) 284-7025	SamuelB@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Banking Services - UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2 - 1 Year	August 1, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
X	One Month	<input type="checkbox"/>		September 1, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$6,829,272.85		\$0.00	\$6,829,272.85	
DESCRIPTION: Effective August 1, 2016 this contract is exercising a one-month option. The revised contract expiration date is September 1, 2016.				
All other terms, conditions, specifications, and pricing remain the same. Per agency request, contract agreement, and DTMB Procurement approval.				

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 6
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
JPMORGAN CHASE BANK, N.A. Governmental Institute Banking Mail Suite MI1-8078 Detroit MI, 48226	Dawn Stokes	dawn.m.stokes@jpmorgan.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	313-256-2320	4650

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	UIA	Debbie Ciccone	(313)-456-2507	CicconeD@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Brandon Samuel	(517) 284-7025	SamuelB@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Banking Services - UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2 - 1 Year	July 1, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
X	One Month	<input type="checkbox"/>		August 1, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$6,829,272.85		\$0.00	\$6,829,272.85	
DESCRIPTION: Effective July 1, 2016 this contract is exercising a one-month option. The revised contract expiration date is August 1, 2016.				
All other terms, conditions, specifications, and pricing remain the same. Per agency request, contract agreement, and DTMB Procurement approval.				

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 5
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
JPMORGAN CHASE BANK, N.A. Governmental Institute Banking Mail Suite MI1-8078 Detroit MI, 48226	Dawn Stokes	dawn.m.stokes@jpmorgan.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	313-256-2320	4650

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	UIA	Debbie Ciccone	(313)-456-2507	CicconeD@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Brandon Samuel	(517) 284-7025	SamuelB@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Banking Services - UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2 - 1 Year	June 1, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
X	One Month	<input type="checkbox"/>		July 1, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$5,429,272.85		\$1,400,000.00	\$6,829,272.85	

DESCRIPTION: Effective June 1, 2016 this contract is exercising a one-month option and is increased by \$1,400,000.00. The revised contract expiration date is July 1, 2016.

All other terms, conditions, specifications, and pricing remain the same. Per agency request, contract agreement, and DTMB Procurement approval.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 4 (REVISED)
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
JPMORGAN CHASE BANK, N.A. Governmental Institute Banking Mail Suite MI1-8078 Detroit MI, 48226	Dawn Stokes	dawn.m.stokes@jpmorgan.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	313-256-2320	4650

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	UIA	Debbie Ciccone	(313)-456-2507	CicconeD@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Brandon Samuel	(517) 284-7025	SamuelB@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Banking Services - UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2 - 1 Year	May 1, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
X	One Month	<input type="checkbox"/>		June 1, 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$5,429,272.85		\$0.00	\$5,429,272.85	
DESCRIPTION: Effective May 1, 2016 this contract is exercising a one-month option. The revised contract expiration date is June 1, 2016.				
All other terms, conditions, specifications, and pricing remain the same. Per agency request, contract agreement, and DTMB Procurement approval.				

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 3
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
JPMORGAN CHASE BANK, N.A. Governmental Institute Banking Mail Suite MI1-8078 Detroit MI, 48226	Dawn Stokes	dawn.m.stokes@jpmorgan.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	313-256-2320	4650

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	UIA	Debbie Ciccone	(313)-456-2507	CicconeD@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Brandon Samuel	(517) 284-7025	SamuelB@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Banking Services - UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2 - 1 Year	March 1, 2016
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
X	Two Months			May, 1 2016
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$5,429,272.85		\$0.00	\$5,429,272.85	

DESCRIPTION: Effective March, 1, 2016, this contract is exercising two month option. The revised contract expiration date is May 1, 2016.

Please note the vendor primary contact has been changed to Dawn Stokes.

All other terms, conditions, specifications, and pricing remain the same. Per agency request, contract agreement, DTMB Procurement approval.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 2
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
JPMorgan Chase Bank, N.A. Government and Institutional Banking Mail Suite MI1-8078 Detroit, MI 48226	Charles A. Dillard	charles.a.dillard@chase.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	(313) 256-2294	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	LARA	Debbie Ciccone	(313) 456-2507	cicconed@michigan.gov
BUYER	DTMB	Brandon Samuel	(517) 241-1916	samuelb@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: Banking Services – Labor and Regulatory Affairs- UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2, 1 Year Options	March 1, 2016
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
Net 45	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/>	<input type="checkbox"/>		
VALUE/COST OF CHANGE NOTICE:		ESTIMATED AGGREGATE CONTRACT VALUE REMAINS:		
\$0.00		\$5,429,272.85		

Effective immediately, the Contract will be updated with the following:

- Replace the Restitution Lockbox originally included in the contract with an OCR Lockbox.
- Attached pricing reflects the enhanced services. Please see attached pricing. All other terms, conditions, specifications, and pricing remain the same.

Per agency and vendor agreement and DTMB Procurement.

Proforma Analysis

June 2013

Customer: State of Michigan

ECR Rate: 0.20%

Service Analysis *

Service	Number of Units	Unit Price	Charge For Service	Balance Required
NETWORK LOCKBOX (WNLB)				
SNLB CLOSED LBX IMAGE VIEWING - (1)	0	\$20.0000	\$0.00	\$0.00
Subtotal			\$0.00	\$0.00
SCANNABLE LOCKBOX (SNLB)				
SNLB SCANNABLE ITEM	92820	\$0.2000	\$18,564.00	\$112,931,000.00
SNLB OCR DOCUMENT	92820	\$0.0200	\$1,856.40	\$11,293,100.00
SNLB OCR DOC IMAGE CAPTURE - (1)	92820	\$0.0200	\$1,856.40	\$11,293,100.00
SNLB DEPOSIT PREPARATION	252	\$2.0000	\$504.00	\$3,066,000.00
SNLB SORT - MANUAL	104004	\$0.1000	\$10,400.40	\$63,269,100.00
SNLB BALANCING	104004	\$0.0500	\$5,200.20	\$31,634,550.00
SNLB DOC IMAGE PRESENTMENT - (1)	12	\$100.0000	\$1,200.00	\$7,300,000.00
SNLB LONG TERM STORAGE-CHECK - (1)	103224	\$0.0200	\$2,064.48	\$12,558,920.00
SNLB LONG TERM STORAGE-B&W DOC - (1)	92820	\$0.0300	\$2,784.60	\$16,939,650.00
SNLB ALERTS - (1)	0	\$1.0000	\$0.00	\$0.00
SNLB ADDITIONAL REPORTS - (1)	0	\$25.0000	\$0.00	\$0.00
SNLB MAINTENANCE	12	\$125.0000	\$1,500.00	\$9,125,000.00
SNLB ITEM - NON-SCANNABLE	10404	\$0.3000	\$3,121.20	\$18,987,300.00
SNLB UNPROCESSABLE ITEM	264	\$0.3000	\$79.20	\$481,800.00
SNLB NO CHECK ITEM	516	\$0.3000	\$154.80	\$941,700.00
SNLB CHECK CLEARING	103224	\$0.0600	\$6,193.44	\$37,676,760.00
SNLB INCOMING COURIER PACKAGE	0	\$17.0000	\$0.00	\$0.00
SNLB CASH PROCESSING	0	\$10.0000	\$0.00	\$0.00
SNLB CHECK MICR CAPTURE	103224	\$0.0250	\$2,580.60	\$15,698,650.00
SNLB DATA CAPTURE	0	\$0.0120	\$0.00	\$0.00
SNLB DATA TRANSMISSION MAINT	12	\$100.0000	\$1,200.00	\$7,300,000.00
SNLB DATA TRANSMISSION ITEM	196044	\$0.0200	\$3,920.88	\$23,852,020.00
SNLB CHECK COPY	0	\$0.1500	\$0.00	\$0.00
SNLB PAPER DELIVERY PREP	780	\$0.2000	\$156.00	\$949,000.00

* Volumes and Balances on this proforma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.

** Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.

Service Analysis *

Service	Number of		Charge For Service	Balance Required
	Units	Unit Price		
SNLB PACKAGE PREP	12	\$25.0000	\$300.00	\$1,825,000.00
SNLB DOCUMENT IMAGE CAPTURE - (1)	516	\$0.1000	\$51.60	\$313,900.00
SNLB ADDITIONAL PROGRAMMING - (2)	1	\$7000.0000	\$7,000.00	\$42,583,333.33
SNLB RETURN ITEM MAINTENANCE - (1)	0	\$15.0000	\$0.00	\$0.00
Subtotal			\$70,688.20	\$430,019,883.33
Total Charge For Services			\$70,688.20	\$430,019,883.33

Volumes and Balances on this proforma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.

* Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.

Proforma Notes, Assumptions & Disclaimers

Lockbox Assumptions - Assumes 8,667 checks/payments received monthly - Assumes 7,735 checks will be received with a scannable OCR document - Assumes 867 checks received without an OCR document (10%) - Assumes 22 checks per month will be returned as unprocessable (.025%) - Assumes 43 no checks will be received per month (documents received without a check)(.05%)

1. Receivables Edge Price Point
2. Implementation fee is \$4,000 - Additional programming for custom format and/or coupon fee has been estimate at \$3,000 = 30 hours @ \$100 per hour
- Additional processing requirements may require additional fees
3. First year annual fee of \$70,688.20 includes implementation fee of \$7,000.00. Annual cost after year one would be \$63,688.20

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 1
 to
CONTRACT NO. 071B1300224
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
JPMorgan Chase Bank, N.A. Government and Institutional Banking Mail Suite MI1-8078 Detroit, MI 48226	Charles A. Dillard	charles.a.dillard@chase.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	(313) 256-2294	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	LARA	Debbie Ciccone	(313) 456-2507	cicconed@michigan.gov
BUYER	DTMB	Brandon Samuel	(517) 241-1916	samuelb@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: Banking Services – Labor and Regulatory Affairs- UIA			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
March 2, 2011	March 1, 2016	2, 1 Year Options	March 1, 2016
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
Net 45	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MiDEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/>	<input type="checkbox"/>		
VALUE/COST OF CHANGE NOTICE:		ESTIMATED AGGREGATE CONTRACT VALUE REMAINS:		
\$0.00		\$5,429,272.85		

Effective immediately, the Contract will be updated with the following:

- Changing from Form UIA 1020 to Form UIA 1028.
- Implementation of an e-Lockbox.
- The new system will require a couple more data transmissions to/from the vendor to facilitate the flow of information.

Please see attached pricing. All other terms, conditions, specifications, and pricing remain the same.

Per agency and vendor agreement and DTMB Procurement.

Michigan Unemployment Insurance Agency

Treasury Services Cost Analysis - Prepared October 2012

Pricing quoted herein is valid from 60 days from the date of this presentation

J.P.Morgan

	Number Of Units	Unit Price
ACH Receiver Services		
ACH RECEIVER SVCS-MAINTENANCE	1	\$95.000
ACH RECEIVER SVCS-TRANSACTION	variable	0.050
ACH RECEIVER SVCS-REFORMAT	variable	0.010
ACH RECEIVER SVCS-DATA TRANS	21	\$5.000
ACH RECEIVER SVCS-RETURN ITEM	0	\$6.000
ACH RECEIVER SVCS-ADDENDA	0	\$0.015
ACH RECEIVER SVCS-SETUP FEE* (one time implementation fee)	1	\$500.000

Positive Pay Direct Send		
POSITIVE PAY NO RECON - MAINT	1	\$30.000
EXCEPTION ITEM	0	\$1.000
POS PAY WITHOUT RECON ITEMS	0	\$0.000
ISSUE INPUT FILE WITHOUT RECON	21	\$10.000
OUTPUT FILE (paid items daily transmission)	21	\$35.000

Lockbox Initiative - New 1028 form	
UIA 1028 Form: Data Entry (Per Record)	\$0.1200
*Record types include Employer Header, Employee Detail & Wage Detail	
current batch item charges will remain the same (see below)	
Service Description	Current Unit Rate
Batch Types-1 & 5	
Report w/ Remittance (Transactions w/ check)	\$1.3010
Batch Types-2 & 7	
Report Only (Transactions - Wage Only)	\$0.3770
Batch Types-3, 4 & 10	
Remittance Only (Transactions - Check Only)	\$2.2150
Batch Types-6, 8 & 9	
Report Only (Transactions - Non Wage)	\$0.3060
Batch Set-Up Charge (Batch Preparation)	\$0.3210

*Check Deposit Return Images (I-Vault) - Web-based access to images of returned checks	
Price: \$1.00 per item—no monthly maintenance fee	
Images are available for up to 7 years	
Up to 5 users can be added	
Images cannot be downloaded, but they can be saved and/or printed	

*Email Notification — through Secure Email on ACCESS	
Price: \$1.00 per item—no monthly fee	
Up to 2 email addresses allowed	
Items will remain available online for 90 days unless deleted.	
Set up for end of day or hourly	

*three months free of both services; the three month trial period will begin around November 01, 2012.

AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PURCHASING OPERATIONS
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

March 28, 2011

CONTRACT NO. 071B1300224
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR JPMorgan Chase Bank, N.A. Government and Institutional Banking Mail Suite MI1-8078 Detroit, MI 48226 charles.a.dillard@chase.com		TELEPHONE (313) 256-2294 Charles A. Dillard
Contract Compliance Inspector: Debbie Ciccone (313) 456-2507 Banking Services – Department of Energy, Labor & Economic Growth - UIA		BUYER/CA (517) 241-1916 Jim Wilson
CONTRACT PERIOD: 3 yrs. + 2 one-year options From: March 2, 2011 To: March 1, 2016		
TERMS Net 45	SHIPMENT N/A	
F.O.B. N/A	SHIPPED FROM N/A	
MINIMUM DELIVERY REQUIREMENTS N/A		

The terms and conditions of this Contract are those of RFP No. 071I0200154, this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: **\$5,429,272.85**

AUTHORITY: Act 431 of 1984
 COMPLETION: Required
 PENALTY: Contract will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PURCHASING OPERATIONS
P.O. BOX 30026, LANSING, MI 48909
 OR
530 W. ALLEGAN, LANSING, MI 48933

CONTRACT NO. 071B1300224
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR JPMorgan Chase Bank, N.A. Government and Institutional Banking Mail Suite MI1-8078 Detroit, MI 48226 <div style="text-align: right;">charles.a.dillard@chase.com</div>	TELEPHONE (313) 256-2294 Charles A. Dillard BUYER/CA (517) 241-1916 Jim Wilson
Contract Compliance Inspector: Debbie Ciccone (313) 456-2507 Banking Services – Department of Energy, Labor & Economic Growth - UIA	
CONTRACT PERIOD: 3 yrs. + 2 one-year options From: March 2, 2011 To: March 1, 2016	
TERMS <div style="text-align: center;">Net 45</div>	SHIPMENT <div style="text-align: center;">N/A</div>
F.O.B. <div style="text-align: center;">N/A</div>	SHIPPED FROM <div style="text-align: center;">N/A</div>
MINIMUM DELIVERY REQUIREMENTS <div style="text-align: center;">N/A</div>	
MISCELLANEOUS INFORMATION: <p>The terms and conditions of this Contract are those of RFP No. 07110200154, this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.</p> <p>Estimated Contract Value: \$5,429,272.85</p>	

FOR THE CONTRACTOR: <div style="text-align: center;"> JPMorgan Chase Bank, N.A. <hr/> Firm Name <hr/> Authorized Agent Signature <hr/> Authorized Agent (Print or Type) <hr/> Date </div>	FOR THE STATE: <div style="text-align: center;"> <hr/> Signature Kevin Dunn, Acting Division Director <hr/> Name/Title Services Division, Purchasing Operations <hr/> Division <hr/> Date </div>
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STATE OF MICHIGAN
Department of Technology, Management and Budget
Purchasing Operations

Contract No. 071B1300224
Banking Services- Unemployment Insurance Agency

Buyer Name: Jim Wilson
Telephone Number: 517-241-1916
E-Mail Address: wilsonj4@michigan.gov



Table of Contents

DEFINITIONS 4

Article 1 – Statement of Work (SOW)..... 6

1.010 Project Identification6

 1.011 Project Request.....6

 1.012 Background6

1.020 Scope of Work and Deliverables..... 6

 1.021 In Scope 6

 1.022 Work and Deliverable 8

1.030 Roles and Responsibilities.....23

 1.031 Contractor Staff, Roles, and Responsibilities.....23

1.040 Project Plan.....23

 1.041 Project Plan Management.....23

 1.042 Reports.....24

1.050 Acceptance – Deleted/Not Applicable.....24

1.060 Proposal Pricing.....24

 1.061 Proposal Pricing24

 1.062 Price Term24

 1.063 Tax Excluded from Price25

 1.064 Holdback.....25

1.070 Additional Requirements.....25

 1.071 Additional Terms and Conditions specific to this Contract.....25

Article 2 - Terms and Conditions.....26

ATTACHMENTS:

- Appendix A, Pricing
- Appendix A, Clarifications
- Appendix B, Paid Items Specifications
- Appendix B-1, Monthly Paid Items Transmission
- Appendix C, BES 8413 Preparation Instructions
- Appendix C-1, Benefit Account
- Appendix D, BES 8414 Preparation Instructions
- Appendix D-1, Clearing Account
- Appendix E, Lockbox 2009
- Appendix F, Key punch Instructions
- Appendix G, Filenet Record Layout
- Appendix H, Tax Lock Box Record Layout



DEFINITIONS

24x7x365 means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).

Additional Service means any Services within the scope of the Contract, but not specifically provided under any Statement of Work.

Audit Period means the seven year period following Contractor's provision of any work under the Contract.

Bidder(s) are those companies that submit a proposal in response to the RFP.

Business Day means any day other than a Saturday, Sunday or State-recognized legal holiday from 8:00am EST through 5:00pm EST unless otherwise stated.

Blanket Purchase Order is an alternate term for Contract and is used in the Plan Sponsors' computer system.

CCI means Contract Compliance Inspector.

Days means calendar days unless otherwise specified.

Deleted – N/A means that section is not applicable or included in this Contract. This is used as a placeholder to maintain consistent numbering.

Deliverable means physical goods and/or services required or identified in a Statement of Work.

DTMB means the Michigan Department of Technology, Management and Budget.

Environmentally Preferable Products means a product or service that has a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. Such products or services may include, but are not limited to: those which contain recycled content, minimize waste, conserve energy or water, and reduce the amount of toxics either disposed of or consumed.

Hazardous Material means any material defined as hazardous under the latest version of federal Emergency Planning and Community Right-to-Know Act of 1986 (including revisions adopted during the term of the Contract).

Incident means any interruption in any function performed for the benefit of a Plan Sponsor.

Key Personnel means any personnel identified in **Section 1.031** as Key Personnel.

New Work means any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, such that once added will result in the need to provide the Contractor with additional consideration. "New Work" does not include Additional Service.

Ozone-depleting Substance means any substance the Environmental Protection Agency designates in 40 CFR part 82 as: (1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or (2) Class II, including, but not limited to, hydrochlorofluorocarbons.

Post-Consumer Waste means any product generated by a business or consumer which has served its intended end use; and which has been separated or diverted from solid waste for the purpose of recycling into a usable commodity or product, and which does not include post-industrial waste.

Post-Industrial Waste means industrial by-products which would otherwise go to disposal and wastes generated after completion of a manufacturing process, but does not include internally generated scrap commonly returned to industrial or manufacturing processes.

Recycling means the series of activities by which materials that are no longer useful to the generator are collected, sorted, processed, and converted into raw materials and used in the production of new products. This definition excludes the use of these materials as a fuel substitute or for energy production.



Reuse means using a product or component of municipal solid waste in its original form more than once.

RFP means a Request for Proposal designed to solicit proposals for services.

Services means any function performed for the benefit of the State.

SLA means Service Level Agreement.

Source Reduction means any practice that reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment prior to recycling, energy recovery, treatment, or disposal.

State Location means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.

Subcontractor means a company selected by the Contractor to perform a portion of the Services, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.

Unauthorized Removal means the Contractor's removal of Key Personnel without the prior written consent of the State.

Waste Prevention means source reduction and reuse, but not recycling.

Pollution Prevention means the practice of minimizing the generation of waste at the source and, when wastes cannot be prevented, utilizing environmentally sound on-site or off-site reuse and recycling. The term includes equipment or technology modifications, process or procedure modifications, product reformulation or redesign, and raw material substitutions. Waste treatment, control, management, and disposal are not considered pollution prevention, per the definitions under Part 143, Waste Minimization, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended.

Work in Progress means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.

Work Product refers to any data compilations, reports, and other media, materials, or other objects or works of authorship created or produced by the Contractor as a result of an in furtherance of performing the services required by the Contract.



Article 1 – Statement of Work (SOW)

1.010 Project Identification

1.011 Project Request

This is a Contract for banking services for the Unemployment Insurance Agency (UIA). These services include a Benefit Payment Checking Account, through which Unemployment benefit checks will be processed; an Unemployment Deposit Clearing Account, for depositing the Unemployment Insurance tax payments received; a Lockbox processing service to process Unemployment Insurance tax forms and accelerate the depositing of the related tax payments received; a Restitution Deposit Clearing Account for depositing claimant restitution payments received; and a Restitution Lockbox processing service to process and accelerate the depositing of the Restitution payments received .

1.012 Background

The Unemployment Insurance Program was established under the Social Security Act of 1935 to provide income insurance for unemployed workers when suitable jobs are not available, thereby helping the workers to maintain purchasing power. Except for limited standards in the federal laws, the State develops its own programs and has wide latitude in administering them. The expenses of administration of State Unemployment Insurance laws are borne by the federal government, which provides technical assistance and oversees the use of granted funds. The UIA also administers, at the State level, federally - enacted programs for payments to ex-service personnel (UCX), to former federal personnel (UCFE), to workers adversely affected by foreign trade (TRA), and other unemployed individuals who qualify under Special Unemployment Assistance programs. Payments under the latter programs are from federal funds; UIA levies an unemployment insurance tax against employers' payrolls for the payment of the State Unemployment Insurance Benefits.

The UIA has made a number of changes to their processing procedures over the years in order to improve customer service and take advantage of technological advances. In 2008 the UIA implemented electronic benefit payments. Electronic payments are processed by a third party vendor; however all of the funds to cover the payments will flow through the benefit account. Currently, the Agency is exploring the option of implementing a lockbox operation for Restitution payments. In addition, the UIA is continuously exploring ways to expand electronic reporting and payments from employers.

1.020 Scope of Work and Deliverables

1.021 In Scope

The scope of this project includes the establishment and maintenance of three separate bank accounts: a Benefit Payment Account, a Restitution Clearing Account, and a UI Tax Clearing account; and two separate lockbox operations: a Restitution Lockbox operation and a Tax Lockbox operation. The keypunching of various forms in order to facilitate the collection of taxes and claimant payments will also be required. Adequate Collateral Security must be maintained at all times and a competitive earnings rate must be provided on the State's deposit amounts. Specific requirements for each are stated below.

COLLATERAL SECURITY: The Contractor must provide the maximum security, as to form and amount, on funds deposited in the Unemployment Insurance Benefit Payment, Restitution Clearing and Deposit Clearing Accounts. Currently, base collateral to cover normal daily Benefit, Clearing, and Restitution Account balances is expected to be \$35,000,000.00. However there are large quarterly tax collections deposited into the Deposit Clearing Account that will require additional collateral of up to \$525,000,000.00 for two to three weeks. Unless specified otherwise, Collateral Security must be deposited with the Federal Reserve Bank, or a branch of the district in which the depository is located, in an amount at least equal to funds on deposit less any amount that is federally insured. The collateral must be in the form of transferable obligations, which are fully insured or guaranteed by the United States, or general obligations of the State of Michigan. In the case of pledged securities which are not negotiable without the depository's endorsement of assignment, the depository may in lieu of placing its unqualified endorsement on each security, furnish an appropriate resolution and irrevocable power of attorney authorizing the Federal Reserve Bank to assign the securities.

In the event of the depository's insolvency or closure, or appointment of a receiver, liquidator, or other similar officer to terminate its business, the depository agrees that all principal and interest payments on any security pledged due as of the date of the insolvency or closure shall be held separate and apart from any other assets and shall be available to satisfy any claim made by UIA.



The financial institution must submit a list of proposed securities for prior approval before pledging to:

Deborah Ciccone, Manager
Unemployment Insurance Agency
Trust Fund Accounting, Suite 13-350
3024 W. Grand Blvd.,
Detroit, MI 48202

This list should contain the name and date of issue, amount, interest rate, maturity date and the total amount of the original bond issue, if available.

When the collateral has been approved by the Unemployment Insurance Agency and the safekeeping custodian agreed upon, the financial institution shall instruct the custodian to furnish the Unemployment Insurance Agency with original safekeeping receipts or advices assigning the collateral. (The ownership of the custodian shall be independent from the ownership of the financial institution.) The custodian must send original safekeeping receipts or advices to the Manager, Trust Fund Accounting, at the address shown above.

The financial institution must have prior approval of the Unemployment Insurance Agency for all substitutions.

The financial institution must request approval of the Unemployment Insurance Agency for the release of a security without replacement

EARNINGS CREDIT: The costs to operate the UIA bank accounts and lockbox operations will be paid through either a compensation process, direct payment, or a combination of the two. The compensation process will use the sum of the earnings collected on the daily balances in each account during the month to offset the related banking costs. The Contractor must provide a detailed narrative description of its methodology for determining the monthly earnings calculation for each account. The vendor must include either the specific interest rate that will be used in the calculation; or, in the case of an adjustable rate, a specific indicator (ie: 3-month Treasury Bill rate published weekly) that will be used to determine the rate.

BENEFIT PAYMENT ACCOUNT: Benefit Payment activities are centralized. Payments are dispersed using both paper checks and electronic payments. All UI benefit checks issued will be drawn against a single Benefit Payment Account. The unemployment benefit checks will be negotiated by payees at various check cashing facilities in Michigan and other states (some checks are mailed to payees in other states). The Contractor may not charge a fee to unemployed workers for negotiating an unemployment benefit check. All negotiated checks will be processed through the usual bank clearance process. All UI electronic payments will be transferred daily via either wire transfer or ACH. Deposits to the account will be in the form of checks and wire transfers of funds from the Unemployment Trust Fund through the Federal Reserve System.

RESTITUTION CLEARING ACCOUNT: Restitution deposit clearing activities are centralized at Cadillac Place – Suite 13-300, 3024 W. Grand Blvd., Detroit, Michigan 48202, the UIA's Main Office location. The UIA Benefit Overpayment Collection unit is responsible for collecting and processing remittances from claimants that have been overpaid. Refund checks issued to claimants will be drawn against this Restitution Clearing Account. The Contractor may not charge a fee to claimants for negotiating a restitution refund check. Excess funds will be transferred via wire transfer to either our Unemployment Trust Fund at the Federal Reserve or the Contingent Fund with the State Treasurer.

U.I TAX CLEARING ACCOUNT: Employer tax deposit clearing activities are centralized at Cadillac Place - 11th Floor, 3024 W. Grand Blvd., Detroit, Michigan 48202, the UIA's Main Office location. The UIA Tax Office is responsible for collecting and processing employer remittances and returns. The daily usable balance in the account, less the compensating funds for account maintenance activity and Lockbox processing, will be transferred daily via wire transfer to our Unemployment Trust Fund at the Federal Reserve. Refund checks issued to employers are also drawn against this Deposit Clearing Account.

RESTITUTION LOCKBOX: Currently, collections of approximately 80,000 payments a year are processed manually by UIA staff. The agency is considering switching these functions over to a lockbox process. Approximately ninety-nine percent of the deposit volume will be expected to come from the Lockbox process, with the balance being deposited by UIA staff.



Restitution remittances will be deposited into a commercial bank clearing account. The remittance will usually be transmitted with a payment coupon. Various other forms and correspondences may also be included. These remittances and the payment coupon are the only media to be processed by the bank upon receipt from the claimant. All other media enclosed by the claimant shall be date stamped and delivered to the UIA's Benefit Overpayment Collection Unit.

U.I. TAX LOCKBOX: Each quarter, approximately 200,000 tax return envelopes are opened and sorted into various batch types for deposit and Employer Quarterly Tax Report (UIA 1020) and Quarterly Payroll Report (UIA 1020-R) processing. Approximately ninety-nine percent of the deposit volume will come from the Lockbox process, with the balance being deposited by UIA staff.

These remittances are deposited into a commercial bank clearing account. The remittance is usually transmitted with a tax form, UIA 1020, Employers Quarterly Tax Report. Various other forms and correspondences may also be included. These remittances and the quarterly tax reports are the only media to be processed by the bank upon receipt from the employer. All other media enclosed by the employer shall be date stamped and delivered to the UIA's Tax Office, Team Support Unit.

1.022 Work and Deliverable

Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

BENEFIT PAYMENT ACCOUNT: The descriptive data in this section is provided as a means for evaluating and assessing the activity volume and extent of service required for the Unemployment Insurance Benefit Payment Account. The data listed is the monthly or daily average using calendar year 2009 data. This activity may change significantly as a result of changes in the economy or from changes in federally funded supplemental benefit programs. For example, the maximum number of paper check payments processed from the Benefit Payment account in a single day (November 1984) was 76,300. The contracting bank must be capable of handling sudden changes in volume. Item counts listed for paper benefit check processing and imaging (notated with an * below) are estimates based on anticipated usage. Paper benefit checks have declined, and will continue to decline, as a result of the agency's conversion to electronic payments. The agency expects to issue paper benefit checks only on an exception basis in the future. Electronic benefit payments are administered under a separate contract, although all of the funds will flow through this account.

<u>ACTIVITY DESCRIPTION</u>	
- Average Daily Account balance	\$9,700,000
- Number of Incoming Wire transfers per month	4
- Number of Deposits per month	4
- Estimated number of checks processed monthly*	4,300
- Ave. number incoming ACH transfer/month	215
- Ave. number outgoing wires /month	25
- Estimated number of inquiries, discrepancy adjustment requests, etc. per month	218

SPECIFIC BENEFIT PAYMENT ACCOUNT SERVICE REQUIREMENTS:

The following represents the minimum banking services that UIA requires for a satisfactory maintenance of the Unemployment Insurance Benefit Payment Account:

1. Maintain a daily outstanding check file for payment confirmation and variance resolution.
2. Receive a daily check issuance and void file via FTP transmission. Update and maintain an outstanding check file.
3. Receive a weekly manual check issuance listing and voided check listing for update to the outstanding check issuance file.
4. Disburse funds to claimants that present a legitimate Unemployment Insurance check. The claimant will be expected to provide adequate proof of identification; however, no additional fees may be charged by the Contractor to a claimant for cashing an Unemployment Insurance Agency issued benefit check.



5. Processing paid checks utilizing a 'positive pay' process; where all paid items are verified against our check issuance file prior to posting to the account.
6. Preparing and transmitting (FTP) an electronic file of the checks paid each month. See Appendix B for format specifications.
7. Preparing a monthly electronic check paid listing.
8. Imaging of paid checks – front and back. Images of all checks paid must be provided to the UIA in an electronic format. Currently, the UIA is using a product called One Net Image Viewer to access the check images. The Contractor may provide an alternate product to access the check images. The product must be compatible with UIA's current network operations, and produce imaged copies equivalent or better than we are currently receiving. See Appendix G for format specifications.
9. Processing checks, wire transfers, deposits, and stop payment requests.
10. Preparing a monthly "Statement of Account" summary. Processing debit/credit advices for paid item exceptions, including adjustments for raised checks and forged endorsements. All daily exception adjustments to the account must be supported by debit memos or credit advices and listed individually on the monthly summary "Statement of Account". Except as noted in the "Pickup and Deliveries" section, these monthly "Statement of Account" summaries are to be delivered by noon of the fifth business day after the date of the statement to the following address:

Unemployment Insurance Agency
Trust Fund Accounting, Suite 13-350
3024 W. Grand Blvd.
Detroit, Michigan 48202

11. Reporting daily to the UIA by phone, fax or e-mail the ledger balance and the item count of paid checks.
12. Preparing an Income and Expense Analysis Report for Federal Reporting Requirements; currently the BES form 8413 (See Appendix C for the report preparation instructions.).
13. Performing the normal bank bookkeeping activities relating to computation of daily account balance, summary daily statement of account, etc., including compliance with the regulatory provisions of the uniform commercial law in the maintenance of the account.
14. Items that cannot be supported within 30 days after notification by the UIA, the contracting bank will adjust the related account until such items can be supported.
15. Facilitating the processing of forgery affidavits, acquiring reimbursement for erroneously cashed items. All credit memos issued in resolution to a forgery claim must be final. Provisional credits will not be accepted.

RESTITUTION CLEARING ACCOUNT: The descriptive data in this section is provided as a means for evaluating and assessing the activity volume and extent of service required for the Unemployment Insurance Restitution Clearing Account. This data is a monthly average for calendar year 2009, and may change as a result of economic or federal program changes. The contracting bank must be capable of handling a substantial increase in volume.

<u>ACTIVITY DESCRIPTION</u>	
- Average daily account balance	\$10,700,000
- Monthly average number of branch deposits	20
- Average unencoded checks deposited each month	7,300
- Monthly average of refund checks issued	425
- Est. number of adjustments, intra bank transfers and returned items, etc. for each month	55

SPECIFIC RESTITUTION CLEARING ACCOUNT SERVICE REQUIREMENTS:

The following represents the minimum banking services that this agency deems necessary for a satisfactory maintenance of the Unemployment Insurance Restitution Clearing Account:



1. Processing encoded and unencoded deposits.
2. Processing wire and intra bank transfer of funds.
3. Accepting responsibility for supporting documentation after transactions have been completed.
4. Receive and process a weekly manual check issuance and voided check listing, to maintain a check issuance file.
5. Processing checks paid daily utilizing a 'positive pay' process, where all paid items are verified against the check issue file prior to posting.
6. Imaging of paid checks – front and back. Images of all checks paid must be provided to the UIA in an electronic format. The UIA currently has an electronic document retention system called FileNet (See Appendix G for format specifications). The Contractor may provide an alternate product to access the check images. The product must be compatible with UIA's current network operations, and produce imaged copies equivalent or better than we are currently receiving.
7. Preparing a monthly "Statement of Account" to report the daily depositing, debit, credit, paid checks, fund transfer, activities, etc. All exception adjustments to the account must be supported by debit or credit advices, and listed individually on the "Statement of Account". Except as noted in the "Pickup and Deliveries" section, these monthly "Statement of Account" summaries are to be delivered by noon of the fifth business day after the date of the statement to the following address:

Unemployment Insurance Agency
Trust Fund Accounting, Suite 13-350
3024 W. Grand Blvd.
Detroit, Michigan 48202

8. Performing the normal bookkeeping activities relating to the daily account balance computation, monthly statement of account summary, etc., including compliance with the regulatory provisions, of the uniform commercial law in the maintenance of the account.
9. Items that cannot be supported within 30 days after notification by the UIA, the contracting bank will adjust the related account until such items can be supported.
10. Disburse funds to claimants that present a legitimate Unemployment Insurance Agency check. The claimant will be expected to provide adequate proof of identification; however, no fees may be charged by the Contractor to the claimant for cashing an Unemployment Insurance Agency issued refund check.

U.I TAX CLEARING ACCOUNT: The descriptive data in this section is provided as a means for evaluating and assessing the activity volume and extent of service required for the Unemployment Insurance Deposit Clearing Account. Except for the Average daily account balance*, this data is a monthly average for calendar year 2009, and may change as a result of economic or federal program changes. Note that during the four peak collection months, the average daily account balance is extremely high. The balance declines significantly during the remaining months. The contracting bank must be capable of handling a substantial increase in volume.

<u>ACTIVITY DESCRIPTION</u>	
- Estimated Average daily account balance*	\$29,800,000
- Number of outgoing wire transfers for each month	11
- Number of unencoded checks being deposited for each month the taxes are due; currently; January, April, July, and October	477,600
- Number of unencoded checks being deposited for each of the months the taxes are <u>not</u> due	92,500
- Average number of adjustments, intra bank transfers and returned items, etc. for each month	200
- Employer refund checks paid for each month	140



SPECIFIC DEPOSIT CLEARING ACCOUNT SERVICE REQUIREMENTS:

The following represents the minimum banking services which this agency deems necessary for a satisfactory maintenance of the Unemployment Insurance Deposit Clearing Account:

1. Processing encoded and unencoded deposits.
2. Processing wire and intra bank transfer of funds.
3. Accepting responsibility for supporting documentation after transactions have been completed.
4. Processing checks paid daily.
5. Reporting daily to the UIA by phone, fax or e-mail the ledger balance, the useable balance and the available balance.
6. Preparing an Income and Expense Analysis Report BES Form 8414. (See Appendix D for the report preparation.)
7. Preparing a monthly "Statement of Account" to report the daily depositing, debit, credit, paid checks, fund transfer, activities, etc. All exception adjustments to the account must be supported by debit or credit advices, and listed individually on the "Statement of Account". Except as noted in the "Pickup and Deliveries" section, these monthly "Statement of Account" summaries are to be delivered by noon of the fifth business day after the date of the statement to the following address:

Unemployment Insurance Agency
Trust Fund Accounting, Suite 13-350
3024 W. Grand Blvd.
Detroit, Michigan 48202

8. Performing the normal bookkeeping activities relating to the daily account balance computation, monthly statement of account summary, etc., including compliance with the regulatory provisions, of the uniform commercial law in the maintenance of the account.
9. Items that cannot be supported within 30 days after notification by the UIA, the contracting bank will adjust the related account until such items can be supported.
10. Receiving and processing EFT transfers from employers. Currently this is processed manually by the UIA, but may in the future need to process automatically.

RESTITUTION LOCKBOX: The UIA is currently exploring the possibility of implementing a lockbox operation for our restitution collection activities. The narrative information in this section is provided as a means for evaluating and assessing the activity, volume and extent of service required for Lockbox processing. This volume of activity may vary with economic or federal program changes. The Contractor must be capable of handling a substantial increase in volume.

Vendors are encouraged to provide pricing for a lockbox operation for Restitution Collection activities – including keypunching.

ACTIVITY DESCRIPTION

- Est. number of unencoded checks processed 85,000

Remittance and Payment Coupon:

The claimant's name and social security number are pre-printed on the payment coupon. Payment coupons will be submitted with the claimant's remittance. The coupon includes a space for the entry of the payment amount. All payment coupons and remittances must be imaged.

At least 95% of all remitted dollars must be deposited in the UIA Restitution Clearing Account within 24 hours of receipt. The remaining 5% of the remitted dollars shall be deposited within 48 hours of receipt. The bank will provide a single lockbox to process all restitution remittances made to the UIA. This lockbox may be represented by a Post Office Box number.

Specific Restitution Lockbox Processing Requirements:

Collecting Mail: The contracting bank must arrange for the pick-up or delivery of claimant remittances and payment coupons from the lockbox on a daily basis.

Opening Mail: On receipt of pick-up or delivery, all envelopes shall be opened, and the contents extracted and date stamped. The date stamp shall be placed on the face of every item from the envelope, including the face of the remittance device. Keep all contents and envelopes together until initial verification requirement is satisfied. Any correspondence received that does not include a payment will be forwarded to the UIA.



DATE STAMPING SHALL BE COMPLETED PRIOR TO ANY ADDITIONAL PROCESSING

Initial Verification Requirements:

Sort the acceptable for processing documents from the exception items to be forwarded to UIA.

ACCEPTABLE Remittances must meet the following criteria:

1. ACCEPTABLE PAYEES:

Unemployment Insurance Agency	UIA
Unemployment Agency	UA
Michigan Unemployment	Unemployment
Michigan Unemployment Agency	MUA
State of Michigan-UA	State of Michigan – UIA
State of Michigan	

2. ACCEPTABLE REMITTANCE DEVICES:

Personal Checks	Certified Checks
Money Orders	Cashiers Checks
Cash*	

Cash* - Normally, the bank will not receive cash; however, if cash is received, the bank shall provide appropriate controls for handling of the cash, prepare a credit document to represent the cash, and process that document in the same manner as any other remittance.

NON-ACCEPTABLE Remittances will meet at least one of the following criteria:

- a) Payee other than on the acceptable payee list.
- b) Postdated negotiable instrument.
- c) Checks stamped or annotated "Payment in Full" or "Paid in Full".

Processing of Exception Items to be forwarded to the UIA:

Non-acceptable remittances, as well as all enclosed correspondence, forms and notes are to be date stamped and delivered daily to UIA Benefit Overpayment Unit, Suite 13-300, Cadillac Place, 3024 W. Grand Blvd., Detroit, Michigan 48202.

Preliminary Edit and Processing Requirements:

The Claimant social security number must be included on both the payment coupon and remittance device. If the claimant has not placed the social security number on the remittance device, the bank shall enter that number on the face of the remittance device. The UIA will provide the vendor with a 'dummy' social security number for payments that are received without a payment coupon. Any payments received with multiple social security numbers will be treated as an exception item and forwarded to the UIA.

Batching and Key Encoding:

UIA uses a batch process in which batch sizes currently consists of 10 payments. The Contractor is encouraged to offer suggestions for more efficient batching methods. UIA reserves the right to request a small range of batch numbers from the contracting bank, at any time. These batch numbers will be used for in-house processing.

The contracting bank will be required to provide keypunch services to key encode required information, and to provide a FTP transmission of that information in a format compatible with the UIA mainframe system. Information required to be keyed includes the claimant's social security number; check number; the dollar amount and the received date.

U.I. TAX LOCKBOX: The narrative information in this section is provided as a means for evaluating and assessing the activity, volume and extent of service required for Lockbox processing. The numerical data provided in Appendix E is from fiscal year 2009. This data may vary with economic or federal program changes. The Contractor must be capable of handling a substantial increase in volume.



TAX REPORT AND PAYMENT:

The employer's name, address, account number, tax rate, Federal Employer Identification Number (FEIN), debit or credit account balance, and the quarter ending date for which employer information is required are pre-printed, by the UIA, on Form UIA 1020, Employer's Quarterly Tax Report. This document is mailed to all active Michigan employers near the middle of the last month of each calendar quarter. Other items of information on the 1020 report: Gross Wages, Taxable Wages, Tax Due, Amount Enclosed and the number of Covered Workers employed during each month of the quarter, are provided by the employer. Data to be key encoded by the contracting bank will be designated specific sections below and Appendix F.

The tax form (UIA 1020) and remittance are submitted by employers each quarter. Employers are required to file the tax report on or before the 25th of the month following the end of each quarter. Employers must file tax reports for all quarters, even if no tax is due or no payment is being made. Remittances usually decline with each subsequent quarter due to a cap (\$9,500 in 2002 and \$9,000 in subsequent years) on the taxable wages of each person employed in the state. Following is the average percentage of total yearly UIA tax dollars that are received for each quarter. The number of tax reports filed will be fairly consistent for every quarter.

1st Quarter	01/01	through 03/31	59%
2nd Quarter	04/01	through 06/30	20%
3rd Quarter	07/01	through 09/30	12%
4th Quarter	10/01	through 12/31	9%

There are approximately 200,000 Michigan employers remitting \$1.4 billion each year. There are also approximately 5500 reimbursing employers submitting quarterly payments and payroll reports (UIA 1020-R). Remittances vary from a few cents to many millions of dollars. Most remittances are in the one thousand to twenty-five thousand dollar range.

At least 95% of all remitted dollars must be deposited in the UIA Clearing Account within 24 hours of receipt. The remaining 5% of the remitted dollars shall be deposited within 48 hours of receipt. The bank will provide a single lockbox to process all remittances made to the UIA. This lockbox may be represented by a Post Office Box number. However, for bulk deliveries from service bureaus and accounting organizations that will be made by common carriers such as UPS et al, a street address must be made available.

BATCHING:

UIA uses a batch process in which batch sizes vary among the ten types of batches to be processed by the bank. Each batch type is sized to facilitate manual error correction. (See Batch Processing section below.)

Batch numbers are nine digits in length beginning with the Fiscal Year (FY) designation (e.g., 2009-12345). Batch numbers are assigned sequentially beginning with __00001 on October 1st, the beginning of the UIA's fiscal year, and ending on September 30th of the following calendar year (e.g., 2009-00001 on October 1, 2008, through 2009-34637 on September 30, 2009).

UIA reserves the right to request a small range of batch numbers from the contracting bank, at any time. These batch numbers are used for in-house processing. Historically, these numbers have been requested on a weekly to bi-weekly basis, and are generally limited to no more than 3 to 10 batch numbers which are processed on the same day on which the numbers are requested.

KEY ENCODING:

The contracting bank will be required to provide keypunch services to key encode required information, and to provide a FTP transmission of that information in a format compatible with the UIA mainframe system.

SPECIFIC U.I. LOCKBOX PROCESSING REQUIREMENTS:

Collecting Mail: The contracting bank must arrange for the pick-up or delivery of UIA 1020 tax reports and remittances from the lockbox as frequently as necessary to insure timely processing of all incoming receipts. Due to the increase in the amount of mail at quarter endings, a minimum of two pick-ups a day is required between the 20th and 30th of January, April, July and October.

Opening Mail: On receipt of pick-up or delivery, all envelopes must be opened, and the contents extracted and date stamped with the received date.. The date stamp must be placed on the face of every item from the envelope, including the face of the remittance device. Keep all contents and envelopes together until initial verification requirement is satisfied.



DATE STAMPING SHALL BE COMPLETED PRIOR TO ANY ADDITIONAL PROCESSING.

INITIAL VERIFICATION REQUIREMENTS:

Sort the acceptable for processing documents from the exception items to be forwarded to UIA.

ACCEPTABLE REMITTANCE DEVICES MUST MEET THE FOLLOWING CRITERIA:

1. ACCEPTABLE PAYEES:

Unemployment Insurance Agency	UIA
Unemployment Agency	UA
Michigan Unemployment	Unemployment
Michigan Unemployment Agency	MUA
Michigan Unemployment Security Agency	State of Michigan-UA
Michigan Unemployment Security Commission	Unemployment Tax
Michigan Employment Security Agency	MESA
Michigan Employment Security Commission	MESC
Michigan Employment Agency	Michigan ESA
Unemployment Compensation (UC)	Employment
State of Michigan – MESA	State of Michigan
State of Michigan – MESC	Michigan Employment

ANY PAYEE - ** IF THE AMOUNT ON THE REMITTANCE DEVICE IS THE SAME AS THE AMOUNT ON FORM UIA 1020, LINE 11 **

2. ACCEPTABLE REMITTANCE DEVICES:

Personal Checks	Certified Checks
Business Checks	Money Orders
Cashiers Checks	Cash

ACH and debit/credit card payments –With prior approval from the UIA Tax Office.

Cash - Normally, the bank will not receive cash; however, if cash is received, the bank shall provide appropriate controls for handling of the cash, prepare a credit document to represent the cash, and process that document in the same manner as any other remittance.

NON-ACCEPTABLE REMITTANCES WILL MEET AT LEAST ONE OF THE FOLLOWING CRITERIA:

1. NON-ACCEPTABLE REMITTANCE DEVICE WILL CONTAIN A:

- a) Payee other than on the acceptable payee list.
- b) Postdated negotiable instrument.
- c) Checks stamped or annotated "Payment in Full" or "Paid in Full".

THE VENDOR WILL FORWARD TO THE UIA, ALONG WITH ALL ENCLOSED DOCUMENTATION INCLUDING TAX REPORT.

2. NON-ACCEPTABLE TAX REPORT WILL CONTAIN A:

- a) Any tax report with no information or all zeros on lines 5, 6, 7, 8 and 11 which has any variation of "Out of Business" or "Business Closed" written upon the form.
- b) Any tax report annotated "Account Paid in Full" or "Paid in Full".

THE VENDOR WILL FORWARD TO THE UIA, ALONG WITH ALL ENCLOSED DOCUMENTATION INCLUDING ANY REMITTANCE DEVICE.

PROCESSING OF EXCEPTION ITEMS TO BE FORWARDED TO THE UIA:

Non-acceptable UIA 1020 reports and remittances, as well as all enclosed correspondence, forms and notes are to be date stamped and delivered daily to UIA Tax Office, Team Support, Suite 11-500, Cadillac Place, 3024 W. Grand Blvd., Detroit, Michigan 48202.



The UIA requires that the bank provide a daily register of those exception items involving money. One copy shall be included with the forwarded items, and one shall be maintained in a binder at the bank. Items will be identified by UIA employer number, or if an UIA number is not available, by FEIN (Federal Employer Identification Number).

PRELIMINARY EDIT AND PROCESSING REQUIREMENTS: For FORM UIA 1020, EMPLOYERS QUARTERLY TAX REPORT; FORM UIA 1093-E, NOTICE OF ESTIMATED TAX LIABILITY; FORM UIA 1020-R, EMPLOYER'S QUARTERLY PAYROLL REPORT and remittance documents:

If an ADDRESS or part of an address has been crossed out and corrected or changed, a photo copy of the UIA 1020/1093-E/1020-R will be prepared, marked 'COPY, FOR ADDRESS CHANGE' and forwarded to the UIA. The originals of the UIA 1020 or UIA 1093-E or UIA 1020-R, hereafter referred to as UIA 1020/1093-E/1020-R tax report, are then processed in the usual manner.

Some employers, or their agents, will provide one remittance device which covers a number of tax reports, or more than one remittance device which totals the amount entered on one tax report. These items shall be isolated and checked for accuracy.

If the written amount of the remittance device varies from the numerical amount, accept the remittance device for the amount that matches the UIA 1020/1093-E, tax report, Line 11. If neither the written nor numerical amounts match the amount indicated on the UIA 1020/1093-E, accept the numerical amount and change the UIA 1020/1093-E, tax report, as indicated below. If the item in question is a remittance device with no tax document, accept the numerical amount.

If a UIA 1020/1093-E, tax report, with a single remittance device has different amounts indicated on the remittance device and on Line 11 of the tax report, the bank shall assume that the amount indicated on the remittance device is correct, and shall draw a single line through the amount on Line 11, and enter the remittance device amount in the boxes provided at the bottom left of the UIA 1020/1093-E under the heading "For UIA Use Only, Do Not Write Below Line". A bank employee must initial all such changes. Care must be taken when correcting line 11 since, as noted above, employers may include one remittance device to cover a number of tax reports, or several remittance devices to cover the remittance amount indicated on one tax report.

The UIA employer number must be included on both the tax document and remittance device. If the employer has not placed the UIA employer number on the remittance device, the bank shall enter that number on the face of the remittance device.

Form UIA 1020s and remittance devices will be received with no UIA employer number or with the words "Number Applied For" or some variation of that wording indicated on the document. These may be tax documents with remittance devices, tax documents with no remittance devices, or remittance devices alone. The number 1111111 (seven ones) shall be entered as the employer number on the tax document and remittance device. Processing shall then continue as usual.

The UIA employer number on tax documents and remittance devices submitted by some employers may contain more than seven digits. This will most commonly occur with deliveries from service bureaus or accounting firms who are submitting multiple reports and payments. When this occurs, the first seven digits of the number, including any leading zeros, will represent the actual employer number. The bank shall circle the correct seven-digit UIA employer number prior to the key-encoding process.

If the UIA 1020, Employer's Quarterly Tax Report, or UIA 1093-E, Notice of Estimated Tax Liability, has no "Quarter Ending Date" indicated on line 3, the bank shall process the document with the most recently completed quarter ending date.

1st Quarter	March 31
2nd Quarter	June 30
3rd Quarter	September 30
4th Quarter	December 31

If the UIA 1021, Employer's Supplemental Tax Report, has no "Quarter Ending Date" enter 00/00/00 as the quarter ending date.



BATCH PROCESSING OF REPORTS AND PAYMENTS FOR DEPOSIT AND KEY ENCODING:

Since the batching process of the various Batch Types requires differing levels of bank activity, the UIA requires that the per unit cost of processing Batch Types 01, 02, 03, 04, 05, 06, 07, 08, 09 and 10 be shown as separate bid items.

Acceptable reports and payments, payments only and reports only must be sorted into ten (10) categories or batch types before preparing deposits and key encoding.

The ten batch types, the UIA form numbers, the five transaction codes associated with the various batch types and the maximum number of items that can be included in each batch type are:

- Batch Type 01 - UIA 1020, tax report w/remittance
 UIA 1093-E Est. tax report w/remittance
 Transaction Type 01
 42 items

- Batch Type 01 - UIA 1021, amended tax report w/remittance
 Transaction Type 07
 42 items

- UIA 1107, adjusted tax report w/remittance
 Transaction Type 07
 42 items

NOTE: UIA 1021s and 1107s will always be forwarded from the UIA, grouped by received date, in an envelope marked "Batch Type 01, Transaction Code 07." They will be sent in the Agency envelope on Tuesdays and Thursdays except during the quarter-ending rush period when they will be sent each day. Any UIA 1021s and UIA 1107s inadvertently received with the Lockbox post office mail will be date-stamped and forwarded to the UIA Tax Office for initial processing.

- Batch Type 02 - UIA 1020 tax report with no remittance
 Transaction Type 01
 90 items

- Batch Type 02 - UIA 1021 amended tax report with no remittance
 UIA 1107 amended tax report with no remittance
 Transaction Type 07
 90 items

- Batch Type 03 - Remittance Device Only (no UIA 1020)
 Transaction Type 10
 42 items

- Batch Type 04 - Voluntary Payment, Remittance Device Only (no UIA 1020 tax report)
 Transaction Type 12
 42 items

NOTE: Batch Type 04 will always be forwarded from the UIA in an envelope marked "Batch Type 04, Transaction Code 12." The processing dates for Batch Type 04's will usually be between January 1st and April 30th.

- Batch Type 05 - UIA 1020 tax report without Account Numbers with remittance
 Transaction Type 01
 42 items

- Batch Type 05 - UIA 1020 tax report without Account Numbers w/o remittance
 Transaction Type 01
 42 items

- Batch Type 05 - UIA 1021 amended tax report without Account Numbers w/ remittance
 Transaction Type 07
 42 items



- Batch Type 06 - UIA 1020 tax report with no gross wages, excess wages, taxable wages, or tax owed indicated on lines 5, 6, 7, and 9. The UIA refers to this as a "no payroll" or "zero payroll" report.
Transaction Type 01
90 items

- Batch Type 06 - UIA 1021 amended tax report with no wages and no remittance
UIA 1107 amended tax report with no wages and no remittance
Transaction Type 07
90 items

NOTE: The bank may receive Batch Type 6 "no payroll" reports with a remittance device. The UIA 1020 tax report may or may not have an amount indicated on line 11. If it has an amount on line 11, the bank shall line through that amount. A bank employee should initial the line-out. Both "no payroll" reports with no entry on line 11 and those that have had Line 11 lined-out by the bank shall be processed as a Batch Type 06. The remittance device shall be processed separately as a Batch Type 03,"remittance only". If the employer has not placed the UIA account number on the face of the check, the bank shall copy the UIA account number to the check at this time.

- Batch Type 07 - UIA 1110, FUTA tax credit
Transaction Code 15
90 items

NOTE: Batch Type 07 will always be forwarded from the UIA in an envelope marked "FUTA, Batch Type 07, Transaction Code 15".

- Batch Type 08 - UIA 1093-E estimated tax report with or without wages and no remittance
Transaction Type 01
90 items

- Batch Type 09 - UIA 1020R tax report without Remittances
Transaction Type 01
90 items

- Batch Type 09 - UIA 1021R tax report without Remittances
Transaction Type 07
90 items

- Batch Type 10 - Solvency Voluntary Payment, Remittance Device Only
Transaction Type 12
42 items

NOTE: Batch Type 10 will always be forwarded from the UIA in an envelope marked "Batch Type 10, Transaction Code 12." The processing dates for Batch Type 10's will usually be between May 1st and December 15th.

BATCHING PROCESS:

1. All items in a batch must share the same received date, even if the batch includes only one item.
2. Assign batch numbers consecutively to each batch processed.
3. The following must be included on the UIA 1020, 1093-E, 1021, 1107 or 1110:
 - (a) Batch Number
 - (b) Received Date
 - (c) Remittance Amount (On Batch Type 01 and 05 only if a remittance is received)

If the remittance amount on the report does not match the amount of the check:



UIA 1020/1093-E:

Put a line through the amount on Line 11. "Amount Enclosed", insert the amount of the remittance device in the area provided below the words "For UIA Use Only, Do Not Write Below Line" and initial the change. Please watch for multiple remittance devices with one UIA 1020/1093-E, or multiple forms UIA 1020/1093-E with one remittance device.

UIA 1021:

Put a line through the amount on Line 6, "Total Tax", column III, "Difference," insert the amount of the remittance device at the top right of the "For UIA Use Only" box and initial the change. Please watch for multiple remittance devices with one UIA 1021, or multiple forms UIA 1021 with one remittance device.

UIA 1107:

Put a line through the amount in column 3, "Tax Liability," initial the change, insert the amount of the remittance device in the vacant space immediately below, opposite the words "Tax Paid." Please watch for multiple remittance devices with one UIA 1107, and multiple forms UIA 1107 with one remittance device.

4. If there is a remittance, the following information must be included on the face of the remittance device:
 - (a) Batch Number
 - (b) Employer Account Number
 - (c) Received Date
5. Form UIA 1036, UIA Quarterly Financial Batch Header, must be prepared for each batch. The batch header includes; batch number, batch date, received date, batch type, transaction code, number of reports in the batch, number of payments in the batch, and the total payment amount of the batch. The header also includes spaces for the initials of bank staff that assembles the batch, runs report tapes, runs check tapes and balances the batch.

NOTE: THE FOLLOWING ITEMS 6, 7, 8, 9 AND 10 MUST BE COMPLETED BY DIFFERENT BANK EMPLOYEES.

6. For Batch Types 01, 03 and 04, 05 (with remittance) and 10, prepare a proof tape of the dollar amounts of the remittance devices. Enter the number of checks listed on the tape below the total amount of the payments. Indicate the total number of payments on the batch header under "NO. OF PAYMENTS" and the dollar amount on the batch header under "TOTAL PAYMENT AMOUNT".
7. For Batch Type 07, circle the year indicated following the words "APPLICATION FOR STATE UNEMPLOYMENT TAX CREDIT". Prepare a proof tape of the credit amounts indicated on the UIA 1110 form above the words:
 - "1983 FUTA Tax Penalty" or
 - "1984 FUTA Tax Penalty" or
 - "1985 FUTA Tax Penalty" or
 - "20XX FUTA Tax Penalty" or
 - "Figure A (additional FUTA taxes paid)."

Prepare a proof tape of the credit amounts indicated on the UIA 1110s. In the area below the total of the individual credit amounts, enter the count of reports listed on the tape. Enter this number under "TOTAL NUMBER OF REPORTS" on the batch header. Enter the total of the credit amounts under "TOTAL PAYMENT AMOUNT" on the batch header.

8. For Batch Types 01, 02, 05 and 08 prepare a proof tape of the dollar amounts indicated on the UIA 1020/1093-E tax reports, line 11, or if line 11 has been lined through, in the boxes in the "for UIA use only" area. In the area below the total of the individual line 11 amounts, enter the count of reports listed on the tape. Enter this number on the batch header under "NO OF REPORTS."
9. For Batch Type 01, 05, and 08 when there is remittance verify that the totals shown on the remittance and report proof tapes are equal. Enter that amount in the "TOTAL PAYMENT AMOUNT" space on the batch header.
10. For Batch Types 03, 04, and 10 verify remittance devices against proof tape of remittance devices and enter amount in the "TOTAL PAYMENT AMOUNT" space on the batch header.



11. Endorse all remittance instruments using a standard endorsement that includes, "For Deposit Only", "UIA" and the UIA's UI Bank Clearing Account number.
12. Prepare a photocopy (front only) of all Batch Types 03, 04 and 10 negotiable instruments to be used in key encoding to magnetic tape.
13. For Batch Type 06, a count of the reports in the batch should be indicated on the batch header at "TOTAL NUMBER OF REPORTS".
14. Assemble batch for key encoding to FTP:
 - (a) Batch Type 01, Transaction Code 01:
UIA 1020/1093-Es, Batch Header, Remittance proof tape, Report proof tape.
 - (b) Batch Type 01, Transaction Code 07:
UIA 1021s or 1107s, Batch Header, Remittance proof tape, Report proof tape.
 - (c) Batch Type 02, Transaction Code 01
UIA 1020, Batch Header, Report proof tape.
 - (d) Batch Type 02, Transaction Code 07
UIA 1107/1021, Batch Header, Report proof tape.
 - (e) Batch Types 03, 04, and 10:
Batch Header, Photocopies or electronic images of remittance devices and remittance proof tape.
 - (f) Batch Type 05, Transaction Code 01
UA 1020s, Batch Header, Remittance proof tape for batches with remittances.
Report proof tape.
 - (g) Batch Type 05, Transaction Code 07
UIA 1021s, Batch Header, Remittance proof tape for batches with remittances.
Report proof tape.
 - (h) Batch Type 06, Transaction Code 01:
UA 1020s, Batch Header.
 - (i) Batch Type 06, Transaction Code 07
UIA 1021/1107 Batch Header
 - (j) Batch Type 07:
UA 1110s, Batch Header, Proof tape of amounts at:
 "1993 FUTA Tax Penalty" or
 "1994 FUTA Tax Penalty" or
 "20XX FUTA Tax Penalty" or
 "Figure A (additional FUTA taxes paid)."
 - (k) Batch Type 08, Transaction Code 01
UA 1093-Es, Batch Header; Remittance proof tape for batches with remittances.
Report proof tape.
 - (l) Batch Type 09:
UA 1020R, Batch Header; Report proof tape.
15. Key encode batch header and tax report information to FTP (see Appendix E for key encoding format and instructions).
16. A standard batch folder shall be prepared for each batch. The batch number shall be annotated at the right side of the tab of the folder. The proof tapes of both reports and remittances shall be stapled on the inside back of the folder at the left side of the tab. Enclose tax reports for Batch Types 01, 02, 06, 08, and 09, the UA 1110s for Batch Type 07 and the photocopies or electronic images of the remittance devices for Batch Types 03, 04, and 10 in the folder with the batch header at front. Tax reports may be loosely rubber-banded. Do not rubber-band photocopies or batch headers.
17. Deliver batches and magnetic tapes to UIA Tax Office - Team Support, within 72 hours of original document receipt at the lockbox, except as noted in the "Pickup and Delivery" section.

NOTE: Please note that ALL DAILY TRANSMISSIONS must include at least one batch containing remittances (cash batch) or the UIA system will not accept the input. This batch can be a type 01 code 01, type 01 code 07, type 03 code 10 or type 04 code 12 or type 10 code 12.



Batch types 02, 06, 07, and 09 are not cash batches. Batch types 05 and 08 can be cash batches.

PROCESSING STEPS TO BE FOLLOWED FOR EACH BATCH TYPE:

1. UIA 1020/1093-ES WITH REMITTANCE DOCUMENTS
(Batch Type 01, Transaction Code 01)
Shall be processed using steps 1 through 6, 8, 9, 11 and 14 through 17.
2. UIA 1021s WITH REMITTANCE DOCUMENTS
(Batch Type 01, Transaction Code 07)
Shall be processed using steps 1 through 6, 8, 9, 11 and 14 through 17.
3. UIA 1107s WITH REMITTANCE DOCUMENTS
(Batch Type 01, Transaction Code 07)
Shall be processed using steps 1 through 6, 8, 9, 11 and 14 through 17.
4. UIA 1020 WITH WAGE INFORMATION BUT NO TAX REMITTANCE
(Batch Type 02, Transaction Code 01)
Shall be processed using steps 1 through 3, 5, 8, and 14 through 17.
5. TAX REMITTANCES WITHOUT UIA 1020 REPORTS
(Batch Type 03, Transaction Code 10)
Shall be processed using steps 1, 2, 4, 5, 6, 10, 11, 12 and 15 through 17.
6. VOLUNTARY PAYMENTS", REMITTANCE ONLY, WITHOUT UIA 1020 REPORTS
Will always be sent to bank by UIA in envelope labeled:
(Batch Type 04, Transaction Code 12 or Batch Type 10, Transaction Code 12)
Shall be processed using steps 1, 2, 4, 5, 6, 10, 11, 12 and 14 through 17.
7. UIA 1020 REPORTS, WITHOUT ACCOUNT NUMBERS (This batch can contain remittances or amended reports)
Will always be sent to bank by UIA in envelope labeled:
(Batch Type 05, Transaction Code 1)
Shall be processed using steps 1, 2, 4, 5, 6, 10, 11, 12 and 14 through 17.
8. UA 1020/1093-Es WITH NO WAGE INFORMATION
(Batch type 06, Transaction Code 01)
Shall be processed using 1 through 3, 5, and 13 through
9. UIA 1110s FUTA CREDIT FORMS
(Batch Type 07, Transaction Code 15)
Shall be processed using 1 through 3, 5, 7; and 14 through 17.
10. UIA 1093-Es WITH WAGE INFORMATION BUT NO TAX REMITTANCE
(Batch Type 08, Transaction Code 01)
Shall be processed using steps 1 through 3, 5, 8, and 14 through 17.
11. UIA 1020R REPORTS WITHOUT REMITTANCES
(Batch Type 09, Transaction Code 01)
Shall be processed using steps 1 through 3, 5, 8, and 14 through 17.
12. UIA 1021R REPORTS WITHOUT REMITTANCES
(Batch Type 09, Transaction Code 07)
Shall be processed using steps 1 through 3, 5, 8, and 14 through 17.



PREPARE REMITTANCE DEPOSITS:

1. A deposit ticket must be prepared for each deposit to the UIA UI Clearing Account. A minimum of one deposit shall be made each day. The deposit ticket shall contain a listing of each batch number and the "Total Payment Amount."
2. The amount of the deposit must be verified with the proof machine for batch total figures (batch types 01, 03 04, 05, 10). A copy of the deposit ticket shall be attached to the proof machine's batch total report.
3. Remittance documents dishonored for NSF or uncollected funds must be presented for payment twice. Returned items shall be routed to the Trust Fund Accounting Section, Suite 13-350, 3024 W. Grand Blvd., Detroit, MI. 48202.

REPORTING:

A computer file transmission shall be generated with the following information:

- (a) Batch Number
- (b) Batch Date
- (c) Received Date
- (d) Batch Type
- (e) Transaction Code
- (f) Number of Reports (UIA 1020s et al)
- (g) Number of Payments (Remittance Devices)
- (h) Total Payment Amount

If (f), (g) and/or (h) are zero, the bank shall enter zeros (at least three zeros on (h)).

The batch header listing shall be in numeric batch sequence with a summary control report on the following:

- (a) Batch Date
- (b) Batch Range Being Reported
- (c) Total Number of Batches Reported
- (d) Total Dollars (this figure should agree with the total dollars).

PICKUPS AND DELIVERIES:

The contracting bank must arrange for the pickup of tax reports and remittances from the Lockbox as frequently as necessary to insure timely processing of all incoming receipts. Due to the increase in the amount of mail at quarter endings, a minimum of two pickups a day is required between the 20th and 30th of January, April, July and October.

The bank shall arrange to make an afternoon pickup and delivery each work day of batches and exception items at the UIA, Tax Office, Suite 11-500; 3024 W. Grand Blvd, Detroit, Michigan; 48202. Our historical delivery time has been 2:30 to 3:00 pm, and our processing systems are set up for delivery and pickup during that period. If any changes to the delivery schedule are to be made, they must be pre-arranged with the UIA/Lockbox liaison at least 24 hours prior to the change. During quarter endings, as indicated above, a minimum of two pickups and deliveries a day will be required by the UIA Tax Office.

The UIA shall include any cash deposit to be made with the other items to be picked up by the bank messenger each day. The bank shall arrange for that deposit to be credited to the UIA UI Clearing Account on the same day on which the bank messenger picks it up.

Do not make deliveries or pickups on Saturdays, Sundays and the scheduled state holidays listed below:

<u>Day</u>	<u>Observance</u>
New Year's Day	January 1, or first working day afterward if on a Saturday or Sunday.
Martin Luther King Day	Third Monday in January.
Presidents' Day	Third Monday in February.
Memorial Day	Last Monday in May.
Independence Day	July 4, or on Friday if the holiday is on Saturday or on Monday if the holiday is on Sunday.
Labor Day	First Monday in September.
Veterans Day	November 11. or on Friday if the holiday is on Saturday or on Monday if the holiday is on Sunday.



Thanksgiving Holiday	Fourth Thursday and Friday in November
Christmas Eve	December 24; or, the working day before if on a Saturday or Sunday.
Christmas Day	December 25, or the first working day following if on a Saturday or Sunday.
New Year's Eve	December 31, or the working day before if on a Saturday or Sunday.

QUALITY AND SECURITY CONTROL:

The Contractor must provide an effective and efficient quality and security control program:

1. Control the flow of work between the source of receipt (lockbox) and the completion of the processes to assure compliance with production time lines and security requirements.
2. Control the quality of service rendered to meet all performance requirements.
3. Ensure that sub-contractors have an acceptable quality control system and meet required performance standards.
4. Provide and maintain a testing and examination system to ensure that the staff and equipment provide optimum in performance.
5. The lockbox bank is completely responsible for maintaining the confidentiality, safety and security of all source documents placed in it's custody, as well as all output data (media) produced. Privacy Act(s) protecting the employers submitting the remittance documents and payments are statutes of law, which apply to this data while in the custody of the contracting bank. The source documents and output media will be the contracting bank's responsibility from lockbox pickup to delivery at the UIA. The bank shall be fully liable to the UIA for any and all costs required to reconstruct all records lost or damaged for any reason, while in the bank's possession.
6. The UIA Tax Office will continually review and evaluate errors, and the State of Michigan reserves the right to cancel the lockbox arrangement because of errors of any kind. The bank will not be permitted a daily percentage rate of error by type or quantity.
7. The contracting bank will conduct periodic status meetings with representatives of the UIA to report progress and problems encountered in the delivery of required services. These meetings may be conducted monthly for the first year of a new banking arrangement, and at least quarterly thereafter. The UIA will make available to the bank appropriate contact persons and telephone numbers for the purpose of responding to any bank questions.
8. The lockbox bank must comply with the deposit requirement as imposed by the U.S. Department of Labor: Deposit into the UI Clearing Account 95% or more of the total dollar amount received at the lockbox by the next business day after receipt, and the deposit of all remaining receipts within one business day thereafter.
9. The UIA has the right to monitor and evaluate the bank's on-site quality control program for all services called for by a lockbox arrangement to the extent practicable and in a manner that will not unduly affect the bank's operations.
10. The contracting bank is completely responsible for maintaining the confidentiality, safety and security for all source documents placed in the bank's custody, as well as all data output media produced. Privacy act(s) protecting the private employers and claimants are statutes of law, which apply to those data while in the hands of the bank. The bank must state clearly their proposed system for security and control.
11. Minimum security and control arrangements shall include, but are not limited to:
 - (a) The transportation of the source documents and output media between UIA and the Contractor's business must be in a completely closed and locked vehicle.
 - (b) All media must be kept, at all times, in the Contractor's or subcontractor's place of business stated in the bid document, and be protected against inspection by persons not directly involved with performance of the UIA's purchase order.
 - (c) The media must be protected physically at all times against loss or damage from any source or for any reason. Storage of source documents and output media is to be in UL certified fire resistant safes or cabinets.



- (d) The bank's premises must be reasonably and adequately protected at all times by a working fire protection system and a burglar alarm system.
- (e) The Contractor shall notify its employees and it's subcontractors of the above security and control requirements and obligations.
- (f) The Bank's proposed security and control measures must be considered workable and acceptable by the State of Michigan before the vendor will be awarded a purchase order from this quotation. The State reserves the right to inspect the lockbox operations. The State also reserves the right to have internal and/or external auditors present during peak collection periods for the lockbox operations.

ELECTRONIC WIRE TRANSFER OF REMITTANCES:

At the request or with the approval of UIA, the bank must provide the option of electronic transfer of employer funds to the bank from certain remitters.

In the event of this type of transfer, the bank shall agree to and comply with the rules governing Automated Clearing House and Wire Transfer transactions.

In the event of the electronic transfer of remittance, the bank shall:

- 1. Accept and process the transfer.
- 2. Provide the UIA Contract Compliance Inspector, within 24 hours, hard copy or electronic confirmation of all Electronic Fund Transfers including both wire and ACH transactions.
- 3. Credit the total amount of such electronic transactions to the UIA UI Bank Clearing Account.

TECHNOLOGICAL IMPROVEMENTS:

Indicate, in writing, what technologies are currently available, or under development, at your facility that might improve your potential service to the UIA above the level of service required in this request for proposal. The Contractor must keep the UIA apprised of any technological improvements that become available during the term of the contract. These technological improvements shall include, but not be limited to, scanning, imaging, CD ROM information storage, and electronic transfer of funds and/or media.

The Contracting bank must be capable of providing images of checks, increase use of electronic payments and accept debit/credit card payments.

1.030 Roles and Responsibilities

1.031 Contractor Staff, Roles, and Responsibilities

- A. The Contractor must provide a project manager to act as a central point of contact for all contractual activities.
- B. All Key Personnel may be subject to the State's interview and approval process.
- C. If the subcontractor has access to confidential information, also provide security requirement information for the subcontractor (Appendix C).

1.040 Project Plan

1.041 Project Plan Management

- a. The Contractor will carry out this project under the direction and control of the Unemployment Insurance Agency.
- b. Although there will be continuous liaison with the Contractor team, the client agency's project director will meet quarterly as a minimum, with the Contractor's project manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems which arise.



- c. During the initial implementation and start up of the lockbox operation, the Contractor will submit brief written biweekly summaries of progress which outline the work accomplished during the reporting period; work to be accomplished during the subsequent reporting period; problems, real or anticipated, which should be brought to the attention of the client agency's project director; and notification of any significant deviation from previously agreed upon work plans. A copy of this report will be forwarded to the named buyer in Purchasing Operations.
- d. Within five (5) working days of the award of the Contract, the Contractor will submit to the Unemployment Insurance Agency project director for final approval a work plan. This final implementation plan must be in agreement with section IV C subsection 2 as proposed by the bidder and accepted by the State for Contract, and must include the following:
 - (1) The Contractor's project organizational structure.
 - (2) The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
 - (3) The project breakdown showing sub projects, activities and tasks, and resources required and allocated to each.
 - (4) The time phased plan in the form of a graphic display, showing each event, task, and decision point in your work plan.

1.042 Reports

Reports

Reporting requirements for specific areas are detailed in section II-C.

1.050 Acceptance – Deleted/Not Applicable

1.060 Proposal Pricing

1.061 Proposal Pricing

For authorized Services and Price List, see Attachment A.

Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for the expense at the State's current travel reimbursement rates. See www.michigan.gov/DTMB for current rates.

1.062 Price Term

Prices quoted are firm for the entire length of the Contract.

**1.063 Tax Excluded from Price**

(a) Sales Tax: For purchases made directly by the State, the State is exempt from State and Local Sales Tax. Prices must not include the taxes. Exemption Certificates for State Sales Tax will be furnished upon request.

(b) Federal Excise Tax: The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices must not include the Federal Excise Tax.

1.064 Holdback – Deleted/Not Applicable**1.070 Additional Requirements****1.071 Additional Terms and Conditions specific to this Contract – Deleted/Not Applicable**



Article 2, Terms and Conditions

I-A PURPOSE

The purpose of this Contract is to obtain banking services for The State of Michigan's Unemployment Insurance (UI) Benefit Payment Activities; Unemployment Insurance Tax Deposit Activities; Tax Remittance Activities using a modified Lock-Box Operation; and Restitution Clearing Activities.

JPMorgan Chase will provide a Benefit Payment Checking Account through which all Unemployment Benefit checks will be processed for payment; an Unemployment Deposit Clearing Account for depositing Unemployment Insurance tax payments received; a Lockbox processing service to process Unemployment Insurance tax forms, and accelerate the depositing of the related tax payments received; and a Restitution Deposit Clearing Account for depositing claimant restitution payments received.

I-B TERM OF CONTRACT

The State of Michigan is not liable for any cost incurred by any bidder prior to signing of a Contract by all parties. The activities (be sure to spell out activity) in the proposed Contract cover the period **March 2, 2011 through March 1, 2016**. The State may at its option extend this Contract for two additional one-year periods, subject to review vendor performance and pricing. The State fiscal year is October 1st through September 30th. The prospective Contractor should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations.

I-C ISSUING OFFICE

This Contract is issued by the State of Michigan, Department of Technology, Management and Budget (DTMB), Purchasing Operations hereafter known as Purchasing Operations, for the State of Michigan, Department of Consumer and Industry Services, Bureau of Workers' & Unemployment Compensation, (BW&UC). Where actions are a combination of those of Purchasing Operations and the Bureau of Workers' & Unemployment Compensation, the authority will be known as the State.

Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the services described herein. Purchasing Operations is the only office authorized to change, modify, amend, alter, clarify, etc., the prices, specifications, terms, and conditions of this Request For Proposal and any Contract(s) awarded as a result of this Request. Purchasing Operations will remain the SOLE POINT OF CONTACT throughout the procurement process, until such time as the Director of Purchasing Operations shall direct otherwise in writing. All communications concerning this procurement must be addressed to:

Jim Wilson, Buyer Specialist
DTMB, Purchasing Operations
2nd Floor, Mason Building
P.O. Box 30026
Lansing, MI 48909
WilsonJ4@michigan.gov
Phone: (517) 241-1916

I-D CONTRACT COMPLIANCE INSPECTOR

Upon receipt at Purchasing Operations of the properly executed Contract Agreement, it is anticipated that the Director of Purchasing Operations will direct that the person named below or any other person so designated be authorized to administer the Contract on a day-to-day basis during the term of the Contract. However, administration of any Contract resulting from this Request implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications of such Contract. That authority is retained by Purchasing Operations. The Contract Compliance Inspector for this project is:



Ms. Deborah Ciccone, Chief Accountant
Bureau of Workers' & Unemployment Compensation
Trust Fund Accounting, Suite 13-350
3024 W. Grand Blvd.
Detroit, MI 48202
CicconeDebbie@michigan.gov

I-E COST LIABILITY

The State of Michigan assumes no responsibility or liability for costs incurred by the Contractor prior to the signing of any Contract resulting from this Request. Total liability of the State is limited to the terms and conditions of any resulting Contract.

I-F CONTRACTOR RESPONSIBILITIES

The Contractor will be required to assume responsibility for all contractual activities offered in this proposal whether or not that Contractor performs them. Further, the State will consider Bank One to be the sole point of contact with regard to contractual matters, including but not limited to payment of any and all costs resulting from the anticipated Contract. If any part of the work is to be subcontracted, the contractor must notify the state and identify the subcontractor(s), including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational abilities. The State reserves the right to approve subcontractors for this project and to require the Contractor to replace subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract.

I-G NEWS RELEASES

News releases pertaining to this document or the services, study, data, or project to which it relates will not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the program are to be released without prior approval of the State and then only to persons designated.

I-H DISCLOSURE

All information in a bidder's proposal and this Contract resulting from the ITB is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, *et seq.*

I-I ACCOUNTING RECORDS

The Contractor will be required to maintain all pertinent financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Michigan.

Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Auditor General at any time during the Contract period and any extension thereof, and for three (3) years from the expiration date and final payment on the Contract or extension thereof.

I-J INDEMNIFICATION

A. General Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:

1. any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from (1) the product provided or (2) performance of the work, duties, responsibilities, actions or omissions of the Contractor or any of its subcontractors under this Contract.
2. any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from a breach by the Contractor of any representation or warranty made by the Contractor in the Contract;



3. any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or related to occurrences that the Contractor is required to insure against as provided for in this Contract;
4. any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the State;
5. any claim, demand, action, citation or legal proceeding against the State, its employees and agents which results from an act or omission of the Contractor or any of its subcontractors in its or their capacity as an employer of a person.

B. Patent/Copyright Infringement Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its employees and agents from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment,

software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or the operation thereof, become or in the Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

C. Indemnification Obligation Not Limited

In any and all claims against the State of Michigan, or any of its agents or employees, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefits acts, or other employee benefits acts. This indemnification clause is intended to be comprehensive. Any overlap in subclauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other subclause.

D. Continuation of Indemnification Obligation

The duty to indemnify will continue in full force and affect notwithstanding the expiration or early termination of the Contract with respect to any claims based on facts or conditions, which occurred prior to termination.

I-K LIMITATION OF LIABILITY

Except as set forth herein, neither the Contractor nor the State shall be liable to the other party for indirect or consequential damages, even if such party has been advised of the possibility of such damages. Such limitation as to indirect or consequential damages shall not be applicable for claims arising out of gross negligence, willful misconduct, or Contractor's indemnification responsibilities to the State as set forth in Section I-J with respect to third party claims, action and proceeding brought against the State.

**I-L NON INFRINGEMENT/COMPLIANCE WITH LAWS**

The Contractor warrants that in performing the services called for by this Contract it will not violate any applicable law, rule, or regulation, any contracts with third parties, or any intellectual rights of any third party, including but not limited to, any United States patent, trademark, copyright, or trade secret.

I-M WARRANTIES AND REPRESENTATIONS

The Contract will contain customary representations and warranties by the Contractor, including, without limitation, the following:

1. The Contractor will perform all services in accordance with high professional standards in the industry;
2. The Contractor will use adequate numbers of qualified individuals with suitable training, education, experience and skill to perform the services;
3. The Contractor will use its best efforts to use efficiently any resources or services necessary to provide the services that are separately chargeable to the State;
4. The Contractor will use its best efforts to perform the services in the most cost effective manner consistent with the required level of quality and performance;
5. The Contractor will perform the services in a manner that does not infringe the proprietary rights of any third party;
6. The Contractor will perform the services in a manner that complies with all applicable laws and regulations;
7. The Contractor has duly authorized the execution, delivery and performance of the Contract;
8. The Contractor has not provided any gifts, payments or other inducements to any officer, employee or agent of the State;

I-N TIME IS OF THE ESSENCE

The Contractor agrees that time is of the essence in the performance of the Contractor's obligations under this Contract.

I-O WORK PRODUCT AND OWNERSHIP

1. Work Products shall be considered works made by the Contractor for hire by the State and shall belong exclusively to the State and its designees, unless specifically provided otherwise by mutual agreement of the Contractor and the State. If by operation of law any of the Work Product, including all related intellectual property rights, is not owned in its entirety by the State automatically upon creation thereof, the Contractor agrees to assign, and hereby assigns to the State and its designees the ownership of such Work Product, including all related intellectual property rights. The Contractor agrees to provide, at no additional charge, any assistance and to execute any action reasonably required for the State to perfect its intellectual property rights with respect to the aforementioned Work Product.
2. Notwithstanding any provision of this Contract to the contrary, any preexisting work or materials including, but not limited to, any routines, libraries, tools, methodologies, processes or technologies (collectively, the "Development Tools") created, adapted or used by the Contractor in its business generally, including any and all associated intellectual property rights, shall be and remain the sole property of the Contractor, and the State shall have no interest in or claim to such preexisting work, materials or Development Tools, except as necessary to exercise its rights in the Work Product. Such rights belonging to the State shall include, but not be limited to, the right to use, execute, reproduce, display, perform and distribute copies of and prepare derivative works based upon the Work Product, and the right to authorize others to do any of the foregoing, irrespective of the existence therein of preexisting work, materials and Development Tools, except as specifically limited herein.



3. The Contractor and its subcontractors shall be free to use and employ their general skills, knowledge and expertise, and to use, disclose, and employ any generalized ideas, concepts, knowledge, methods, techniques or skills gained or learned during the course of performing the services under this Contract, so long as the Contractor or its subcontractors acquire and apply such information without disclosure of any confidential or proprietary information of the State, and without any unauthorized use or disclosure of any Work Product resulting from this Contract.

I-P CONFIDENTIALITY OF DATA AND INFORMATION

1. All financial, statistical, personnel, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this section.
2. The Contractor shall not be required under the provisions of this section to keep confidential, (1) information generally available to the public, (2) information released by the State generally, or to the Contractor without restriction, (3) information independently developed or acquired by the Contractor or its personnel without reliance in any way on otherwise protected information of the State. Notwithstanding the foregoing restrictions, the Contractor and its personnel may use and disclose any information which it is otherwise required by law to disclose, but in each case only after the State has been so notified, and has had the opportunity, if possible, to obtain reasonable protection for such information in connection with such disclosure.

I-Q REMEDIES FOR BREACH OF CONFIDENTIALITY

The Contractor acknowledges that a breach of its confidentiality obligations as set forth in section I-Q of this Contract shall be considered a material breach of the Contract. Furthermore the Contractor acknowledges that in the event of such a breach the State shall be irreparably harmed.

Accordingly, if a court should find that the Contractor has breached or attempted to breach any such obligations, the Contractor will not oppose the entry of an appropriate order restraining it from any further breaches or attempted or threatened breaches. This remedy shall be in addition to and not in limitation of any other remedy or damages provided by law.

I-R CONTRACTOR'S LIABILITY INSURANCE

The Contractor is required to provide proof of the minimum levels of insurance coverage as indicated below. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether such services are performed by the Contractor, or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain pursuant to this Contract. The Contractor also agrees to provide evidence that all applicable insurance policies contain a waiver of subrogation by the insurance company.

All insurance coverages provided relative to this Contract/Purchase Order is PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State.

The Insurance shall be written for not less than any minimum coverage herein specified or required by law, whichever is greater. All deductible amounts for any of the required policies are subject to approval by the State.

The State reserves the right to reject insurance written by an insurer the State deems unacceptable.



BEFORE THE CONTRACT IS SIGNED BY BOTH PARTIES OR BEFORE THE PURCHASE ORDER IS ISSUED BY THE STATE, THE CONTRACTOR MUST FURNISH TO THE DIRECTOR OF Purchasing Operations, CERTIFICATE(S) OF INSURANCE VERIFYING INSURANCE COVERAGE.

THE CERTIFICATE MUST BE ON THE STANDARD "ACCORD" FORM. THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING. All such Certificate(s) are to be prepared and submitted by the Insurance Provider and not by the Contractor. All such Certificate(s) shall contain a provision indicating that coverages afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for 10 days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Management and Budget. Such NOTICE must include the CONTRACT NUMBER affected and be mailed to: Director, Purchasing Operations, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909.

The Contractor is required to provide the type and amount of insurance checked (☑) below:

- ☑ 1. Commercial General Liability with the following minimum coverages:
 \$2,000,000 General Aggregate Limit other than Products/Completed Operations
 \$2,000,000 Products/Completed Operations Aggregate Limit
 \$1,000,000 Personal & Advertising Injury Limit
 \$1,000,000 Each Occurrence Limit
 \$500,000 Fire Damage Limit (any one fire)

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the Commercial General Liability policy.

- ☑ 2. If a motor vehicle is used to provide services or products under this Contract, the Contractor must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Contractor's business for bodily injury and property damage as required by law.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability policy.

- ☑ 3. Worker's disability compensation, disability benefit or other similar employee benefit act with minimum statutory limits. NOTE: (1) If coverage is provided by a State fund or if Contractor has qualified as a self-insurer, separate certification must be furnished that coverage is in the state fund or that Contractor has approval to be a self-insurer; (2) Any citing of a policy of insurance must include a listing of the States where that policy's coverage is applicable; and (3) Any policy of insurance must contain a provision or endorsement providing that the insurers' rights of subrogation are waived. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

- ☐ 4. For contracts providing temporary staff personnel to the State, the Contractor shall provide an Alternate Employer Endorsement with minimum coverage of \$1,000,000.

- ☑ 5. Employers liability insurance with the following minimum limits:
 \$100,000 each accident
 \$100,000 each employee by disease
 \$500,000 aggregate disease

- ☐ 6. Professional Liability Insurance (Errors and Omissions coverage) with the following minimum coverage:
 - ☐ \$1,000,000 each occurrence and \$3,000,000 annual aggregate
 - ☐ \$3,000,000 each occurrence and \$5,000,000 annual aggregate
 - ☐ \$5,000,000 each occurrence and \$10,000,000 annual aggregate

**I-S NOTICE AND RIGHT TO CURE**

In the event of a curable breach by the Contractor, the State shall provide the Contractor written notice of the breach and a time period to cure said breach described in the notice. This section requiring notice and an opportunity to cure shall not be applicable in the event of successive or repeated breaches of the same nature or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage or destruction of any real or tangible personal property.

I-T CANCELLATION

The State may cancel this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

1. Material Breach by the Contractor. In the event that the Contractor breaches any of its material duties or obligations under the Contract, which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State, or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.

In the event that this Contract is cancelled for cause, in addition to any legal remedies otherwise available to the State by law or equity, the Contractor shall be responsible for all costs incurred by the State in canceling the Contract, including but not limited to, State administrative costs, attorneys fees and court costs, and any additional costs the State may incur to procure the services required by this Contract from other sources. All excess reprourement costs and damages shall not be considered by the parties to be consequential, indirect or incidental, and shall not be excluded by any other terms otherwise included in the Contract.

In the event the State chooses to partially cancel this Contract for cause charges payable under this Contract will be equitably adjusted to reflect those services that are cancelled.

In the event this Contract is cancelled for cause pursuant to this section, and it is therefore determined, for any reason, that the Contractor was not in breach of contract pursuant to the provisions of this section, that cancellation for cause shall be deemed to have been a cancellation for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in the Contract for a cancellation for convenience.

2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State.

The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.

3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.



4. Criminal Conviction. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.
5. Approvals Rescinded. In the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Article 11, Section 5 of the Michigan Constitution of 1963, and Chapter 7 of the Civil Service Rules. Notwithstanding any other provision of this Contract to the contrary, the State Personnel Director is authorized to disapprove contractual disbursements for personal services if the Director determines that the Contract of the disbursements under the Contract violate Article 11, Section 5 of the Constitution or violate applicable Civil Service rules or regulations. Cancellation may be in whole or in part and may be immediate as of the date of the written notice to the Contractor or may be effective as of the date stated in such written notice.

I-U RIGHTS AND OBLIGATIONS UPON CANCELLATION

1. If the Contract is canceled by the State for any reason, the Contractor shall, (a) stop all work as specified in the notice of cancellation, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Work Product or other property derived or resulting from the Contract that may be in the Contractor's possession, (c) return all materials and property provided directly or indirectly to the Contractor by any entity, agent or employee of the State, (d) transfer title and deliver to the State, unless otherwise directed by the Contract Compliance Inspector or his or her designee, all Work Product resulting from the Contract, and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or cancellation settlement costs, to the maximum practical extent, including, but not limited to, canceling or limiting as otherwise applicable, those subcontracts, and outstanding orders for material and supplies resulting from the canceled Contract.
2. In the event the State cancels this Contract prior to its expiration for its own convenience, the State shall pay the Contractor for all charges due for services provided prior to the date of cancellation and if applicable as a separate item of payment pursuant to the Contract, for partially completed Work Product, on a percentage of completion basis. In the event of a cancellation for cause, or any other reason under the Contract, the State will pay, if applicable, as a separate item of payment pursuant to the Contract, for all partially completed Work Products, to the extent that the State requires the Contractor to submit to the State any such deliverables, and for all charges due under the Contract for any cancelled services provided by the Contractor prior to the cancellation date. All completed or partially completed Work Product prepared by the Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and the Contractor shall be entitled to receive just and fair compensation for such Work Product. Regardless of the basis for the cancellation, the State shall not be obligated to pay, or otherwise compensate, the Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.
3. If any such cancellation by the State is for cause, the State shall have the right to set-off against any amounts due the Contractor, the amount of any damages for which the Contractor is liable to the State under this Contract or pursuant to law and equity.
4. Upon a good faith cancellation, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and materials provided under this Contract, and may further pursue completion of the Work Product under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

I-V EXCUSABLE FAILURE

1. Neither party shall be liable for any default or delay in the performance of its obligations under the Contract if and to the extent such default or delay is caused, directly or indirectly, by: fire, flood, earthquake, elements of nature or acts of God; riots, civil disorders, rebellions or revolutions in any country; the failure of the other party to perform its material responsibilities under the Contract (either itself or through another contractor); injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused);



or any other cause beyond the reasonable control of such party; provided the non-performing party and its subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans. In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay provided such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

2. If any of the above enumerated circumstances substantially prevent, hinder, or delay performance of the services necessary for the performance of the State's functions for more than 14 consecutive days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected services from an alternate source, and the State shall not be liable for payments for the unperformed services under the Contract for so long as the delay in performance shall continue; (b) the State may cancel any portions of the Contract so affected and the charges payable thereunder shall be equitably adjusted to reflect those services canceled; or (c) the Contract will be canceled without liability of the State to the Contractor as of the date specified by the State in a written notice of cancellation to the Contractor. The Contractor will not have the right to any additional payments from the State as a result of any excusable failure occurrence or to payments for services not rendered as a result of the excusable failure condition. Defaults or delays in performance by the Contractor which are caused by acts or omissions of its subcontractors will not relieve the Contractor of its obligations under the Contract except to the extent that a subcontractor is itself subject to any excusable failure condition described above and the Contractor cannot reasonably circumvent the effect of the subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

I-W ASSIGNMENT

The Contractor shall not have the right to assign this Contract or to assign or delegate any of its duties or obligations under this Contract to any other party (whether by operation of law or otherwise), without the prior written consent of the State. Any purported assignment in violation of this section shall be null and void. Further, the Contractor may not assign the right to receive money due under the Contract without the prior written consent of the Director of Purchasing Operations.

I-X DELEGATION

The Contractor shall not delegate any duties or obligations under this Contract to a subcontractor other than a subcontractor named in the bid unless the Director of Purchasing Operations has given written consent to the delegation.

I-Y NON-DISCRIMINATION CLAUSE

In the performance of this Contract or purchase order resulting herefrom, the Contractor agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position. The Contractor further agrees that every subcontract entered into for the performance of any Contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2101, *et seq*, and the Persons with Disabilities Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, *et seq*, and any breach thereof may be regarded as a material breach of the Contract or purchase order.

I-Z WORKPLACE SAFETY AND DISCRIMINATORY HARASSMENT

In performing services for the State pursuant to this Contract, the Contractor shall comply with Department of Civil Service Rules 2-20 regarding Workplace Safety and 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service Regulations governing workplace safety and discriminatory harassment and any applicable state agency rules on these matters that the agency provides to the Contractor. Department of Civil Service Rules and Regulations can be found on the Department of Civil Service website at www.state.mi.us/mdcs/Regindx.

**I-AA MODIFICATION OF SERVICE**

The Director of Purchasing Operations reserves the right to modify this service during the course of this Contract. Such modification may include adding or deleting tasks that this service shall encompass and/or any other modifications deemed necessary.

This Contract resulting from the RFP may not be revised, modified, amended, extended, or augmented, except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.

The State reserves the right to request from time to time, any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. The Contractor shall provide a change order process and all requisite forms. The State reserves the right to negotiate the process during contract negotiation. At a minimum, the State would like the Contractor to provide a detailed outline of all work to be done, including tasks necessary to accomplish the deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

1. Within five (5) business days of receipt of a request by the State for any such change, or such other period of time as to which the parties may agree mutually in writing, the Contractor shall submit to the State a proposal describing any changes in products, services, timing of delivery, assignment of personnel, and the like, and any associated price adjustment. The price adjustment shall be based on a good faith determination and calculation by the Contractor of the additional cost to the Contractor in implementing the change request less any savings realized by the Contractor as a result of implementing the change request.

The Contractor's proposal shall describe in reasonable detail the basis for the Contractor's proposed price adjustment, including the estimated number of hours by task by labor category required to implement the change request.

2. If the State accepts the Contractor's proposal, it will issue a change notice and the Contractor will implement the change request described therein. The Contractor will not implement any change request until a change notice has been issued validly. The Contractor shall not be entitled to any compensation for implementing any change request or change notice except as provided explicitly in an approved change notice.
3. If the State does not accept the Contractor's proposal, the State may:
 - a. withdraw its change request; or
 - b. modify its change request, in which case the procedures set forth above will apply to the modified change request.

If the State requests or directs the Contractor to perform any activities that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly, and before commencing performance of the requested activities, that it believes the requested activities are New Work. If the Contractor fails to so notify the State prior to commencing performance of the requested activities, any such activities performed before notice is given by the Contractor shall be conclusively considered to be In-scope Services, not New Work.

If the State requests or directs the Contractor to perform any services or functions that are consistent with and similar to the services being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the scope of the Contractor's responsibilities and charges as set forth in the Contract, then prior to performing such services or function, the Contractor shall promptly notify the State in writing that it considers the services or function to be an "Additional Service" for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing such services or functions. If the Contractor does so notify the State, then such a service or function shall be governed by the change request procedure set forth in the preceding paragraph.

IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATIONS.



I-BB NOTICES

Any notice given to a party under this Contract must be written and shall be deemed effective, if addressed to such party as addressed below upon (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

For the Contractor: **Charels Dillard, First Vice President
611 Woodward Avenue, Detroit, MI 48226**

For the State: **Jim Wilson, PO Box 30026 Lansing MI, 48909**

Either party may change its address where notices are to be sent giving written notice in accordance with this section.

I-CC ENTIRE AGREEMENT

The contents of this document and the vendor's proposal will become contractual obligations, if a Contract ensues. Failure of the successful bidder to accept these obligations may result in cancellation of the award.

This Contract resulting from the RFP shall represent the entire agreement between the parties and supersedes all proposals or other prior agreements, oral or written, and all other communications between the parties relating to this subject.

I-DD NO WAIVER OF DEFAULT

The failure of a party to insist upon strict adherence to any term of this Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

I-EE SEVERABILITY

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

I-FF HEADINGS

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of this Contract.

I-GG RELATIONSHIP OF THE PARTIES

The relationship between the State and the Contractor is that of client and independent Contractor. No agent, employee, or servant of the Contractor or any of its subcontractors shall be or shall be deemed to be an employee, agent, or servant of the State for any reason. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of this Contract.

I-HH UNFAIR LABOR PRACTICES

Pursuant to 1980 Public Act 278, as amended, MCL 423.231, et seq, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board.

A Contractor of the State, in relation to the Contract, shall not enter into a Contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 Public Act 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of the Contractor as an employer, or the name of the subcontractor, manufacturer or supplier of the Contractor appears in the register.

**I-II SURVIVOR**

Any provisions of the Contract that impose continuing obligations on the parties including, but not limited to the Contractor's indemnity and other obligations shall survive the expiration or cancellation of this Contract for any reason.

I-JJ GOVERNING LAW

This Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

I-KK YEAR 2000 SOFTWARE COMPLIANCE

The Contractor warrants that services provided under this Contract including but not limited to the production of all Work Products, shall be provided in an accurate and timely manner without interruption, failure or error due the inaccuracy of Contractor's business operations in processing date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000, including leap year calculations. The Contractor shall be responsible for damages resulting from any delays, errors or untimely performance resulting therefrom.

I-LL CONTRACT DISTRIBUTION

Purchasing Operations shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

I-MM STATEWIDE CONTRACTS

If the contract is for the use of more than one agency and if the goods or services provided under the contract do not meet the form, function and utility required by an agency, that agency may, subject to state purchasing policies, procure the goods or services from another source.

I-NN ADHERANCE TO PM METHODOLOGY STANDARD

The State has adopted a standard, documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. This policy is referenced in the document titled "Project Management Methodology" – DTMB Administrative Guide Procedure 1380.02 issued June 2000. Vendors may obtain a copy of this procedure by contacting the DTMB Office of Information Technology Solutions. The State of Michigan Project Management Methodology can be obtained from the DTMB Office of Project Management's website at <http://www.state.mi.us/cio/opm>.

The Contractor shall use the State's PMM to manage State of Michigan Information Technology (IT) based projects. The requesting agency will provide the applicable documentation and internal agency processes for the methodology. If the vendor requires training on the methodology, those costs shall be the responsibility of the vendor, unless otherwise stated.

I-OO ELECTRONIC FUNDS TRANSFER

Electronic transfer of funds is available to State contractors. Vendors are encouraged to register with the State of Michigan Office of Financial Management so the State can make payments related to this Contract electronically at www.cpexpress.state.mi.us.

I-PP TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, or is canceled prior to its expiration, for any reason, the Contractor must provide for up to **180 days** after the expiration or cancellation of this Contract, all reasonable transition assistance requested by the State, to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this Contract, (notwithstanding this expiration or cancellation) except for those Contract terms or conditions that do not reasonably apply to such transition assistance. The State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the Contract for Contract performance. If the State cancels this Contract for cause, then the State will be entitled to off set the cost of paying the Contractor for the additional resources the Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said cancellation.



I-QQ DISCLOSURE OF LITIGATION

1. The Contractor shall to the best of it's ability make a commercially reasonable effort to notify the State in its bid proposal, if it, or any of its subcontractors, or their officers, directors, or key personnel under this Contract, have ever been convicted of a felony, or any crime involving moral turpitude, including, but not limited to fraud, misappropriation or deception. Contractor shall promptly notify the State of any criminal litigation, investigations or proceeding which may have arisen or may arise involving the Contractor or any of the Contractor's subcontractor, or any of the foregoing entities' then current officers or directors during the term of this Contract that may adversely impact it's performance under this contract.

2. The Contractor shall to the best of it's ability make commercially reasonable effort to notify the State in its bid proposal, and promptly thereafter as otherwise applicable, of any civil litigation, arbitration, proceeding, or judgments that may have arisen against it or its subcontractors during the bid proposal, or which may occur during the term of this Contract, which involve (1) products or services similar to those provided to the State under this Contract and which either involve a claim in excess of **\$250,000** or which otherwise may affect the viability or financial stability of the Contractor , or (2) a claim or written allegation of fraud by the Contractor or any subcontractor hereunder, arising out of their business activities, or (3) a claim or written allegation that the Contractor or any subcontractor hereunder violated any federal, state or local statute, regulation or ordinance. Multiple lawsuits and or judgments against the Contractor or subcontractor, in any an amount less than **\$250,000** shall be disclosed to the State to the extent they affect the financial solvency and integrity of the Contractor or subcontractor.

3. All notices under subsection 1 and 2 herein shall be provided in writing to the State within fifteen business days after the Contractor learns about any such criminal or civil investigations and within fifteen days after the commencement of any proceeding, litigation, or arbitration, as otherwise applicable. Details of settlements which are prevented from disclosure by the terms of the settlement shall be annotated as such.

4. Assurances - In the event that such investigation, litigation, arbitration or other proceedings disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of this Contract, causes the State to be reasonably concerned about:
 - a) the ability of the Contractor or its subcontractor to continue to perform this Contract in accordance with its terms and conditions, or
 - b) whether the Contractor or its subcontractor in performing services is engaged in conduct which is similar in nature to conduct alleged in such investigation, litigation, arbitration or other proceedings, which conduct would constitute a breach of this Contract or violation of Michigan or Federal law, regulation or public policy, then

The Contractor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that: (a) the Contractor or its subcontractors hereunder will be able to continue to perform this Contract in accordance with its terms and conditions, (b) the Contractor or its subcontractors will not engage in conduct in performing services under this Contract which is similar in nature to the conduct alleged in any such litigation, arbitration or other proceedings.

5. The Contractor's failure to fully and timely comply with the terms of this section, including providing reasonable assurances satisfactory to the State, may constitute a material breach of this Contract.

I-RR STOP WORK

1. The State may, at any time, by written stop work order to the Contractor, require that the Contractor stop all, or any part, of the work called for by this Contract for a period of up to 90 days after the stop work order is delivered to the Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this section. Upon receipt of the stop work order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State shall either:
 - a) Cancel the stop work order; or
 - b) Cancel the work covered by the stop work order as provided in the cancellation section of this Contract.



2. If a stop work order issued under this section is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the contract price, or both, and the Contract shall be modified, in writing, accordingly, if:
 - a) The stop work order results in an increase in the time required for, or in the Contractor's costs properly allocable to the performance of any part of this Contract; and
 - b) The Contractor asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage; provided, that if the State decides the facts justify the action, the State may receive and act upon a proposal submitted at any time before final payment under this Contract.
3. If the stop work order is not canceled and the work covered by the stop work order is canceled for reasons other than material breach, the State shall allow reasonable costs resulting from the stop work order in arriving at the cancellation settlement.
4. If a stop work order is not canceled and the work covered by the stop work order is canceled for material breach, the State shall not allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop work order.
5. An appropriate equitable adjustment may be made in any related contract of the Contractor that provides for adjustment and is affected by any stop work order under this section. The State shall not be liable to the Contractor for loss of profits because of a stop work order issued under this section.



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

BENEFIT PAYMENT ACCOUNT
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR ONE</u>		<u>Year One Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited	Unit	48	\$ 0.0570	\$ 2.74
2 Checks on Account	Unit	52,000	\$ 0.0700	\$ 3,640.00
3 Check Imaging	Unit	52,000	\$ 0.0280	\$ 1,456.00
4 Stop Payments	Unit	12	\$ 16.0000	\$ 192.00
5 Debit and Credit Advices	Unit	2,000	\$ -	\$ -
6 Overdrafts	Unit	1	\$ -	\$ -
7 Incoming Wire Deposits	Unit	48	\$ 5.6700	\$ 272.16
8 Incoming ACH Transfers	Unit	2,500	\$ 0.0200	\$ 50.00
9 Outgoing Federal Wires	Unit	300	\$ 8.0000	\$ 2,400.00
10 Outgoing ACH Transfers	Unit	100	\$ 0.0050	\$ 0.50
11 Electronic Data Transmissions-Incoming	Monthly	260	\$ 5.6700	\$ 1,474.20
12 Electronic Data Transmissions-Outgoing	Monthly	12	\$ 5.6700	\$ 68.04
13 Summary Statement of Account	Monthly	12	\$ 16.0800	\$ 192.96
14 Account Maintenance Fee	Monthly	12	\$ 45.0000	\$ 540.00
15 ARP Stop/Inquiry	Unit	12	\$ 23.6400	\$ 283.68
16 ARP Check Inquiry	Unit	50	\$ 0.2400	\$ 12.00
17 Account Reconciliation Plan	Monthly	12	\$ 30.5000	\$ 366.00
18 On Line Account Inquiry	Monthly	12	\$ 15.0000	\$ 180.00
19 Other Charges:				
Info Svcs Transactions Loaded	Unit	65496	\$ 0.0100	\$ 654.96
Access Account Transfer Item	Unit	144	\$ 2.2500	\$ 324.00
JPMorgan Access Client Maint	Monthly	12	\$ 75.0000	\$ 900.00
JPMorgan Access Subscription Fee	Unit	336	\$ 5.0000	\$ 1,680.00
ACH Reversals	Unit	0	\$ 16.0000	\$ -
ACH File Processing	Monthly	12	\$ 3.0000	\$ 36.00
Depository Credit	Unit	420	\$ 1.0900	\$ 457.80
Electronic Stop Payment	Unit	0	\$ 7.5000	\$ -
Phone Operator Book Debit	Unit	0	\$ 2.0500	\$ -
Phone Operator Rept Fed Debit	Unit	0	\$ 9.4600	\$ -
Phone Express Phone Debit	Unit	0	\$ 9.4600	\$ -
ARP Exception Items	Unit	0	\$ 1.0000	\$ -
ARP Outgoing File	Unit	0	\$ 35.0000	\$ -
Deposit Insurance Fee	Unit	12	\$ 9,350.5400	\$ 112,206.48
	TOTAL		\$	\$ 127,389.52



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

RESTITUTION CLEARING ACCOUNT
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR ONE</u>		<u>Year One Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	87,600	\$ 0.0570	\$ 4,993.20
2 Branch Deposits	Unit	240	\$ 1.0900	\$ 261.60
3 Returned Items	Unit	150	\$ 4.2600	\$ 639.00
4 Returned Items Re-deposits	Unit	300	\$ 1.8900	\$ 567.00
5 Checks on Account	Unit	5,100	\$ 0.0700	\$ 357.00
6 Stop Payments	Unit	6	\$ 16.0000	\$ 96.00
7 Debit/credit Advices	Unit	180	\$ -	\$ -
8 Outgoing Wire transfers	Unit	18	\$ 8.0000	\$ 144.00
9 Intra Bank Transfer	Unit	12	\$ 5.0000	\$ 60.00
10 Account Maintenance Fee	Monthly	12	\$ 16.0800	\$ 192.96
11 Other Charges:				
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0800	\$ -
Deposit Checks Encoding	Unit	13,128	\$ 0.0380	\$ 498.86
	TOTAL		\$	\$ 7,809.62

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



**J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services**

APPENDIX A

**U.I TAX CLEARING ACCOUNT
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>YEAR ONE</u>			<u>Year One Total</u>
	<u>Standard</u>	<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	575,000	\$ 0.0570	\$ 32,775.00
2 Checks Deposited Encoded - On Us	Unit	100	\$ 0.0570	\$ 5.70
3 Checks on Account	Unit	1,700	\$ 0.0700	\$ 119.00
4 Outgoing Wire Transfers	Unit	135	\$ 8.0000	\$ 1,080.00
5 Debit Advices	Unit	100	\$ -	\$ -
6 Credit Advices	Unit	600	\$ -	\$ -
5 Stop Payments	Unit	6	\$ 16.0000	\$ 96.00
6 Returned Items	Unit	600	\$ 4.2600	\$ 2,556.00
7 Returned Items Redeposits	Unit	1,100	\$ 1.8900	\$ 2,079.00
8 Account Maintenance Fee	Monthly	12	\$ 16.0800	\$ 192.96
9 Intra Bank Transfer	Unit	12	\$ 5.0000	\$ 60.00
10 Branch Deposits	Unit	430	\$ 1.0900	\$ 468.70
11 Other Charges:				\$ -
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0800	\$ -
Deposit Checks Encoding	Unit	86,208	\$ 0.0380	\$ 3,275.90
	TOTAL		\$	\$ 42,708.26

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

RESTITUTION LOCK BOX
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR ONE</u>		<u>Year One Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Restitution Batch Type-1 Payment Coupon w/ Remittance	Unit	72,000	\$ 0.3800	\$ 27,360.00
2 Restitution Batch Type-2 Remittance Only	Unit	15,600	\$ 0.6460	\$ 10,077.60
3 Other Charges:				\$ -
Batch Set-Up Charge		3574	\$ 0.3227	\$ 1,153.33
TOTAL ANNUAL CHARGE	TOTAL		\$	\$ 38,590.93

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



**J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services**

APPENDIX A

**TAX LOCK BOX
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR ONE</u>		<u>Year One Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Batch Type-1 Report w/ Remittance	Unit	550,000	\$ 1.3010	\$ 715,550.00
2 Batch Type-2 Report Only	Unit	160,000	\$ 0.3770	\$ 60,320.00
3 Batch Type-3 Remittance Only	Unit	38,000	\$ 2.2150	\$ 84,170.00
4 Batch Type-4 Remittance Only	Unit	130	\$ 2.2150	\$ 287.95
5 Batch Type-5 Report w/ Remittance	Unit	4,700	\$ 1.3010	\$ 6,114.70
6 Batch Type-6 Report Only	Unit	90,000	\$ 0.3060	\$ 27,540.00
7 Batch Type-7 FUTA Credit Report	Unit	100	\$ 0.3770	\$ 37.70
8 Batch Type-8 Report Only	Unit	100	\$ 0.3060	\$ 30.60
9 Batch Type-9 Report Only	Unit	20,000	\$ 0.3060	\$ 6,120.00
10 Batch Type-10 Remittance Only	Unit	100	\$ 2.2150	\$ 221.50
Sub-Total	Unit	863,130		\$ 900,392.45
11 Batch Set-Up Charge	Unit	34,600	\$ 0.3210	\$ 11,106.60
12. Other Charges:				\$ -
		TOTAL	\$	\$ 911,499.05

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

FIVE YEAR TOTALS

1	Benefit Payment Account		
	Year One Total:	\$ 127,389.52	
	Year Two Total:	\$ 127,389.52	
	Year Three Total:	\$ 127,389.52	
	Year Four Total:	\$ 127,541.35	
	Year Five Total:	\$ 127,694.70	
	Sub-Total		\$ 637,404.59
2	Restitution Clearing Account		
	Year One Total:	\$ 7,809.62	
	Year Two Total:	\$ 7,809.62	
	Year Three Total:	\$ 7,809.62	
	Year Four Total:	\$ 7,887.72	
	Year Five Total:	\$ 7,966.60	
	Sub-Total		\$ 39,283.19
3	Deposit Clearing Account		
	Year One Total:	\$ 42,708.26	
	Year Two Total:	\$ 42,708.26	
	Year Three Total:	\$ 42,708.26	
	Year Four Total:	\$ 43,135.35	
	Year Five Total:	\$ 43,566.70	
	Sub-Total		\$ 214,826.84
4	Restitution Lock Box		
	Year One Total:	\$ 38,590.93	
	Year Two Total:	\$ 38,976.84	
	Year Three Total:	\$ 39,366.61	
	Year Four Total:	\$ 39,760.27	
	Year Five Total:	\$ 40,157.88	
	Sub-Total		\$ 196,852.53
5	Tax Lock Box		
	Year One Total:	\$ 911,499.05	
	Year Two Total:	\$ 920,614.04	
	Year Three Total:	\$ 929,820.18	
	Year Four Total:	\$ 939,118.38	
	Year Five Total:	\$ 948,509.57	
	Sub-Total		\$ 4,649,561.22
	GRAND TOTAL (1+2+3+4+5 above)		\$ 5,737,928.36



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

**BENEFIT PAYMENT ACCOUNT
EXPENSE ANALYSIS**

Account Activity	Standard	YEAR TWO		Year Two Total
		Units	Unit Rate Or Fee **	
1 Checks Deposited	Unit	48	\$ 0.0570	\$ 2.74
2 Checks on Account	Unit	52,000	\$ 0.0700	\$ 3,640.00
3 Check Imaging	Unit	52,000	\$ 0.0280	\$ 1,456.00
4 Stop Payments	Unit	12	\$ 16.0000	\$ 192.00
5 Debit and Credit Advices	Unit	2,000	\$ -	\$ -
6 Overdrafts	Unit	1	\$ -	\$ -
7 Incoming Wire Deposits	Unit	48	\$ 5.6700	\$ 272.16
8 Incoming ACH Transfers	Unit	2,500	\$ 0.0200	\$ 50.00
9 Outgoing Federal Wires	Unit	300	\$ 8.0000	\$ 2,400.00
10 Outgoing ACH Transfers	Unit	100	\$ 0.0050	\$ 0.50
11 Electronic Data Transmissions-Incoming	Monthly	260	\$ 5.6700	\$ 1,474.20
12 Electronic Data Transmissions-Outgoing	Monthly	12	\$ 5.6700	\$ 68.04
13 Summary Statement of Account	Monthly	12	\$ 16.0800	\$ 192.96
14 Account Maintenance Fee	Monthly	12	\$ 45.0000	\$ 540.00
15 ARP Stop/Inquiry	Unit	12	\$ 23.6400	\$ 283.68
16 ARP Check Inquiry	Unit	50	\$ 0.2400	\$ 12.00
17 Account Reconciliation Plan	Monthly	12	\$ 30.5000	\$ 366.00
18 On Line Account Inquiry	Monthly	12	\$ 15.0000	\$ 180.00
19 Other Charges:				
Info Svcs Transactions Loaded	Unit	65496	\$ 0.0100	\$ 654.96
Access Account Transfer Item	Unit	144	\$ 2.2500	\$ 324.00
JPMorgan Access Client Maint	Monthly	12	\$ 75.0000	\$ 900.00
JPMorgan Access Subscription Fee	Unit	336	\$ 5.0000	\$ 1,680.00
ACH Reversals	Unit	0	\$ 16.0000	\$ -
ACH File Processing	Monthly	12	\$ 3.0000	\$ 36.00
Depository Credit	Unit	420	\$ 1.0900	\$ 457.80
Electronic Stop Payment	Unit	0	\$ 7.5000	\$ -
Phone Operator Book Debit	Unit	0	\$ 2.0500	\$ -
Phone Operator Rept Fed Debit	Unit	0	\$ 9.4600	\$ -
Phone Express Phone Debit	Unit	0	\$ 9.4600	\$ -
ARP Exception Items	Unit	0	\$ 1.0000	\$ -
ARP Outgoing File	Unit	0	\$ 35.0000	\$ -
Deposit Insurance Fee	Unit	12	\$ 9,350.5400	\$ 112,206.48
	TOTAL		\$	\$ 127,389.52



**J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services**

APPENDIX A

**RESTITUTION CLEARING ACCOUNT
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR TWO</u>		<u>Year Two Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	87,600	\$ 0.0570	\$ 4,993.20
2 Branch Deposits	Unit	240	\$ 1.0900	\$ 261.60
3 Returned Items	Unit	150	\$ 4.2600	\$ 639.00
4 Returned Items Re-deposits	Unit	300	\$ 1.8900	\$ 567.00
5 Checks on Account	Unit	5,100	\$ 0.0700	\$ 357.00
6 Stop Payments	Unit	6	\$ 16.0000	\$ 96.00
7 Debit/credit Advices	Unit	180	\$ -	\$ -
8 Outgoing Wire transfers	Unit	18	\$ 8.0000	\$ 144.00
9 Intra Bank Transfer	Unit	12	\$ 5.0000	\$ 60.00
10 Account Maintenance Fee	Monthly	12	\$ 16.0800	\$ 192.96
11 Other Charges:				
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0800	\$ -
Deposit Checks Encoding	Unit	13,128	\$ 0.0380	\$ 498.86
		TOTAL	\$	\$ 7,809.62

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

**U.I TAX CLEARING ACCOUNT
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR TWO</u>		<u>Year Two Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	575,000	\$ 0.0570	\$ 32,775.00
2 Checks Deposited Encoded - On Us	Unit	100	\$ 0.0570	\$ 5.70
3 Checks on Account	Unit	1,700	\$ 0.0700	\$ 119.00
4 Outgoing Wire Transfers	Unit	135	\$ 8.0000	\$ 1,080.00
5 Debit Advices	Unit	100	\$ -	\$ -
6 Credit Advices	Unit	600	\$ -	\$ -
5 Stop Payments	Unit	6	\$ 16.0000	\$ 96.00
6 Returned Items	Unit	600	\$ 4.2600	\$ 2,556.00
7 Returned Items Redeposits	Unit	1,100	\$ 1.8900	\$ 2,079.00
8 Account Maintenance Fee	Monthly	12	\$ 16.0800	\$ 192.96
9 Intra Bank Transfer	Unit	12	\$ 5.0000	\$ 60.00
10 Branch Deposits	Unit	430	\$ 1.0900	\$ 468.70
11 Other Charges:				\$ -
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0800	\$ -
Deposit Checks Encoding	Unit	86,208	\$ 0.0380	\$ 3,275.90
	TOTAL		\$	\$ 42,708.26

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

RESTITUTION LOCK BOX
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR TWO</u>		<u>Year Two Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Restitution Batch Type-1 Payment Coupon w/ Remittance	Unit	72,000	\$ 0.3838	\$ 27,633.60
2 Restitution Batch Type-2 Remittance Only	Unit	15,600	\$ 0.6525	\$ 10,178.38
3 Other Charges:				\$ -
Batch Set-Up Charge		3574	\$ 0.3259	\$ 1,164.86
TOTAL ANNUAL CHARGE	TOTAL		\$	\$ 38,976.84

** All rates quoted will be firm for the duration of the Contract (see Section II-F)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

**TAX LOCK BOX
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR TWO</u>		<u>Year Two Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Batch Type-1 Report w/ Remittance	Unit	550,000	\$ 1.3140	\$ 722,705.50
2 Batch Type-2 Report Only	Unit	160,000	\$ 0.3808	\$ 60,923.20
3 Batch Type-3 Remittance Only	Unit	38,000	\$ 2.2372	\$ 85,011.70
4 Batch Type-4 Remittance Only	Unit	130	\$ 2.2372	\$ 290.83
5 Batch Type-5 Report w/ Remittance	Unit	4,700	\$ 1.3140	\$ 6,175.85
6 Batch Type-6 Report Only	Unit	90,000	\$ 0.3091	\$ 27,815.40
7 Batch Type-7 FUTA Credit Report	Unit	100	\$ 0.3808	\$ 38.08
8 Batch Type-8 Report Only	Unit	100	\$ 0.3091	\$ 30.91
9 Batch Type-9 Report Only	Unit	20,000	\$ 0.3091	\$ 6,181.20
10 Batch Type-10 Remittance Only	Unit	100	\$ 2.2372	\$ 223.72
Sub-Total	Unit	863,130		\$ 909,396.37
11 Batch Set Up Charge	Unit	34,600	\$ 0.3242	\$ 11,217.67
12. Other Charges:				\$ -
TOTAL				\$ 920,614.04

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

BENEFIT PAYMENT ACCOUNT
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR THREE</u>		<u>Year Three Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited	Unit	48	\$ 0.0570	\$ 2.74
2 Checks on Account	Unit	52,000	\$ 0.0700	\$ 3,640.00
3 Check Imaging	Unit	52,000	\$ 0.0280	\$ 1,456.00
4 Stop Payments	Unit	12	\$ 16.0000	\$ 192.00
5 Debit and Credit Advices	Unit	2,000	\$ -	\$ -
6 Overdrafts	Unit	1	\$ -	\$ -
7 Incoming Wire Deposits	Unit	48	\$ 5.6700	\$ 272.16
8 Incoming ACH Transfers	Unit	2,500	\$ 0.0200	\$ 50.00
9 Outgoing Federal Wires	Unit	300	\$ 8.0000	\$ 2,400.00
10 Outgoing ACH Transfers	Unit	100	\$ 0.0050	\$ 0.50
11 Electronic Data Transmissions-Incoming	Monthly	260	\$ 5.6700	\$ 1,474.20
12 Electronic Data Transmissions-Outgoing	Monthly	12	\$ 5.6700	\$ 68.04
13 Summary Statement of Account	Monthly	12	\$ 16.0800	\$ 192.96
14 Account Maintenance Fee	Monthly	12	\$ 45.0000	\$ 540.00
15 ARP Stop/Inquiry	Unit	12	\$ 23.6400	\$ 283.68
16 ARP Check Inquiry	Unit	50	\$ 0.2400	\$ 12.00
17 Account Reconciliation Plan	Monthly	12	\$ 30.5000	\$ 366.00
18 On Line Account Inquiry	Monthly	12	\$ 15.0000	\$ 180.00
19 Other Charges:				
Info Svcs Transactions Loaded	Unit	65496	\$ 0.0100	\$ 654.96
Access Account Transfer Item	Unit	144	\$ 2.2500	\$ 324.00
JPMorgan Access Client Maint	Monthly	12	\$ 75.0000	\$ 900.00
JPMorgan Access Subscription Fee	Unit	336	\$ 5.0000	\$ 1,680.00
ACH Reversals	Unit	0	\$ 16.0000	\$ -
ACH File Processing	Monthly	12	\$ 3.0000	\$ 36.00
Depository Credit	Unit	420	\$ 1.0900	\$ 457.80
Electronic Stop Payment	Unit	0	\$ 7.5000	\$ -
Phone Operator Book Debit	Unit	0	\$ 2.0500	\$ -
Phone Operator Rept Fed Debit	Unit	0	\$ 9.4600	\$ -
Phone Express Phone Debit	Unit	0	\$ 9.4600	\$ -
ARP Exception Items	Unit	0	\$ 1.0000	\$ -
ARP Outgoing File	Unit	0	\$ 35.0000	\$ -
Deposit Insurance Fee	Unit	12	\$ 9,350.5400	\$ 112,206.48
	TOTAL		\$	\$ 127,389.52



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

**RESTITUTION CLEARING ACCOUNT
EXPENSE ANALYSIS**

<u>Account Activity</u>	YEAR THREE			<u>Year Three Total</u>
	<u>Standard</u>	<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	87,600	\$ 0.0570	\$ 4,993.20
2 Branch Deposits	Unit	240	\$ 1.0900	\$ 261.60
3 Returned Items	Unit	150	\$ 4.2600	\$ 639.00
4 Returned Items Re-deposits	Unit	300	\$ 1.8900	\$ 567.00
5 Checks on Account	Unit	5,100	\$ 0.0700	\$ 357.00
6 Stop Payments	Unit	6	\$ 16.0000	\$ 96.00
7 Debit/credit Advices	Unit	180	\$ -	\$ -
8 Outgoing Wire transfers	Unit	18	\$ 8.0000	\$ 144.00
9 Intra Bank Transfer	Unit	12	\$ 5.0000	\$ 60.00
10 Account Maintenance Fee	Monthly	12	\$ 16.0800	\$ 192.96
11 Other Charges:				
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0800	\$ -
Deposit Checks Encoding	Unit	13,128	\$ 0.0380	\$ 498.86
	TOTAL		\$	\$ 7,809.62

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

U.I TAX CLEARING ACCOUNT
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	YEAR THREE		<u>Year Three Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	575,000	\$ 0.0570	\$ 32,775.00
2 Checks Deposited Encoded - On Us	Unit	100	\$ 0.0570	\$ 5.70
3 Checks on Account	Unit	1,700	\$ 0.0700	\$ 119.00
4 Outgoing Wire Transfers	Unit	135	\$ 8.0000	\$ 1,080.00
5 Debit Advices	Unit	100	\$ -	\$ -
6 Credit Advices	Unit	600	\$ -	\$ -
5 Stop Payments	Unit	6	\$ 16.0000	\$ 96.00
6 Returned Items	Unit	600	\$ 4.2600	\$ 2,556.00
7 Returned Items Redeposits	Unit	1,100	\$ 1.8900	\$ 2,079.00
8 Account Maintenance Fee	Monthly	12	\$ 16.0800	\$ 192.96
9 Intra Bank Transfer	Unit	12	\$ 5.0000	\$ 60.00
10 Branch Deposits	Unit	430	\$ 1.0900	\$ 468.70
11 Other Charges:				\$ -
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0800	\$ -
Deposit Checks Encoding	Unit	86,208	\$ 0.0380	\$ 3,275.90
		TOTAL	\$	\$ 42,708.26

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

RESTITUTION LOCK BOX
EXPENSE ANALYSIS

<u>Account Activity</u>	YEAR THREE			<u>Year Three Total</u>
	<u>Standard</u>	<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Restitution Batch Type-1 Payment Coupon w/ Remittance	Unit	72,000	\$ 0.3876	\$ 27,909.94
2 Restitution Batch Type-2 Remittance Only	Unit	15,600	\$ 0.6590	\$ 10,280.16
3 Other Charges:				\$ -
Batch Set-Up Charge		3574	\$ 0.3292	\$ 1,176.51
TOTAL ANNUAL CHARGE	TOTAL		\$	\$ 39,366.61

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

**TAX LOCK BOX
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR THREE</u>		<u>Year Three Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Batch Type-1 Report w/ Remittance	Unit	550,000	\$ 1.3272	\$ 729,932.56
2 Batch Type-2 Report Only	Unit	160,000	\$ 0.3846	\$ 61,532.43
3 Batch Type-3 Remittance Only	Unit	38,000	\$ 2.2595	\$ 85,861.82
4 Batch Type-4 Remittance Only	Unit	130	\$ 2.2595	\$ 293.74
5 Batch Type-5 Report w/ Remittance	Unit	4,700	\$ 1.3272	\$ 6,237.61
6 Batch Type-6 Report Only	Unit	90,000	\$ 0.3122	\$ 28,093.55
7 Batch Type-7 FUTA Credit Report	Unit	100	\$ 0.3846	\$ 38.46
8 Batch Type-8 Report Only	Unit	100	\$ 0.3122	\$ 31.22
9 Batch Type-9 Report Only	Unit	20,000	\$ 0.3122	\$ 6,243.01
10 Batch Type-10 Remittance Only	Unit	100	\$ 2.2595	\$ 225.95
Sub-Total	Unit	863,130		\$ 918,490.34
11 Batch Set-Up Charge	Unit	34,600	\$ 0.3275	\$ 11,329.84
12. Other Charges:				\$ -
TOTAL			\$	\$ 929,820.18

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



**J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services**

APPENDIX A

**BENEFIT PAYMENT ACCOUNT
EXPENSE ANALYSIS**

Account Activity	Standard	YEAR FOUR		Year Four Total
		Units	Unit Rate Or Fee **	
1 Checks Deposited	Unit	48	\$ 0.0576	\$ 2.76
2 Checks on Account	Unit	52,000	\$ 0.0707	\$ 3,676.40
3 Check Imaging	Unit	52,000	\$ 0.0283	\$ 1,470.56
4 Stop Payments	Unit	12	\$ 16.1600	\$ 193.92
5 Debit and Credit Advices	Unit	2,000	\$ -	\$ -
6 Overdrafts	Unit	1	\$ -	\$ -
7 Incoming Wire Deposits	Unit	48	\$ 5.7267	\$ 274.88
8 Incoming ACH Transfers	Unit	2,500	\$ 0.0202	\$ 50.50
9 Outgoing Federal Wires	Unit	300	\$ 8.0800	\$ 2,424.00
10 Outgoing ACH Transfers	Unit	100	\$ 0.0051	\$ 0.51
11 Electronic Data Transmissions-Incoming	Monthly	260	\$ 5.7267	\$ 1,488.94
12 Electronic Data Transmissions-Outgoing	Monthly	12	\$ 5.7267	\$ 68.72
13 Summary Statement of Account	Monthly	12	\$ 16.2408	\$ 194.89
14 Account Maintenance Fee	Monthly	12	\$ 45.4500	\$ 545.40
15 ARP Stop/Inquiry	Unit	12	\$ 23.8764	\$ 286.52
16 ARP Check Inquiry	Unit	50	\$ 0.2424	\$ 12.12
17 Account Reconciliation Plan	Monthly	12	\$ 30.8050	\$ 369.66
18 On Line Account Inquiry	Monthly	12	\$ 15.1500	\$ 181.80
19 Other Charges:				
Info Svcs Transactions Loaded	Unit	65496	\$ 0.0101	\$ 661.51
Access Account Transfer Item	Unit	144	\$ 2.2725	\$ 327.24
JPMorgan Access Client Maint	Monthly	12	\$ 75.7500	\$ 909.00
JPMorgan Access Subscription Fee	Unit	336	\$ 5.0500	\$ 1,696.80
ACH Reversals	Unit	0	\$ 16.1600	\$ -
ACH File Processing	Monthly	12	\$ 3.0300	\$ 36.36
Depository Credit	Unit	420	\$ 1.1009	\$ 462.38
Electronic Stop Payment	Unit	0	\$ 7.5750	\$ -
Phone Operator Book Debit	Unit	0	\$ 2.0705	\$ -
Phone Operator Rept Fed Debit	Unit	0	\$ 9.5546	\$ -
Phone Express Phone Debit	Unit	0	\$ 9.5546	\$ -
ARP Exception Items	Unit	0	\$ 1.0100	\$ -
ARP Outgoing File	Unit	0	\$ 35.3500	\$ -
Deposit Insurance Fee	Unit	12	\$ 9,350.5400	\$ 112,206.48
	TOTAL		\$	\$ 127,541.35



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

**RESTITUTION CLEARING ACCOUNT
EXPENSE ANALYSIS**

<u>Account Activity</u>	YEAR FOUR			<u>Year Four Total</u>
	<u>Standard</u>	<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	87,600	\$ 0.0576	\$ 5,043.13
2 Branch Deposits	Unit	240	\$ 1.1009	\$ 264.22
3 Returned Items	Unit	150	\$ 4.3026	\$ 645.39
4 Returned Items Re-deposits	Unit	300	\$ 1.9089	\$ 572.67
5 Checks on Account	Unit	5,100	\$ 0.0707	\$ 360.57
6 Stop Payments	Unit	6	\$ 16.1600	\$ 96.96
7 Debit/credit Advices	Unit	180	\$ -	\$ -
8 Outgoing Wire transfers	Unit	18	\$ 8.0800	\$ 145.44
9 Intra Bank Transfer	Unit	12	\$ 5.0500	\$ 60.60
10 Account Maintenance Fee	Monthly	12	\$ 16.2408	\$ 194.89
11 Other Charges:				
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0808	\$ -
Deposit Checks Encoding	Unit	13,128	\$ 0.0384	\$ 503.85
	TOTAL		\$	\$ 7,887.72

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

U.I TAX CLEARING ACCOUNT
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR FOUR</u>		<u>Year Four Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	575,000	\$ 0.0576	\$ 33,102.75
2 Checks Deposited Encoded - On Us	Unit	100	\$ 0.0576	\$ 5.76
3 Checks on Account	Unit	1,700	\$ 0.0707	\$ 120.19
4 Outgoing Wire Transfers	Unit	135	\$ 8.0800	\$ 1,090.80
5 Debit Advices	Unit	100	\$ -	\$ -
6 Credit Advices	Unit	600	\$ -	\$ -
5 Stop Payments	Unit	6	\$ 16.1600	\$ 96.96
6 Returned Items	Unit	600	\$ 4.3026	\$ 2,581.56
7 Returned Items Redeposits	Unit	1,100	\$ 1.9089	\$ 2,099.79
8 Account Maintenance Fee	Monthly	12	\$ 16.2408	\$ 194.89
9 Intra Bank Transfer	Unit	12	\$ 5.0500	\$ 60.60
10 Branch Deposits	Unit	430	\$ 1.1009	\$ 473.39
11 Other Charges:			\$ -	\$ -
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0808	\$ -
Deposit Checks Encoding	Unit	86,208	\$ 0.0384	\$ 3,308.66
		TOTAL	\$	\$ 43,135.35

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

RESTITUTION LOCK BOX
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	YEAR FOUR		<u>Year Four Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Restitution Batch Type-1 Payment Coupon w/ Remittance	Unit	72,000	\$ 0.3915	\$ 28,189.04
2 Restitution Batch Type-2 Remittance Only	Unit	15,600	\$ 0.6656	\$ 10,382.96
3 Other Charges:				\$ -
Batch Set-Up Charge		3574	\$ 0.3325	\$ 1,188.28
TOTAL ANNUAL CHARGE	TOTAL		\$	\$ 39,760.27

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

**TAX LOCK BOX
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>YEAR FOUR</u>			<u>Year Four Total</u>
	<u>Standard</u>	<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Batch Type-1 Report w/ Remittance	Unit	550,000	\$ 1.3404	\$ 737,231.88
2 Batch Type-2 Report Only	Unit	160,000	\$ 0.3884	\$ 62,147.76
3 Batch Type-3 Remittance Only	Unit	38,000	\$ 2.2821	\$ 86,720.44
4 Batch Type-4 Remittance Only	Unit	130	\$ 2.2821	\$ 296.68
5 Batch Type-5 Report w/ Remittance	Unit	4,700	\$ 1.3404	\$ 6,299.98
6 Batch Type-6 Report Only	Unit	90,000	\$ 0.3153	\$ 28,374.49
7 Batch Type-7 FUTA Credit Report	Unit	100	\$ 0.3884	\$ 38.84
8 Batch Type-8 Report Only	Unit	100	\$ 0.3153	\$ 31.53
9 Batch Type-9 Report Only	Unit	20,000	\$ 0.3153	\$ 6,305.44
10 Batch Type-10 Remittance Only	Unit	100	\$ 2.2821	\$ 228.21
Sub-Total	Unit	863,130		\$ 927,675.24
11 Batch Set-Up Charge	Unit	34,600	\$ 0.3307	\$ 11,443.14
12. Other Charges:				\$ -
	TOTAL		\$	\$ 939,118.38

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

BENEFIT PAYMENT ACCOUNT
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR FIVE</u>		<u>Year Five Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited	Unit	48	\$ 0.0581	\$ 2.79
2 Checks on Account	Unit	52,000	\$ 0.0714	\$ 3,713.16
3 Check Imaging	Unit	52,000	\$ 0.0286	\$ 1,485.27
4 Stop Payments	Unit	12	\$ 16.3216	\$ 195.86
5 Debit and Credit Advices	Unit	2,000	\$ -	\$ -
6 Overdrafts	Unit	1	\$ -	\$ -
7 Incoming Wire Deposits	Unit	48	\$ 5.7840	\$ 277.63
8 Incoming ACH Transfers	Unit	2,500	\$ 0.0204	\$ 51.01
9 Outgoing Federal Wires	Unit	300	\$ 8.1608	\$ 2,448.24
10 Outgoing ACH Transfers	Unit	100	\$ 0.0051	\$ 0.51
11 Electronic Data Transmissions-Incoming	Monthly	260	\$ 5.7840	\$ 1,503.83
12 Electronic Data Transmissions-Outgoing	Monthly	12	\$ 5.7840	\$ 69.41
13 Summary Statement of Account	Monthly	12	\$ 16.4032	\$ 196.84
14 Account Maintenance Fee	Monthly	12	\$ 45.9045	\$ 550.85
15 ARP Stop/Inquiry	Unit	12	\$ 24.1152	\$ 289.38
16 ARP Check Inquiry	Unit	50	\$ 0.2448	\$ 12.24
17 Account Reconciliation Plan	Monthly	12	\$ 31.1131	\$ 373.36
18 On Line Account Inquiry	Monthly	12	\$ 15.3015	\$ 183.62
19 Other Charges:				
Info Svcs Transactions Loaded	Unit	65496	\$ 0.0102	\$ 668.12
Access Account Transfer Item	Unit	144	\$ 2.2952	\$ 330.51
JPMorgan Access Client Maint	Monthly	12	\$ 76.5075	\$ 918.09
JPMorgan Access Subscription Fee	Unit	336	\$ 5.1005	\$ 1,713.77
ACH Reversals	Unit	0	\$ 16.3216	\$ -
ACH File Processing	Monthly	12	\$ 3.0603	\$ 36.72
Depository Credit	Unit	420	\$ 1.1119	\$ 467.00
Electronic Stop Payment	Unit	0	\$ 7.6508	\$ -
Phone Operator Book Debit	Unit	0	\$ 2.0912	\$ -
Phone Operator Rept Fed Debit	Unit	0	\$ 9.6501	\$ -
Phone Express Phone Debit	Unit	0	\$ 9.6501	\$ -
ARP Exception Items	Unit	0	\$ 1.0201	\$ -
ARP Outgoing File	Unit	0	\$ 35.7035	\$ -
Deposit Insurance Fee	Unit	12	\$ 9,350.5400	\$ 112,206.48
	TOTAL		\$	\$ 127,694.70



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

RESTITUTION CLEARING ACCOUNT
EXPENSE ANALYSIS

Account Activity	YEAR FIVE			Year Five Total
	Standard	Units	Unit Rate Or Fee **	
1 Checks Deposited Unencoded - On Us	Unit	87,600	\$ 0.0581	\$ 5,093.56
2 Branch Deposits	Unit	240	\$ 1.1119	\$ 266.86
3 Returned Items	Unit	150	\$ 4.3456	\$ 651.84
4 Returned Items Re-deposits	Unit	300	\$ 1.9280	\$ 578.40
5 Checks on Account	Unit	5,100	\$ 0.0714	\$ 364.18
6 Stop Payments	Unit	6	\$ 16.3216	\$ 97.93
7 Debit/credit Advices	Unit	180	\$ -	\$ -
8 Outgoing Wire transfers	Unit	18	\$ 8.1608	\$ 146.89
9 Intra Bank Transfer	Unit	12	\$ 5.1005	\$ 61.21
10 Account Maintenance Fee	Monthly	12	\$ 16.4032	\$ 196.84
11 Other Charges:				
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0816	\$ -
Deposit Checks Encoding	Unit	13,128	\$ 0.0388	\$ 508.89
	TOTAL		\$	\$ 7,966.60

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



**J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services**

APPENDIX A

**U.I TAX CLEARING ACCOUNT
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR FIVE</u>		<u>Year Five Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Checks Deposited Unencoded - On Us	Unit	575,000	\$ 0.0581	\$ 33,433.78
2 Checks Deposited Encoded - On Us	Unit	100	\$ 0.0581	\$ 5.81
3 Checks on Account	Unit	1,700	\$ 0.0714	\$ 121.39
4 Outgoing Wire Transfers	Unit	135	\$ 8.1608	\$ 1,101.71
5 Debit Advices	Unit	100	\$ -	\$ -
6 Credit Advices	Unit	600	\$ -	\$ -
5 Stop Payments	Unit	6	\$ 16.3216	\$ 97.93
6 Returned Items	Unit	600	\$ 4.3456	\$ 2,607.38
7 Returned Items Redeposits	Unit	1,100	\$ 1.9280	\$ 2,120.79
8 Account Maintenance Fee	Monthly	12	\$ 16.4032	\$ 196.84
9 Intra Bank Transfer	Unit	12	\$ 5.1005	\$ 61.21
10 Branch Deposits	Unit	430	\$ 1.1119	\$ 478.12
11 Other Charges:			\$ -	\$ -
Checks Deposited Unencoded - Transit	Unit	-	\$ 0.0816	\$ -
Deposit Checks Encoding	Unit	86,208	\$ 0.0388	\$ 3,341.75
	TOTAL		\$	\$ 43,566.70

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

RESTITUTION LOCK BOX
EXPENSE ANALYSIS

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR FIVE</u>		<u>Year Five Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Restitution Batch Type-1 Payment Coupon w/ Remittance	Unit	72,000	\$ 0.3954	\$ 28,470.93
2 Restitution Batch Type-2 Remittance Only	Unit	15,600	\$ 0.6722	\$ 10,486.79
3 Other Charges:				\$ -
Batch Set-Up Charge		3574	\$ 0.3358	\$ 1,200.16
TOTAL ANNUAL CHARGE	TOTAL		\$	\$ 40,157.88

** All rates quoted will be firm for the duration of the Contract (see Section II-E)



J.P. Morgan Proposal
to the State of Michigan Unemployment Insurance Agency
for Banking Services

APPENDIX A

**TAX LOCK BOX
EXPENSE ANALYSIS**

<u>Account Activity</u>	<u>Standard</u>	<u>YEAR FIVE</u>		<u>Year Five Total</u>
		<u>Units</u>	<u>Unit Rate Or Fee **</u>	
1 Batch Type-1 Report w/ Remittance	Unit	550,000	\$ 1.3538	\$ 744,604.20
2 Batch Type-2 Report Only	Unit	160,000	\$ 0.3923	\$ 62,769.23
3 Batch Type-3 Remittance Only	Unit	38,000	\$ 2.3049	\$ 87,587.64
4 Batch Type-4 Remittance Only	Unit	130	\$ 2.3049	\$ 299.64
5 Batch Type-5 Report w/ Remittance	Unit	4,700	\$ 1.3538	\$ 6,362.98
6 Batch Type-6 Report Only	Unit	90,000	\$ 0.3184	\$ 28,658.23
7 Batch Type-7 FUTA Credit Report	Unit	100	\$ 0.3923	\$ 39.23
8 Batch Type-8 Report Only	Unit	100	\$ 0.3184	\$ 31.84
9 Batch Type-9 Report Only	Unit	20,000	\$ 0.3184	\$ 6,368.50
10 Batch Type-10 Remittance Only	Unit	100	\$ 2.3049	\$ 230.49
Sub-Total	Unit	863,130		\$ 936,951.99
11 Batch Set-Up Charge	Unit	34,600	\$ 0.3340	\$ 11,557.57
12. Other Charges:				\$ -
TOTAL			\$	\$ 948,509.57

** All rates quoted will be firm for the duration of the Contract (see Section II-E)

**APPENDIX A – CLARIFICATIONS**

1. A 7% decrease from current costs will be in effect for the life of the contract.

(Eliminated from the original proposal is a 1 % increase in lockbox pricing for years 2 through 5 and a 1% increase in all other services in years 4 and 5). Table of current and proposed lockbox prices attached.

Dollar benefit to the State with his change based on RFP volumes: \$97,831.82

2. Increase the earnings credit “Add on Rate” by 8 BPS. for 2 years. (per table in the MUIA ECR attachment)

This is based on the recently enacted U.S. Federal Dodd- Frank Act which provides for unlimited U.S. FDIC insurance on transactional demand deposit accounts in effect on January 1, 2011 through December 31, 2012. It is our understanding that collateralizing balances is not required during this period.

Dollar Benefit to the State based on RFP Balances of \$50, 200,000 x 8 BPS = : \$40,160 dollars annually. Monthly approximately \$3,347 worth of additional service charges would be offset by this enhanced ECR when compared to current method.

3. Clarified and eliminated certain fees that do not apply. (see attachment)

Dollar Benefit to the State: \$17,869.02

Recap of additional Savings identified for the life of contract from original pricing proposal:

\$ 97,831.82
80,320.00
17,869.02

Total: \$196,020.84



APPENDIX B

PAID ITEMS SPECIFICATIONS

FTP FORMAT SPECIFICATIONS - A data file of paid items is to be written by the bank in accordance with UIA specifications. All transmissions are to be made via a dedicated line according to the time periods noted in the Pickups and Deliveries section. Any reformatting required to meet UIA file specifications will be performed by the contracting bank.

The contracting bank should have the capability to recreate the paid item file for a bank processing date in case the original transmission is unreadable or lost. The data, therefore, must be retained by the bank for a minimum of 30 calendar days.

The paid items transmissions should foot to the check paid amount provided on the monthly bank statement and listing of detailed items paid.

MONTHLY PAID ITEMS TRANSMISSION

FIELD NAME	DATA TYPE	PICTURE	LENGTH
RECORD TYPE 1			
BANK-TRANS-CDE	CHARACTER	PIC X(2)	2
BANK-EXTERNAL-CHK-NBR	NUMERIC	PIC S9(8) COMP-3	4
BANK-DATE-PD	CHARACTER	PIC 9(7) COMP-3	4
BANK-NET-AMT	NUMERIC	PIC S9(6)V99 COMP-3	4
FILLER	CHARACTER	PIC X(6)	6
RECORD TYPE 2			
BANK HEADER RECORD			
BANK-ABA-BANK-NBR	CHARACTER		8
BANK-ACCOUNT-NBR	CHARACTER		10
BANK TRAILER RECORD			
BANK-CNTRL-REC-CNT	NUMERIC	PIC S9(13) COMP-3	7
BANK-CNTRL-REC-AMT	NUMERIC	PIC S9(13)V99 COMP-3	8
FILLER	CHARACTER		30



APPENDIX B

PAID ITEMS SPECIFICATIONS

PAID ITEMS LISTING - A computer generated file of all checks paid for each monthly statement cut-off period is required. Essentially, it is to contain check numbers (all in serial number order), date paid and dollar amount.

The paid items listing format should be similar to the following, however the contracting bank may revise it with UIA approval, providing the stipulation as to content and summary totals are complied with.

PAID ITEMS REPORT

Account Number _____

Date Paid _____

<u>Serial Number</u>	<u>Amount</u>
XXXXXXXX	xxx.xx
XXXXXXXX	xx.xx
xxxx	xxxx.xx Total

The paid items listings are to be delivered by noon of the fifth day after the month end date to the following address:

Unemployment Insurance Agency
Trust Fund Accounting – Suite 13-350
3024 W. Grand Blvd.
Detroit, MI 48202

PAID CHECK IMAGING – The paid checks for each day will be imaged by the contracting bank in serial order. Electronic images of all paid items must be delivered by noon of the fifth business work day after the date such checks were processed and charged to the Benefit Account.



APPENDIX B-1

MONTHLY PAID ITEMS TRANSMISSION

FIELD NAME	DATA TYPE	PICTURE	LENGTH
RECORD TYPE 1			
BANK-TRANS-CDE	CHARACTER	PIC X(2)	2
BANK-EXTERNAL-CHK-NBR	NUMERIC	PIC S9(8) COMP-3	4
BANK-DATE-PD	CHARACTER	PIC 9(7) COMP-3	4
BANK-NET-AMT	NUMERIC	PIC S9(6)V99 COMP-3	4
FILLER	CHARACTER	PIC X(6)	6
RECORD TYPE 2			
BANK HEADER RECORD			
BANK-ABA-BANK-NBR	CHARACTER		8
BANK-ACCOUNT-NBR	CHARACTER		10
BANK TRAILER RECORD			
BANK-CNTRL-REC-CNT	NUMERIC	PIC S9(13) COMP- 3	7
BANK-CNTRL-REC-AMT	NUMERIC	PIC S9(13)V99 COMP-3	8
FILLER	CHARACTER		30



APPENDIX C

BES 8413 PREPARATION INSTRUCTIONS

All transactions affecting the Benefit Payment Account are to be reported on the BES Form 8413 as follows:

- 1) Daily ledger balance, column 'A'
The amount to be entered on each line will be the ledger balance of the Benefit Payment Account for each day of the month, including Saturday, Sunday and Holidays.
- 2) Deposits to account, columns 'B' and 'C'
Record on a daily basis, the number of items (B) and amount (C) of all deposits to the Benefit Payment Account, including wire transfers of funds to the account from Federal Reserve Banks.
- 3) Withdrawals from account, columns 'D' and 'E'
Record on a daily basis, the number of items (D) and amount (E) of all unemployment insurance benefit checks or warrants cashed against the Benefit Payment Account.
- 4) Income Analysis:
 - a. Average Daily Ledger Balance – this figure is derived by dividing the total of the daily ledger balances, column 'a', exclusive of the prior month's balance, by the total number of calendar days in the month.
 - b. Less Average Daily Float – On not-wired transferred funds
 - c. Average Daily Collected balance – 'a' minus 'b'.
 - d. Average Daily Loanable Balance – Enter the difference of the average daily collected balance and the required reserve.
 - e. Earnings Credit Allowance – Enter the product of the average investable balance multiplied by the percent of interest earned, divided by 365 (days per year), multiplied by the number of calendar days in the month. Show percent.
- 5) Expense Analysis:
 - a. Checks Deposited – Enter the product of the number of checks deposited multiplied by the charge per check for such service.
 - b. Checks on account – Enter the product of the number of unemployment insurance benefit checks or warrants cashed multiplied by the charge per check for such service.
 - c. Other costs – Identify and enter any other chargeable cost, including FDIC fees, related to servicing the Unemployment Insurance Benefit Payment Account. Include item counts and per item rate.
 - d. Total cost – Enter the total of all the costs of servicing the Unemployment Insurance Benefit Payment Account.
 - e. Net profit/loss – Enter the difference between the earnings on the average loanable balance and the total costs.
 - f. Date and signature – Enter the date the form is prepared. The signature showing the individual designated by the bank officials as the person responsible for the analysis of the Unemployment Insurance Benefit Payment Account

The BES Form 8413 should show the name and location of the bank, the month for which the analysis is prepared, and the account number of the Unemployment Insurance Benefit Payment Account. The form should be forwarded within 10 business days to:

Unemployment Insurance Agency
Attention : Trust Fund Accounting, Suite 13-350
3024 W. Grand Blvd.
Detroit, MI 48202



BES 8413
 INCOME-EXPENSE ANALYSIS
 (As Shown by the Depository Bank)

APPENDIX C (1)

T

BENEFIT ACCOUNT

DAYS OF THE MONTH	A.	B.	C.	D.	E.	January, 20XX	
	DAILY LEDGER BALANCE	No.	DEPOSITS TO BENEFIT ACCOUNT	No.	WITHDRAWALS FROM BENEFIT ACCOUNT	INCOME ANALYSIS	
			AMOUNT (OMIT CENTS)		AMOUNT (OMIT CENTS)	BALANCE ANALYSIS	
	18,807,412.48		PRIOR MONTH BALANCE		←		
1					Average Daily Ledger Balance		20,959,885.70
2					Less: Average Float		7.45
3					Average Collected Balance		20,959,878.25
4							
5					Average Loanable Balance		20,959,878.25
6					Earnings Credit Allowance @		
7							
8					EXPENSE ANALYSIS		
9					Account Services		
10					FDIC Fee	X @	
11					Account Maintenance	X @	
12					Banking Center Services		
					Branch Credits Posted	X @	
13					Depository Services		
					Credits Posted	X @	
14							
15							
16							
17					Disbursement Services		
					Checks/Debits Posted	X @	
18					Electronic Stop Payment	X @	
19					Reconciliation Services		
					Image Capture Per Item	X @	
20					Full Recon Maintenance	X @	
21					ARP Exception Items	X @	
22					ARP Outgoing File	X @	
23							
24							
25					Automated Clearing House		
					ACH Maintenance	X @	
26					ACH Debits Originated	X @	
27					ACH Credits Originated	X @	
28					ACH Notification of Change	X @	
29							
30							
31							
					Total Charge For Services		0.00
					(Month End Balance)		
					Net Service Charge		0.00
Total							
Signature of Cashier:					Comments:		
Reconciled:							
						Profit /Loss	0.00



APPENDIX D

BES 8414 PREPARATION INSTRUCTIONS

All transactions affecting the Deposit Clearing Account are to be reported on the BES Form 8414 as follows:

- 1) Daily Ledger Balance , column 'A'
The amount to be entered on each line will be the ledger balance of the Deposit Clearing Account for each day of the month, including Saturday, Sunday and Holidays.
- 2) Deposits to account, columns 'B' and 'C'
Record on a daily basis, the number of items (B) and amount (C) of all deposits to the Deposit Clearing Account.
- 3) Withdrawals from account, columns 'D' and 'E'
Record on a daily basis the number of items (D) and amount (E) of all checks or warrants cashed against the Deposit Clearing Account; including the wire transfers of funds from the account to the Federal Reserve Banks.
- 4) Income Analysis:
 - a. Average Daily Ledger Balance – this figure is derived by dividing the total of the daily ledger balances, column 'a', exclusive of the prior month's balance, by the total number of calendar days in the month.
 - b. Less Average Daily Float – On not-wired transferred funds
 - c. Average Daily Collected Balance – 'a' minus 'b'.
 - d. Average Daily Loanable Balance – Enter the difference of the average daily collected balance and the required reserve.
 - e. Earnings Credit Allowance – Enter the product of the average daily loanable balance multiplied by the percent of interest earned, divided by 365 (days per year), multiplied by the number of calendar days in the month. Show percent.
- 5) Expense Analysis:
 - a. Checks Deposited – Enter the product of the number of checks deposited multiplied by the charge per check for such service.
 - b. Checks on account – Enter the product of the number of checks or warrants cashed multiplied by the charge per check for such service.
 - c. Other costs – Identify and enter any other chargeable cost, including the FDIC fees, related to servicing the Unemployment Insurance Deposit Clearing Account.
 - d. Total cost – Enter the total of all the costs of servicing the Unemployment Insurance Deposit Clearing Account.
 - e. Net profit/loss – Enter the difference between the earnings on the average loanable balance and the total costs.
 - f. Date and signature – Enter the date the form is prepared. The signature showing the individual designated by the bank officials as the person responsible for the analysis of the Unemployment Insurance Deposit Clearing Account

The BES Form 8414 should show the name and location of the bank, the month for which the analysis is prepared, and the account number of the Unemployment Insurance Deposit Clearing Account. The form should be forwarded within 10 business days to:

Unemployment Insurance Agency
Attention : Trust Fund Accounting, Suite 13-350
3024 W. Grand Blvd.
Detroit, MI 48202



APPENDIX E
UNEMPLOYMENT INSURANCE AGENCY
 NUMBER OF ITEMS/DEPOSITS PROCESSED BY THE LOCKBOX IN 2009

3rd QTR July			
DATE	ITEM	CHECKS	DEPOSIT
1	2,644	1,328	\$ 652,393.95
2	2,204	877	\$ 674,384.60
3	1,776	1,017	\$ 612,945.57
6	2,223	1,448	\$ 864,644.94
7	2,648	1,745	\$ 1,431,357.89
8	1,952	1,218	\$ 2,186,698.06
9	2,638	1,738	\$ 1,073,493.22
10	3,673	2,402	\$ 1,452,632.57
13	4,086	2,842	\$ 2,266,835.06
14	4,846	3,565	\$ 2,900,458.46
15	5,636	4,166	\$ 3,516,095.32
16	5,922	4,488	\$ 2,619,840.58
17	7,111	5,295	\$ 3,474,533.42
20	15,120	12,003	\$ 10,618,387.46
21	10,672	8,335	\$ 11,415,989.05
22	9,828	7,854	\$ 11,749,902.23
23	9,901	7,531	\$ 9,915,055.80
24	8,703	7,069	\$ 11,406,842.18
27	20,718	18,379	\$ 36,557,116.93
28	26,598	26,713	\$ 73,140,771.70
29	18,548	3,777	\$ 4,651,257.68
30	3,888	2,476	\$ 2,974,495.44
31	3,290	2,468	\$ 12,940,717.94
TOTA	174,625	128,734	\$209,096,850.05

3rd QTR August			
DATE	ITEM	CHECKS	DEPOSIT
3	2,384	1,623	\$ 2,218,405.14
4	3,118	2,527	\$ 2,595,361.17
5	2,526	1,838	\$ 1,516,940.13
6	1,619	1,057	\$ 755,162.78
7	1,989	835	\$ 752,480.24
10	1,092	888	\$ 810,550.98
11	1,140	882	\$ 1,575,690.18
12	859	421	\$ 374,514.32
13	726	477	\$ 622,334.99
14	781	561	\$ 381,141.36
17	408	367	\$ 263,805.13
18	795	495	\$ 406,087.05
19	507	379	\$ 299,568.94
20	354	327	\$ 333,639.93
21	440	279	\$ 202,342.54
24	524	507	\$ 260,570.04
25	619	434	\$ 364,353.52
26	594	499	\$ 604,197.65
27	459	285	\$ 372,138.16
28	637	581	\$ 2,568,542.80
31	352	355	\$ 673,822.35
TOTA	21,923	15,617	\$17,951,649.40

3rd QTR September			
DATE	ITEM	CHECKS	DEPOSIT
1	421	344	\$ 1,786,563.48
2	462	294	\$ 414,448.74
3	369	422	\$ 2,538,113.44
4	328	200	\$ 689,170.23
8	357	364	\$ 4,337,578.69
9	252	337	\$ 2,454,834.72
10	309	287	\$ 1,136,645.72
11	375	278	\$ 1,662,885.88
14	255	279	\$ 1,685,949.51
15	294	362	\$ 1,394,379.89
16	361	217	\$ 918,856.66
17	175	137	\$ 251,603.03
18	339	299	\$ 4,844,998.62
21	269	247	\$ 3,319,770.65
22	380	424	\$ 3,194,424.43
23	282	191	\$ 1,500,387.51
24	253	239	\$ 285,640.77
25	284	217	\$ 959,675.44
28	255	199	\$ 591,254.01
29	433	396	\$ 3,189,563.87
30	679	296	\$ 311,172.99
TOTA	7,132	6,029	\$37,467,918.28

4th QTR October			
DATE	ITEM	CHECKS	DEPOSIT
1	2,180	771	\$ 613,147.93
2	985	459	\$ 360,030.41
5	2,418	1,184	\$ 1,060,628.60
6	2,572	1,357	\$ 962,180.04
7	2,906	1,465	\$ 1,055,086.19
8	2,906	1,569	\$ 1,370,321.45
9	3,510	2,017	\$ 974,879.82
13	5,884	3,557	\$ 2,094,734.67
14	5,514	3,388	\$ 2,626,533.60
15	6,514	4,222	\$ 2,117,350.59
16	8,244	5,150	\$ 3,563,326.09
19	14,169	9,882	\$ 5,840,709.85
20	6,796	4,149	\$ 3,349,292.23
21	6,984	5,083	\$ 3,925,549.87
22	9,976	7,097	\$ 7,932,915.80
23	9,901	6,932	\$ 9,162,991.99
26	23,355	19,283	\$ 17,574,330.36
27	24,786	18,447	\$ 34,620,680.07
28	20,831	8,802	\$ 12,819,123.49
29	9,217	3,834	\$ 4,375,929.64
30	3,701	2,561	\$ 4,799,291.36
TOTA	173,349	111,209	\$121,199,034.05

4th QTR November			
DATE	ITEM	CHECKS	DEPOSIT
2	2,406	1,762	\$ 1,520,117.45
3	3,438	2,261	\$ 2,368,353.51
4	2,205	1,186	\$ 1,126,743.64
5	1,567	889	\$ 1,027,113.37
6	1,534	962	\$ 731,290.27
9	1,567	1,045	\$ 750,573.11
10	1,562	1,141	\$ 1,999,417.73
12	1,778	992	\$ 1,282,882.22
13	1,554	925	\$ 1,021,948.71
16	1,136	747	\$ 1,164,429.45
17	951	608	\$ 1,354,837.61
18	795	319	\$ 634,744.05
19	637	375	\$ 468,195.69
20	631	601	\$ 4,635,989.30
23	507	341	\$ 464,194.16
24	738	476	\$ 1,149,973.89
25	813	459	\$ 3,674,737.94
27	508	248	\$376,595.01
30	526	335	\$ 324,047.74
TOTA	24,853	15,672	\$26,076,184.85

4th QTR December			
DATE	ITEM	CHECKS	DEPOSIT
1	193	109	\$ 83,337.58
2	506	242	\$ 337,745.05
3	518	266	\$ 287,109.59
4	491	297	\$ 269,571.12
7	506	369	\$ 903,542.34
8	304	174	\$ 213,645.10
9	314	198	\$ 131,826.78
10	315	279	\$ 289,636.26
11	320	152	\$ 82,613.09
14	305	281	\$ 503,698.34
15	217	120	\$ 241,932.63
16	524	371	\$ 588,248.31
17	182	123	\$ 83,590.84
18	265	223	\$ 718,553.43
21	278	214	\$ 477,966.04
22	438	220	\$ 520,108.57
23	91	415	\$ 102,424.71
24	388	325	\$1,668,819.00
28	179	119	\$1,180,635.57
29	399	318	\$ 326,142.83
30	372	259	\$ 265,714.99
31	299	241	\$ 321,536.98
TOTA	7,404	5,315	\$9,598,399.15



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

4/02/10

TABLE OF CONTENTS

UA 1020 Reports with Remittances		
UA 1093-E Estimated Reports with Remittances		
Batch Type 01	Transaction Code 01	
	Header Record Processing Instructions	1
	Detail Record Processing Instructions	2
	Header Record File Description	5
	Detail Record File Description	6
UA 1021 Employer's Amended Report with Remittance or		
UA 1107 Adjustment to Reported Wages with Remittance		
Batch Type 01	Transaction Code 07	
	Header Record Processing Instructions	7
	Detail Record Processing Instructions	8
	Header Record File Description	11
	Detail Record File Description	12
UA 1020 Reports Without Remittances		
Batch Type 02	Transaction Code 01	
	Header Record Processing Instructions	13
	Detail Record Processing Instructions	14
	Header Record File Description	17
	Detail Record File Description	18
UA 1021 Employer's Amended Report without Remittance or		
UA 1107 Adjustment to Reported Wages without Remittance		
Batch Type 02	Transaction Code 07	
	Header Record Processing Instructions	19
	Detail Record Processing Instructions	20
	Header Record File Description	22
	Detail Record File Description	23
Tax Remittances without Reports (Loose Payments)		
Batch Type 03	Transaction Code 10	
	Header Record Processing Instructions	24
	Detail Record Processing Instructions	25
	Header Record File Description	26
	Detail Record File Description	27



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

4/02/10

TABLE OF CONTENTS
(Continued)

Voluntary Payments Remittances Without Reports		
Batch Type 04	Transaction Code 12	
	Header Record Processing Instructions	28
	Detail Record Processing Instructions	29
	Header Record File Description	30
	Detail Record File Description	31
UA 1020 Reports Without Account Numbers		
Batch Type 05	Transaction Code 01	
	Header Record Processing Instructions	32
	Detail Record Processing Instructions	33
	Header Record File Description	34
	Detail Record File Description	35
UA 1020 Reports Without Account Numbers		
Batch Type 05	Transaction Code 07	
	Header Record Processing Instructions	37
	Detail Record Processing Instructions	38
	Header Record File Description	40
	Detail Record File Description	41
UA 1020 No Payroll Reports		
Batch Type 06	Transaction Code 01	
	Header Record Processing Instructions	42
	Detail Record Processing Instructions	43
	Header Record File Description	45
	Detail Record File Description	46
UA 1021 Amended Tax Report		
UA 1107 Adjustment to Reported Wages, No Payroll		
Batch Type 06	Transaction Code 07	
	Header Record Processing Instructions	47
	Detail Record Processing Instructions	48
	Header Record File Description	50
	Detail Record File Description	51



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

4/02/10

TABLE OF CONTENTS
(Continued)

UA 1110 FUTA Tax Credit			
Batch Type 07	Transaction Code 15		
	Header Record Processing Instructions		52
	Detail Record Processing Instructions		53
	Header Record File Description		54
	Detail Record File Description		55
UA 1093-E Estimated Tax Reports without Remittances			
Batch Type 08	Transaction Code 01		
	Header Record Processing Instructions		56
	Detail Record Processing Instructions		57
	Header Record File Description		60
	Detail Record File Description		61
UA 1020R Reports Without Remittances			
Batch Type 09	Transaction Code 01		
	Header Record Processing Instructions		62
	Detail Record Processing Instructions		63
	Header Record File Description		65
	Detail Record File Description		66
UA 1021R Reports Without Remittances			
Batch Type 09	Transaction Code 07		
	Header Record Processing Instructions		67
	Detail Record Processing Instructions		68
	Header Record File Description		69
	Detail Record File Description		70
Solvency Payments			
Batch Type 10	Transaction Code 12		
	Header Record Processing Instructions		71
	Detail Record Processing Instructions		72
	Header Record File Description		73
	Detail Record File Description		74
UA 1093-E Estimated Employer's Quarterly Tax Report			
UA1021 Amended Quarterly Tax Report			
UA1107 Notice of UA Adjustment to Reported Wages			
UA1110 FUTA Tax Credit			



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

4/02/10

Batch Type 01

Trans Code 01

Page 1

Batch Type 01 Trans Code 01

UA 1020 Reports with Remittances

UA 1093-E Estimated Reports with Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 5, for the Batch Type 01 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|---|
| 1. | Batch Date | The date of deposit in MMDDYYYY format. |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '01' |
| 4. | Batch Type | '01' |
| 6. | Total Number of Reports | The number of UA 1020/UA 1093-E reports in batch.
This field should be filled with preceding zeros if there are less than 10 reports in the batch.
Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | The number of payments in the batch.
This field should be filled with preceding zeros if there are less than 10 payments in the batch, and should always have a value greater than zero for this Batch Type. |
| 8. | Total Payment Amount | Total amount of the payments in the batch.
This field should be filled with preceding zeros if the total payment amount is less than 10,000,000,000.00 and should always have a value greater than zero for this Batch type. |



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001

DATE: 04/02/10

Batch Type 01	Trans Code 01	Page 4
---------------	---------------	--------

UA 1020 Reports with Remittances
 UA 1093-E Estimated Tax Reports with
 Remittances

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|----------------------|--|
| 16. | Total Payment Amount | The Amount Enclosed from Line 11 of the UA 1020/UA 1093-E.
This field should be filled with preceding zeros if the Amount of the Payment is less than 100,000,000.00
This amount should always be greater than zero. |
| 17. | Received Date | The date the Report/Payment was received by the bank in MMDDYYYY format. |
| 18. | Deferred Indicator | Spaces. |



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 01 Trans Code 01 Header Record Page 5

UA 1020 Reports with Remittances and
 UA 1093-E Estimated Reports with Remittances

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'01'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1020's/1093-E's in the batch
7.	Total Number of Payments	27	28	2	0<-	Nbr of Pymts in the batch
8.	Total Payment Amount	32	41	13	0<-	Total Amount in the batch.
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 01 Trans Code 01 Detail Record Page 6

UA 1020 Reports with Remittances and
 UA 1093-E Estimated Reports with Remittances

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'01'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1020/1093-E
8.	Employer Number Check Digit	34	34	1	PAS	Spaces
9.	Quarter Ending Date	35	39	5	PAS	On 1020/1093-E as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	If Blank 0 Fill
11.	Covered Workers 2nd Month	46	51	6	0<-	If Blank 0 Fill
12.	Covered Workers 3rd Month	52	57	6	0<-	If Blank 0 Fill
13.	Gross Wages	58	70	13	0<-	If Blank 0 Fill
14.	Excess Wages	71	83	13	0<-	If Blank 0 Fill
15.	Taxable Wages	84	96	13	0<-	If Blank 0 Fill
16.	Total Payment Amount	97	107	11	0<-	Must be > Zero
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE:

04/02/10

Batch Type 01

Trans Code 07

Page 7

Batch Type 01 Trans Code 07

UA 1021 Employer's Amended Report with
Remittance or
UA 1107 UA Adjustment to Reported Wages
with Remittance

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 11, for the Batch Type 01 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|---|
| 1. | Batch Date | The date of deposit in MMDDYYYY format. |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '07' |
| 4. | Batch Type | '01' |
| 6. | Total Number of Reports | The number of UA 1021 or UA 1107 reports in the batch.
This field should be filled with preceding zeros if there are less than 10 reports in the batch.
Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | The number of payments in the batch.
This field should be filled with preceding zeros if there are less than 10 payments in the batch, and should always have a value greater than zero for this Batch Type. |
| 8. | Total Payment Amount | Total amount of the payments in the batch.
This field should be filled with preceding zeros if the total payment amount is less than 10,000,000,000.00 and should always have a value greater than zero for this Batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE:

04/02/10

Batch Type 01

Trans Code 07

Page 8

Batch Type 01 Trans Code 07

UA 1021 Employer's Amended Report with
Remittance or
UA 1107 UA Adjustment to Reported Wages
with Remittance

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 12 for the Batch Type 01 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 7, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 7, Item 2). |
| 4 | Transaction Code | '07' |
| 5 | Batch Type | '01' |
| 7 | Employer Number | The seven digit UA Account Number indicated on the UA 1021, Item 2, or the UA 1107 in the upper right portion of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 4 of the UA 1021, or within the body of the 1st paragraph in the UA 1107 converted to QYYYYY format.
Ex: 03/31/YY would convert to 1YYYYY
06/30/YY would convert to 2YYYYY
09/30/YY would convert to 3YYYYY
12/31/YY would convert to 4YYYYY |
| 10. | Covered Workers 1st Month | Zero fill. |
| 11. | Covered Workers 2nd Month | Zero fill. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE:

04/02/10

Batch Type 01

Trans Code 07

Page 9

UA 1021 Employer's Amended Report with Remittance or
UA 1107 UA Adjustment to Reported Wages with Remittance

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|---------------------------|--|
| 12. | Covered Workers 3rd Month | Zero fill. |
| 13. | Gross Wages | The amount of Gross Quarterly Wages reported by the employer in Item 6, Column II of the UA 1021, or under Column III of the UA 1107. This field should be preceded with zeros if the Gross Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 14. | Excess Wages | The amount of Excess Wages reported by the employer in Item 7, Column II of the UA 1021, or under Column III of the UA 1107. This field should be filled with preceding zeros if the Excess Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 15. | Taxable Wages | The amount of Taxable Wages reported by the employer in Item 8, Column II of the UA 1021, or under column III of the UA 1107. This field should be preceded with zeros if the Excess Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 16. | Total Payment Amount | The Amount of the Payment enclosed with the UA 1021 or UA 1107. This field should be filled with preceding zeros if the Amount of the Payment is less than 100,000,000.00. This amount should always be greater than zero. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 01

Trans Code 07

Page 10

UA 1021 Employer's Amended Report with Remittance or
UA 1107 UA Adjustment to Reported Wages with Remittance

Detail Record Processing Instructions

(Continued)

- 17. Received Date The date the Report/Payment was received by the bank in MMDDYYYY format.
- 18. Deferred Indicator Spaces.



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 01 Trans Code 07 Header Record Page 11

UA 1021 Employer's Amended Report with Remittance or
 UA 1107 UA Adjustment to Reported Wages with Remittance

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'07'
5.	Batch Type	23	24	2	PAS	'01'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1021's or 1107's in the batch
7.	Total Number of Payments	27	28	2	0<-	Nbr of Pymts in the batch
8.	Total Payment Amount	29	41	13	0<-	Total Amount in the batch.
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 01	Trans Code 07	Detail Record	Page 12
---------------	---------------	---------------	---------

UA 1021 Employer's Amended Report with Remittance or
UA 1107 UA Adjustment to Reported Wages with Remittance

FILE NAME: I831 1020 Vendor Edit	DATA NAME: I831 1020 Vendor-Input-Record
FILE TYPE: SAM	HEADER ID: FCVEN01
REC SIZE: 120	BLOCKING FACTOR:
FORMAT: SAM	LABEL:
OUTPUT FROM: VENDOR	REMARKS/KEY FLDS:
INPUT TO: CTDB0001	

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'07'
5.	Batch Type	23	24	2	PAS	'01'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1021, 1107
8.	Employer Number Check Digit	34	34	1	PAS	Spaces
9.	Quarter Ending Date	35	39	5	PAS	On form as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	Must be Zero
11.	Covered Workers 2nd Month	46	51	6	0<-	Must be Zero
12.	Covered Workers 3rd Month	52	57	6	0<-	Must be Zero
13.	Gross Wages	58	70	13	0<-	If Blank 0 Fill
14.	Excess Wages	71	83	13	0<-	If Blank 0 Fill
15.	Taxable Wages	84	96	13	0<-	If Blank 0 Fill
16.	Total Payment Amount	97	107	11	0<-	Must be > Zero
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY:	0<-	Fill with Preceding Zeros
	PAS	Punch as Shown
	N	Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 02

Trans Code 01

Page 13

Batch Type 02 Trans Code 01

UA 1020 Reports without Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 17 for the Batch Type 02 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|--|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '01' |
| 4. | Batch Type | '02' |
| 6. | Total Number of Reports | The number of UA 1020 reports in batch. This field should be filled with preceding zeros if there are less than 10 reports in the batch. Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | Should always be zero for this batch type. |
| 8. | Total Payment Amount | Should always be zero for this batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 02

Trans Code 01

Page 14

Batch Type 02 Trans Code 01

UA 1020 Reports without Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 18, for the Batch Type 02 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 13, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 13, Item 2). |
| 4 | Transaction Code | '01' |
| 5 | Batch Type | '02' |
| 7 | Employer Number | The seven digit UA Account Number indicated on the UA 1020, Item 1, at the left of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 3 of the UA 1020, converted to QYYYY format.
Ex: 03/31/YYYY would convert to 1YYYY
06/30/YYYY would convert to 2YYYY
09/30/YYYY would convert to 3YYYY
12/31/YYYY would convert to 4YY.YY |
| 10. | Covered Workers 1st Month | The number of employees reported by the employer on the UA 1020 in the box labeled 1st Month in Item 12.
This field should be preceded with zeros if the number of employees is less than 100,000.
If the employer did not fill in this item, zero fill the field. |
| 11. | Covered Workers 2nd Month | The number of employees reported by the employer on the UA 1020 in the box labeled 2nd Month in Item 12.
This field should be filled with preceding zeros if the number of employees is less than 100,000. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 02

Trans Code 01

Page 15

UA 1020 Reports without Remittances

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|---------------------------|--|
| 12. | Covered Workers 3rd Month | <p>If the employer did not fill in this item, zero fill the field.</p> <p>The number of employees reported by the employer on the UA 1020 in the box labeled 3rd Month in Item 12.</p> <p>This field should be preceded with zeros if the number of employees is less than 100,000.</p> <p>If the employer did not fill in this item, zero fill the field.</p> |
| 13. | Gross Wages | <p>The amount of Gross Quarterly Wages reported by the employer in Item 5 of the UA 1020.</p> <p>This field should be preceded with zeros if the Gross Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 14. | Excess Wages | <p>The amount of Excess Wages reported by the employer in Item 6 of the UA 1020.</p> <p>This field should be filled with preceding zeros if the Excess Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 15. | Taxable Wages | <p>The amount of Taxable Wages reported by the employer in Item 7 of the UA 1020.</p> <p>This field should be preceded with zeros if the Excess Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 16. | Total Payment Amount | <p>The Amount Enclosed from Item 11 of the UA 1020.</p> <p>For this batch type, this amount should always be zero.</p> |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 02

Trans Code 01

Page 16

UA 1020 Reports without Remittances

Detail Record Processing Instructions

(Continued)

- 17. Received Date The date that the UA 1020 was received in MMDDYYYY format.
- 18. Deferred Indicator Spaces.



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 02 Trans Code 01 Header Record Page 17

UA 1020 Reports without Remittances

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'02'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1020's in the batch
7.	Total Number of Payments	27	28	2	PAS	'00'
8.	Total Payment Amount	29	41	13	PAS	0000000000000
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 02 Trans Code 01 Detail Record Page 18

UA 1020 Reports without Remittances

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'02'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1020
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	PAS	On 1020 as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	If Blank 0 Fill
11.	Covered Workers 2nd Month	46	51	6	0<-	If Blank 0 Fill
12.	Covered Workers 3rd Month	52	57	6	0<-	If Blank 0 Fill
13.	Gross Wages	58	70	13	0<-	If Blank 0 Fill
14.	Excess Wages	71	83	13	0<-	If Blank 0 Fill
15.	Taxable Wages	84	96	13	0<-	If Blank 0 Fill
16.	Total Payment Amount	97	107	11	N	Must be Zeros
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 02

Trans Code 07

Page 19

Batch Type 02 Trans Code 07

UA 1021 Employer's Amended Report without
Remittance or
UA 1107 UA Adjustment to Reported Wages
without Remittance

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 22, for the Batch Type 02 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|---|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '07' |
| 4. | Batch Type | '02' |
| 6. | Total Number of Reports | The number of UA 1021 or UA 1107 reports in the batch.
This field should be filled with preceding zeros if there are less than 10 reports in the batch.
Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | Should always be zero for this batch type. |
| 8. | Total Payment Amount | Should always be zero for this batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 02

Trans Code 07

Page 20

Batch Type 02 Trans Code 07 UA 1021 Employer's Amended Report without
Remittance or
UA 1107 UA Adjustment to Reported Wages
without Remittance

The Item Numbers listed below are cross referenced to the Item Numbers found on the EDP File Description, Page 23 or the Batch Type 02 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|---|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 19, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 19, Item 2). |
| 4 | Transaction Code | '07' |
| 5 | Batch Type | '02' |
| 7 | Employer Number | The seven digit UA Account Number indicated on the UA 1021, Item 2, or the UA 1107 in the upper right portion of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 4 of the UA 1021, or within the body of the 1st paragraph in the UA 1107 converted to QYYYYY format.
Ex: 03/31/YYYYY would convert to 1YYYYY
06/30/YYYYY would convert to 2YYYYY
09/30/YYYYY would convert to 3YYYYY
12/31/YYYYY would convert to 4YYYYY |
| 10. | Covered Workers 1st Month | Zero fill. |
| 11. | Covered Workers 2nd Month | Zero fill. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 02

Trans Code 07

Page 21

UA 1021 Employer's Amended Report without Remittance or
UA 1107 UA Adjustment to Reported Wages without
Remittance

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|---------------------------|---|
| 12. | Covered Workers 3rd Month | Zero fill. |
| 13. | Gross Wages | <p>The amount of Gross Quarterly Wages reported by the employer in Item 6, Column II of the UA 1021, or under Column III of the UA 1107.</p> <p>This field should be preceded with zeros if the Gross Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 14. | Excess Wages | <p>The amount of Excess Wages reported by the employer in Item 7, Column II of the UA 1021, or under Column III of the UA 1107.</p> <p>This field should be filled with preceding zeros if the Excess Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 15. | Taxable Wages | <p>The amount of Taxable Wages reported by the employer in Item 8, Column II of the UA 1021, or under column III of the UA 1107.</p> <p>This field should be preceded with zeros if the Excess Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 16. | Total Payment Amount | Should always be zero for this batch type. |
| 17. | Received Date | The date the Report was received by the bank in MMDDYYYY format. |
| 18. | Deferred Indicator | Spaces. |



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 02 Trans Code 07 Header Record Page 22

UA 1021 Employer's Amended Report without Remittance or
 UA 1107 UA Adjustment to Reported Wages without
 Remittance

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'07'
5.	Batch Type	23	24	2	PAS	'02'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1021's or 1107's in the batch
7.	Total Number of Payments	27	28	2	0<-	00
8.	Total Payment Amount	29	41	13	0<-	0000000000000
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 02 Trans Code 07 Detail Record Page 23

UA 1021 Employer's Amended Report without Remittance or
 UA 1107 UA Adjustment to Reported Wages without Remittance

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'07'
5.	Batch Type	23	24	2	PAS	'02'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1021, 1107
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	PAS	On form as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	Must be Zero
11.	Covered Workers 2nd Month	46	51	6	0<-	Must be Zero
12.	Covered Workers 3rd Month	52	57	6	0<-	Must be Zero
13.	Gross Wages	58	70	13	0<-	If Blank 0 Fill
14.	Excess Wages	71	83	13	0<-	If Blank 0 Fill
15.	Taxable Wages	84	96	13	0<-	If Blank 0 Fill
16.	Total Payment Amount	97	107	11	0<-	Must be Zeros
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 03

Trans Code 10

Page 24

Batch Type 03 Trans Code 10 Tax Remittances (Loose Payments)

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 26, for the Batch Type 03 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|---|
| 1. | Batch Date | The date of deposit in MMDDYYYY format |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '10' |
| 4. | Batch Type | '03' |
| 6. | Total Number of Reports | Should always be zero for this batch type. |
| 7. | Total Number of Payments | The number of payments in the batch.
This field should be filled with preceding zeros if there are less than 10 payments in the batch, and should always have a value greater than zero for this Batch Type. |
| 8. | Total Payment Amount | Total amount of the payments in the batch.
The field should be filled with preceding zeros if the total payment amount is less than 10,000,000,000.00, and should always have a value greater than zero for this Batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 03

Trans Code 10

Page 25

Batch Type 03 Trans Code 10 Tax Remittances (Loose Payments)

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 27 or the Batch Type 03 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 24, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 24, Item 2). |
| 4 | Transaction Code | '10' |
| 5 | Batch Type | '03' |
| 7 | Employer Number | The seven digit UA Account Number indicated on the remittance. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | Zero fill. |
| 10. | Covered Workers 1st Month | Zero fill. |
| 11. | Covered Workers 2nd Month | Zero fill. |
| 12. | Covered Workers 3rd Month | Zero fill. |
| 13. | Gross Wages | Zero fill. |
| 14. | Excess Wages | Zero fill. |
| 15. | Taxable Wages | Zero fill. |
| 16. | Total Payment Amount | The amount of the payment.
This field should be filled with preceding zeros.
This amount should always be greater than zero. |
| 17. | Received Date | The date the Payment received in MMDDYYYY format. |
| 18. | Deferred Indicator | Space. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 03 Trans Code 10 Header Record Page 26

Tax Remittances (Loose Payments)

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'10'
5.	Batch Type	23	24	2	PAS	'03'
6.	Total Number of Reports	25	26	2	PAS	'00'
7.	Total Number of Payments	27	28	2	0<-	Nbr of Pymts in the batch.
8.	Total Payment Amount	29	41	13	0<-	Total Amount in the batch.
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 03 Trans Code 10 Detail Record Page 27

Tax Remittances (Loose Payments)

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'10'
5.	Batch Type	23	24	2	PAS	'03'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On Remittance
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	N	Zero Fill
10.	Covered Workers 1st Month	40	45	6	N	Zero Fill
11.	Covered Workers 2nd Month	46	51	6	N	Zero Fill
12.	Covered Workers 3rd Month	52	57	6	N	Zero Fill
13.	Gross Wages	58	70	13	N	Zero Fill
14.	Excess Wages	71	83	13	N	Zero Fill
15.	Taxable Wages	84	96	13	N	Zero Fill
16.	Total Payment Amount	97	107	11	0<-	Must be > Zero
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 04

Trans Code 12

Page 28

Batch Type 04 Trans Code 12 Voluntary Payments

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 30, for the Batch Type 04 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|---|
| 1. | Batch Date | The date of deposit in MMDDYYYY format |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '12' |
| 4. | Batch Type | '04' |
| 6. | Total Number of Reports | Should always be zero for this batch type. |
| 7. | Total Number of Payments | The number of payments in the batch.
This field should be filled with preceding zeros if there are less than 10 payments in the batch, and should always have a value greater than zero for this Batch Type. |
| 8. | Total Payment Amount | Total amount of the payments in the batch.
The field should be filled with preceding zeros if the total payment amount is less than 10,000,000,000.00, and should always have a value greater than zero for this Batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 04

Trans Code 12

Page 29

Batch Type 04 Trans Code 12 Voluntary Payments

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 31 or the Batch Type 04 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 28, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 28, Item 2). |
| 4 | Transaction Code | '12' |
| 5 | Batch Type | '04' |
| 7 | Employer Number | The seven digit UA Account Number which should be indicated on the remittance. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | Zero fill. |
| 10. | Covered Workers 1st Month | Zero fill. |
| 11. | Covered Workers 2nd Month | Zero fill. |
| 12. | Covered Workers 3rd Month | Zero fill. |
| 13. | Gross Wages | Zero fill. |
| 14. | Excess Wages | Zero fill. |
| 15. | Taxable Wages | Zero fill. |
| 16. | Total Payment Amount | The Amount of the Payment.
This field should be filled with preceding zeros.
This amount should always be greater than zero. |
| 17. | Received Date | The date the Payment was received in MMDDYYYY format. |
| 18. | Deferred Indicator | Space. |



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 04 Trans Code 12 Header Record Page 30

Voluntary Payments

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'12'
5.	Batch Type	23	24	2	PAS	'04'
6.	Total Number of Reports	25	26	2	PAS	'00'
7.	Total Number of Payments	27	28	2	0<-	Nbr of Pymts in the batch.
8.	Total Payment Amount	29	41	13	0<-	Total Amount in the batch.
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/2010

Batch Type 04	Trans Code 12	Detail Record	Page 31
Voluntary Payments			

FILE NAME: I831 1020 Vendor Edit	DATA NAME: I831 1020 Vendor-Input-Record
FILE TYPE: SAM	HEADER ID: FCVEN01
REC SIZE: 120	BLOCKING FACTOR:
FORMAT: SAM	LABEL:
OUTPUT FROM: VENDOR	REMARKS/KEY FLDS:
INPUT TO: CTDB0001	

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'12'
5.	Batch Type	23	24	2	PAS	'04'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On Remittance
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	N	Zero Fill
10.	Covered Workers 1st Month	40	45	6	N	Zero Fill
11.	Covered Workers 2nd Month	46	51	6	N	Zero Fill
12.	Covered Workers 3rd Month	52	57	6	N	Zero Fill
13.	Gross Wages	58	70	13	N	Zero Fill
14.	Excess Wages	71	83	13	N	Zero Fill
15.	Taxable Wages	84	96	13	N	Zero Fill
16.	Total Payment Amount	97	107	11	0<-	Must be > Zero
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY:	0<-	Fill with Preceding Zeros
	PAS	Punch as Shown
	N	Numeric



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 05

Trans Code 01

Page 32

Batch Type 05 Trans Code 01

UIA 1020 Reports without Account Numbers

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 00 for the Batch Type 05 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|--|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive nine digit number with the Fiscal Year of the batch represented as the first four digits. |
| 4. | Transaction Code | '00' |
| 5. | Batch Type | '05' |
| 6. | Total Number of Reports | The number of UIA 1020 reports in batch. This field should be filled with preceding zeros if there are less than 10 reports in the batch. Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | The number of payments in the batch. This field should be filled with preceding zeros if there are less than 10 payments in the batch, and should always have a value greater than zero for this Batch Type. |
| 8. | Total Payment Amount | Total amount of the payments in the batch. This field should be filled with preceding zeros if the total payment amount is less than 10,000,000,000.00 and should always have a value greater than zero for this Batch type. |



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -

DATE:

04/02/10

Batch Type 05

Trans Code 01

Page 33

Batch Type 05 Trans Code 01

UIA 1020 Reports without Account Numbers

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 00, for the Batch Type 05 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|---|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page XX, Item X) |
| 2. | Batch Number | The same nine digit Batch Number entered on the Header Record. (Page XX, Item X). |
| 4. | Transaction Code | '01' |
| 5. | Batch Type | '05' |
| 7. | Employer Number | Zero fill |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 3 of the UIA 1020, converted to QYYYY format.
Ex: 03/31/YYYY would convert to 1YYYY
06/30/YYYY would convert to 2YYYY
09/30/YYYY would convert to 3YYYY
12/31/YYYY would convert to 4YYYY |
| 10. | Covered Workers 1st Month | The number of employees reported by the employer on the UIA 1020 in the box labeled 1st Month in Item 12.
This field should be preceded with zeros if the number of employees is less than 100,000.
If the employer did not fill in this item, zero fill the field. |
| 11. | Covered Workers 2nd Month | The number of employees reported by the employer on the UIA 1020 in the box labeled 2nd Month in Item 12.
This field should be filled with preceding zeros if the number of employees is less than 100,000.
If the employer did not fill in this item, zero fill the field. |



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -

DATE:

04/02/10

Batch Type 05

Trans Code 01

Page 34

 UIA 1020 Reports without Account Numbers

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|---------------------------|--|
| 12. | Covered Workers 3rd Month | The number of employees reported by the employer on the UIA 1020 in the box labeled 3rd Month in Item 12.
This field should be preceded with zeros if the number of employees is less than 100,000. If the employer did not fill in this item, zero fill the field. |
| 13. | Gross Wages | The amount of Gross Quarterly Wages reported by the employer in Item 5 of the UIA 1020. This field should be preceded with zeros if the Gross Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 14. | Excess Wages | The amount of Excess Wages reported by the employer in Item 6 of the UIA 1020. This field should be preceded with zeros if the Excess Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 15. | Taxable Wages | The amount of Taxable Wages reported by the employer in Item 7 of the UIA 1020. This field should be preceded with zeros if the Taxable Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 16. | Total Payment Amount | The amount of Total Payment reported by the employer in Item 11 of the UIA 1020. This field should be preceded with zeros if the Total Payment is less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 17. | Received Date | The date that the UIA 1020 was received in MMDDYYYY format. |
| 18. | Deferred Indicator | Spaces. |

UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -



ATTACHMENTS

EDP FILE DESCRIPTION

CONTRACT #071B1300224

DATE: 04/02/10

Batch Type 05 Trans Code 01 Header Record Page 35

UIA 1020 Reports without Account Numbers

FILE NAME: - 1020 Vendor Edit DATA NAME: - 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: - SEQUENCE:
 REC SIZE: - BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: -

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'00'
5.	Batch Type	23	24	2	PAS	'05'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1020's in the batch
7.	Total Number of Payments	27	28	2	0<-	Nbr of 1020 payments in the batch
8.	Total Payment Amount	32	41	13	0<-	Total dollar amount of 1020 payments
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 05	Trans Code 01	Detail Record	Page 36
UIA 1020 Reports without Account Numbers			

FILE NAME:	-	1020 Vendor Edit	DATA NAME:	-	1020 Vendor-Input-Record
FILE TYPE:	SAM	HEADER ID:	-	SEQUENCE:	
REC SIZE:	-	BLOCKING FACTOR:		BLKSZ:	
FORMAT:	SAM	LABEL:		REMARKS/KEY FLDS:	
OUTPUT FROM:	VENDOR				
INPUT TO:	-				

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'05'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	N	Zero fill
8.	Employer Number Check Digit	34	34	1	PAS	Spaces
9.	Quarter Ending Date	35	39	5	PAS	On 1020 as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	If Blank 0 Fill
11.	Covered Workers 2nd Month	46	51	6	0<-	If Blank 0 Fill
12.	Covered Workers 3rd Month	52	57	6	0<-	If Blank 0 Fill
13.	Gross Wages	58	70	13	0<-	On 1020
14.	Excess Wages	71	83	13	0<-	On 1020
15.	Taxable Wages	84	96	13	0<-	On 1020
16.	Total Payment Amount	97	107	11	0<-	On 1020
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	12	PAS	Spaces

KEY:	0<-	Fill with Preceding Zeros
	PAS	Punch as Shown
	N	Numeric



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 05

Trans Code 07

Page 37

Batch Type 05 Trans Code 07

UIA 1021 Reports without Account Numbers

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 00 for the Batch Type 05 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|--|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive nine digit number with the Fiscal Year of the batch represented as the first four digits. |
| 4. | Transaction Code | '00' |
| 5. | Batch Type | '05' |
| 6. | Total Number of Reports | The number of UIA 1021 reports in batch. This field should be filled with preceding zeros if there are less than 10 reports in the batch. Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | The number of payments in the batch. This field should be filled with preceding zeros if there are less than 10 payments in the batch, and should always have a value greater than zero for this Batch Type. |
| 8. | Total Payment Amount | Total amount of the payments in the batch. This field should be filled with preceding zeros if the total payment amount is less than 10,000,000,000.00 and should always have a value greater than zero for this Batch type. |



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -

DATE:

04/02/10

Batch Type 05

Trans Code 07

Page 38

Batch Type 05 Trans Code 07

UIA 1021 Reports without Account Numbers

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 00, for the Batch Type 05 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|---------------------------------------|---|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 00, Item 0) |
| 2. | Batch Number | The same nine-digit Batch Number entered on the Header Record. (Page 00, Item 0). |
| 4. | Transaction Code | '07' |
| 5. | Batch Type | '05' |
| 7. | Employer Number | Zero fill |
| 8. | Employer Number Check Digit | Spaces |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in after line heading Calendar Qtr Ending of the UIA 1021, converted to QYYYY format.
Ex: 03/31/YYYY would convert to 1YYYY
06/30/YYYY would convert to 2YYYY
09/30/YYYY would convert to 3YYYY
12/31/YYYY would convert to 4YYYY |
| 10. | Covered Workers 1 st Month | Zero fill |
| 11. | Covered Workers 2 nd Month | Zero fill |
| 12. | Covered Workers 3 rd Month | Zero fill |
| 13. | Gross Wages | The amount of Gross Quarterly Wages reported by the employer in Item 2 of Column II of the UIA 1021. This field should be preceded with zeros if the Gross Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 14. | Excess Wages | The amount of Excess Quarterly Wages reported by the employer in Item 3 of Column II of the UIA 1021. This field should be preceded with zeros if the Excess Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS

PROJECT -

DATE:

04/02/10

Batch Type 05

Trans Code 07

Page 39

UIA 1021 Reports without Account Numbers

Detail Record Processing Instructions

(Continued)

- 15. Taxable Wages The amount of Taxable Quarterly Wages reported by the employer in Item 4 of Column II of the UIA 1021. This field should be preceded with zeros if the Taxable Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field.
- 16. Total Payment Amount The payment amount reported by the employer in Item 7 of Column III of the UIA 1021. This field should be preceded with zeros if the payment amount is less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field.
- 17. Received Date The date that the UIA 1021 was received in MMDDYYYY format.
- 18. Deferred Indicator Spaces.



ATTACHMENTS

EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 05 Trans Code 07 Header Record Page 40

UIA 1021 Reports without Account Numbers

FILE NAME: - 1021 Vendor Edit DATA NAME: - 1021 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: - SEQUENCE:
 REC SIZE: - BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: -

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'00'
5.	Batch Type	23	24	2	PAS	'05'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1021's in the batch
7.	Total Number of Payments	27	28	2	0<-	Nbr of 1021 payments in the batch
8.	Total Payment Amount	32	41	13	0<-	Total dollar amount of 1021 payments
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 05	Trans Code 07	Detail Record	Page 41
UIA 1021 Reports without Account Numbers			

FILE NAME: - 1021 Vendor Edit DATA NAME: - 1021 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: - SEQUENCE:
 REC SIZE: - BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: -

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'07'
5.	Batch Type	23	24	2	PAS	'05'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	N	Zero fill
8.	Employer Number Check Digit	34	34	1	PAS	Spaces
9.	Quarter Ending Date	35	39	5	PAS	On 1021 as QYYYY
10.	Covered Workers 1 st Month	40	45	6	0<	Zero fill
11.	Covered Workers 2 nd Month	46	51	6	0<	Zero fill
12.	Covered Workers 3 rd Month	52	57	6	0<	Zero fill
13.	Gross Wages	58	70	13	0<-	On 1021
14.	Excess Wages	71	83	13	0<-	On 1021
15.	Taxable Wages	84	96	13	0<-	On 1021
16.	Total Payment Amount	97	107	11	0<-	On 1021
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	12	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 06

Trans Code 01

Page 42

Batch Type 06 Trans Code 01

UA 1020 No Payroll Reports

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page xx for the Batch Type 06 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|--|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '01' |
| 4. | Batch Type | '06' |
| 6. | Total Number of Reports | The number of UA 1020 reports in batch.
This field should be filled with preceding zeros if there are less than 10 reports in the batch.
Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | Should always be zero for this batch type. |
| 8. | Total Payment Amount | Should always be zero for this batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 06

Trans Code 01

Page 43

Batch Type 06 Trans Code 01

UA 1020 No Payroll Reports

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 36, for the Batch Type 06 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 32, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 32, Item 2). |
| 4 | Transaction Code | '01' |
| 5 | Batch Type | '06' |
| 7 | Employer Number | The seven digit UA Account Number indicated on the UA 1020, Item 1, at the left of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 3 of the UA 1020, converted to QYYYY format.
Ex. 03/31/YYYY would convert to 1YYYY
06/30/YYYY would convert to 2YYYY
09/30/YYYY would convert to 3YYYY
12/31/YYYY would convert to 4YYYY |
| 10. | Covered Workers 1st Month | Should be zero for this batch type.
From UA 1020 Item 12 in the box labeled 1st Month.
If the employer did not fill in this item, zero fill the field. |
| 11. | Covered Workers 2nd Month | Should be zero for this batch type.
From UA 1020 Item 12 in the box labeled 2nd Month. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 06

Trans Code 01

Page 44

UA 1020 No Payroll Reports

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|---------------------------|--|
| 12. | Covered Workers 3rd Month | <p>If the employer did not fill in this item, zero fill the field.</p> <p>Should be zero for this batch type.</p> <p>From UA 1020 Item 12 in the box labeled 3rd Month.</p> <p>If the employer did not fill in this item, zero fill the field.</p> |
| 13. | Gross Wages | Should be zero for this batch type. |
| 14. | Excess Wages | Should be zero for this batch type. |
| 15. | Taxable Wages | Should be zero for this batch type. |
| 16. | Total Payment Amount | This amount should always be zero for this batch type. |
| 17. | Received Date | The date that the UA 1020 was received in MMDDYYYY format. |
| 18. | Deferred Indicator | Spaces. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 06 Trans Code 01 Header Record Page 45

UA 1020 No Payroll Reports

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'06'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1020's in the batch
7.	Total Number of Payments	27	28	2	PAS	'00'
8.	Total Payment Amount	29	41	13	PAS	0000000000000
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 06	Trans Code 01	Detail Record	Page 46
UA 1020 No Payroll Reports			

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'06'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1020
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	PAS	On 1020 as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	If Blank 0 Fill
11.	Covered Workers 2nd Month	46	51	6	0<-	If Blank 0 Fill
12.	Covered Workers 3rd Month	52	57	6	0<-	If Blank 0 Fill
13.	Gross Wages	58	70	13	N	Must be Zero
14.	Excess Wages	71	83	13	N	Must be Zero
15.	Taxable Wages	84	96	13	N	Must be Zero
16.	Total Payment Amount	97	107	11	N	Must be Zero
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	12	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 06

Trans Code 07

Page 47

Batch Type 06 Trans Code 07

UA 1021 Employer's Amended Report No
Payroll or
UA 1107 UA Adjustment to Reported Wages No
Payroll

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 40, for the Batch Type 06 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|---|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '07' |
| 4. | Batch Type | '06' |
| 6. | Total Number of Reports | The number of UA 1021 or UA 1107 reports in the batch.
This field should be filled with preceding zeros if there are less than 10 reports in the batch.
Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | Should always be zero for this batch type. |
| 8. | Total Payment Amount | Should always be zero for this batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 06

Trans Code 07

Page 48

Batch Type 06 Trans Code 07 UA 1021 Employer's Amended Report No
Payroll or
UA 1107 UA Adjustment to Reported Wages No
Payroll

The Item Numbers listed below are cross referenced to the Item Numbers found on the EDP File Description, Page 41 or the Batch Type 06 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|---|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 37, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 37, Item 2). |
| 4 | Transaction Code | '07' |
| 5 | Batch Type | '06' |
| 7 | Employer Number | The seven digit UA Account Number indicated on the UA 1021, Item 2, or the UA 1107 in the upper right portion of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 4 of the UA 1021, or within the body of the 1st paragraph in the UA 1107 converted to QYYYYY format.
Ex: 03/31/YYYYY would convert to 1YYYYY
06/30/YYYYY would convert to 2YYYYY
09/30/YYYYY would convert to 3YYYYY
12/31/YYYYY would convert to 4YYYYY |
| 10. | Covered Workers 1st Month | Zero fill. |
| 11. | Covered Workers 2nd Month | Zero fill. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 06

Trans Code 07

Page 49

UA 1021 Employer's Amended Report No Payroll or
UA 1107 UA Adjustment to Reported Wages No Payroll

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|---------------------------|---|
| 12. | Covered Workers 3rd Month | Zero fill. |
| 13. | Gross Wages | Should always be zero for this batch type. |
| 14. | Excess Wages | Should always be zero for this batch type. |
| 15. | Taxable Wages | Should always be zero for this batch type. |
| 16. | Total Payment Amount | Should always be zero for this batch type. |
| 17. | Received Date | The date the Report was received by the bank
in MMDDYYYY format. |
| 18. | Deferred Indicator | Spaces. |



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 06 Trans Code 07 Header Record Page 50

UA 1021 Employer's Amended Report No Payroll or
 UA 1107 UA Adjustment to Reported Wages No Payroll

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'07'
5.	Batch Type	23	24	2	PAS	'06'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1021's or 1107's in the batch
7.	Total Number of Payments	27	28	2	0<-	00
8.	Total Payment Amount	29	41	13	0<-	0000000000000
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 06 Trans Code 07 Detail Record Page 51

UA 1021 Employer's Amended Report No Payroll or
UA 1107 UA Adjustment to Reported Wages No Payroll

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
FORMAT: SAM LABEL: REMARKS/KEY FLDS:
OUTPUT FROM: VENDOR
INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'07'
5.	Batch Type	23	24	2	PAS	'06'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1021, 1107
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	PAS	On form as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	Must be Zero
11.	Covered Workers 2nd Month	46	51	6	0<-	Must be Zero
12.	Covered Workers 3rd Month	52	57	6	0<-	Must be Zero
13.	Gross Wages	58	70	13	0<-	Must be Zero
14.	Excess Wages	71	83	13	0<-	Must be Zero
15.	Taxable Wages	84	96	13	0<-	Must be Zero
16.	Total Payment Amount	97	107	11	0<-	Must be Zeros
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 07

Trans Code 15

Page 52

Batch Type 07 Trans Code 15

FUTA Tax Credit

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 44, for the Batch Type 07 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|--|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYYY format. |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '15' |
| 4. | Batch Type | '07' |
| 6. | Total Number of Reports | Should always be zero for this batch type. |
| 7. | Total Number of Payments | The number of forms UA 1110 in the batch. The field should be filled with preceding zeros if there are less than 10 items in the batch, and should always have a value greater than zero for this Batch type. |
| 8. | Total Payment Amount | Total amount of the items in the batch. This field should be filled with preceding zeros if the total payment amount is less than 10,000,000,000.00, and should always have a value greater than zero for this Batch Type. |



**APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001**

DATE:

04/02/10

Batch Type 07

Trans Code 15

Page 53

Batch Type 07 Trans Code 15 FUTA Tax Credit

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 45 or the Batch Type 07 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 42, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 42, Item 2). |
| 4 | Transaction Code | '15' |
| 5 | Batch Type | '07' |
| 7 | Employer Number | The seven digit UA Account Number from the preprinted information in the top of the form, or if not preprinted, from the line stating "Enter UA Account Number if not preprinted" in the body of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | Zero or space followed by YYYY of credit from UA 1110 statement "Application for State Unemployment Tax Credit for 20YY". |
| 10. | Covered Workers 1st Month | Zero fill. |
| 11. | Covered Workers 2nd Month | Zero fill. |
| 12. | Covered Workers 3rd Month | Zero fill. |
| 13. | Gross Wages | Zero fill. |
| 14. | Excess Wages | Zero fill. |
| 15. | Taxable Wages | Zero fill. |
| 16. | Total Payment Amount | The Amount from the line above the statement "Figure A (Additional FUTA taxes paid)". The field should be filled with preceding zeros, and should always be greater than zero. |
| 17. | Received Date | The date the Form 1110 was received in MMDDYYYY format. |
| 18. | Deferred Indicator | Space. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 07 Trans Code 15 Header Record Page 54

FUTA Tax Credit

FILE NAME:	I831 1020 Vendor Edit	DATA NAME:	I831 1020 Vendor-Input-Record
FILE TYPE:	SAM	HEADER ID:	FCVEN01
REC SIZE:	120	BLOCKING FACTOR:	
FORMAT:	SAM	LABEL:	
OUTPUT FROM:	VENDOR	SEQUENCE:	
INPUT TO:	CTDB0001	BLKSZ:	
		REMARKS/KEY FLDS:	

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'15'
5.	Batch Type	23	24	2	PAS	'07'
6.	Total Number of Reports	25	26	2	PAS	'00'
7.	Total Number of Payments	27	28	2	0<-	Nbr of credit forms UA 1110 in the batch
8.	Total Payment Amount	29	41	13	0<-	Total Amount of credits in the batch
9.	Filler	42	131	90	PAS	Spaces

KEY:	0<-	Fill with Preceding Zeros
	PAS	Punch as Shown
	N	Numeric



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 07 Trans Code 15 Detail Record Page 55

FUTA Tax Credit

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'15'
5.	Batch Type	23	24	2	PAS	'07'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On UA 1110
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	PAS	'bYYYY' or '0YYYY'
10.	Covered Workers 1st Month	40	45	6	N	Zero fill
11.	Covered Workers 2nd Month	46	51	6	N	Zero fill
12.	Covered Workers 3rd Month	52	57	6	N	Zero fill
13.	Gross Wages	58	70	13	N	Zero fill
14.	Excess Wages	71	83	13	N	Zero fill
15.	Taxable Wages	84	96	13	N	Zero fill
16.	Total Payment Amount	97	107	11	0<-	From UA 1110
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 08

Trans Code 01

Page 56

Batch Type 08 Trans Code 01

UA 1093-E Estimated Tax Report without
Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 50 for the Batch Type 08 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|--|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '01' |
| 4. | Batch Type | '08' |
| 6. | Total Number of Reports | The number of UA 1093-E reports in batch. This field should be filled with preceding zeros if there are less than 10 reports in the batch. Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | Should always be zero for this batch type. |
| 8. | Total Payment Amount | Should always be zero for this batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 08

Trans Code 01

Page 57

Batch Type 08 Trans Code 01

UA 1093-E Estimated Tax Reports without
Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 51, for the Batch Type 08 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 13, Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 13, Item 2). |
| 4 | Transaction Code | '01' |
| 5 | Batch Type | '08' |
| 7 | Employer Number | The seven digit UA Account Number indicated on the UA 1093-E, Item 1, at the left of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 3 of the UA 1093-E, converted to QYYYYY format.
Ex: 03/31/YYYYY would convert to 1YYYYY
06/30/YYYYY would convert to 2YYYYY
09/30/YYYYY would convert to 3YYYYY
12/31/YYYYY would convert to 4YYYYY |
| 10. | Covered Workers 1st Month | The number of employees reported by the employer on the UA 1093-E in the box labeled 1st Month in Item 12.
This field should be preceded with zeros if the number of employees is less than 100,000.
If the employer did not fill in this item, zero fill the field. |
| 11. | Covered Workers 2nd Month | The number of employees reported by the employer on the UA 1093-E in the box labeled 2nd Month in Item 12.
This field should be filled with preceding zeros if the number of employees is less than 100,000. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 08

Trans Code 01

Page 58

UA 1093-E Estimated Reports without Remittances

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|---------------------------|--|
| 12. | Covered Workers 3rd Month | <p>If the employer did not fill in this item, zero fill the field.</p> <p>The number of employees reported by the employer on the UA 1093-E in the box labeled 3rd Month in Item 12.</p> <p>This field should be preceded with zeros if the number of employees is less than 100,000.</p> <p>If the employer did not fill in this item, zero fill the field.</p> |
| 13. | Gross Wages | <p>The amount of Gross Quarterly Wages reported by the employer in Item 5 of the UA 1093-E.</p> <p>This field should be preceded with zeros if the Gross Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 14. | Excess Wages | <p>The amount of Excess Wages reported by the employer in Item 6 of the UA 1093-E.</p> <p>This field should be filled with preceding zeros if the Excess Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 15. | Taxable Wages | <p>The amount of Taxable Wages reported by the employer in Item 7 of the UA 1093-E.</p> <p>This field should be preceded with zeros if the Excess Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 16. | Total Payment Amount | <p>The Amount Enclosed from Item 11 of the UA 1080.</p> <p>For this batch type, this amount should always be zero.</p> |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE: 04/02/10

Batch Type 08

Trans Code 01

Page 59

UA 1093-E Estimated Reports without Remittances

Detail Record Processing Instructions

(Continued)

- 17. Received Date The date that the 1093-E was received in MMDDYYYY format.
- 18. Deferred Indicator Spaces.



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 08 Trans Code 01 Header Record Page 60

UA 1093-E Estimated Reports without Remittances

FILE NAME: I831 1080 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'08'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1093-E in the batch
7.	Total Number of Payments	27	28	2	PAS	'00'
8.	Total Payment Amount	29	41	13	PAS	0000000000000
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 08	Trans Code 01	Detail Record	Page 61
UA 1093-E Estimated Reports without Remittances			

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'08'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1093-E
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	PAS	On 1093-E as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	If Blank 0 Fill
11.	Covered Workers 2nd Month	46	51	6	0<-	If Blank 0 Fill
12.	Covered Workers 3rd Month	52	57	6	0<-	If Blank 0 Fill
13.	Gross Wages	58	70	13	0<-	If Blank 0 Fill
14.	Excess Wages	71	83	13	0<-	If Blank 0 Fill
15.	Taxable Wages	84	96	13	0<-	If Blank 0 Fill
16.	Total Payment Amount	97	107	11	N	Must be Zeros
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 09

Trans Code 01

Page 62

Batch Type 09 Trans Code 01

UIA 1020R Reports without Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 00 for the Batch Type 09 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|--|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive nine-digit number with the Fiscal Year of the batch represented as the first four digits. |
| 4. | Transaction Code | '00' |
| 5. | Batch Type | '09' |
| 6. | Total Number of Reports | The number of UIA 1020R reports in batch. This field should be filled with preceding zeros if there are less than 10 reports in the batch. Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | Should always be zero for this batch type. |
| 8. | Total Payment Amount | Should always be zero for this batch type. |



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -

DATE:

04/02/10

Batch Type 09

Trans Code 01

Page 63

Batch Type 09 Trans Code 01

UIA 1020R Reports without Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 00, for the Batch Type 09 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|---|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page XX, Item X) |
| 2. | Batch Number | The same nine-digit Batch Number entered on the Header Record. (Page XX, Item X). |
| 4. | Transaction Code | '01' |
| 5. | Batch Type | '09' |
| 7. | Employer Number | The seven-digit UIA Account Number indicated on the UIA 1020R, Item 1, at the left of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 3 of the UIA 1020R, converted to QYYYYY format.
Ex: 03/31/YYYY would convert to 1YYYY
06/30/YYYY would convert to 2YYYY
09/30/YYYY would convert to 3YYYY
12/31/YYYY would convert to 4YYYY |
| 10. | Covered Workers 1st Month | The number of employees reported by the employer on the UIA 1020R in the box labeled 1st Month in Item 5.
This field should be preceded with zeros if the number of employees is less than 100,000.
If the employer did not fill in this item, zero fill the field. |
| 11. | Covered Workers 2nd Month | The number of employees reported by the employer on the UIA 1020R in the box labeled 2nd Month in Item 5.
This field should be filled with preceding zeros if the number of employees is less than 100,000. |



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 09

Trans Code 01

Page 64

 UIA 1020R Reports without Remittances

Detail Record Processing Instructions

(Continued)

- | | | |
|-----|---------------------------|---|
| 12. | Covered Workers 3rd Month | <p>If the employer did not fill in this item, zero fill the field.</p> <p>The number of employees reported by the employer on the UIA 1020R in the box labeled 3rd Month in Item 5.</p> <p>This field should be preceded with zeros if the number of employees is less than 100,000.</p> <p>If the employer did not fill in this item, zero fill the field.</p> |
| 13. | Gross Wages | <p>The amount of Gross Quarterly Wages reported by the employer in Item 4 of the UIA 1020R.</p> <p>This field should be preceded with zeros if the Gross Wages are less than 10,000,000,000.00.</p> <p>If the employer has not completed this line, zero fill the field.</p> |
| 14. | Excess Wages | Zero fill. |
| 15. | Taxable Wages | Zero fill. |
| 16. | Total Payment Amount | Zero fill. |
| 17. | Received Date | The date that the UIA 1020R was received in MMDDYYYY format. |
| 18. | Deferred Indicator | Spaces. |



UNEMPLOYMENT INSURANCE AGENCY
 KEYPUNCH INSTRUCTIONS
 PROJECT -
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 09 Trans Code 01 Header Record Page 65

UIA 1020R Reports without Remittances

FILE NAME: - 1020R Vendor Edit DATA NAME: - 1020R Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: - SEQUENCE:
 REC SIZE: - BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: -

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'00'
5.	Batch Type	23	24	2	PAS	'09'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1020R's in the batch
7.	Total Number of Payments	27	28	2	PAS	'00'
8.	Total Payment Amount	32	41	13	N	Must be zeros
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 09	Trans Code 01	Detail Record	Page 66
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UIA 1020R Reports without Remittances

FILE NAME: - 1020R Vendor Edit	DATA NAME: - 1020R Vendor-Input-Record
FILE TYPE: SAM	HEADER ID: -
REC SIZE: -	BLOCKING FACTOR:
FORMAT: SAM	LABEL:
OUTPUT FROM: VENDOR	REMARKS/KEY FLDS:
INPUT TO: -	

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'01'
5.	Batch Type	23	24	2	PAS	'09'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1020R
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	PAS	On 1020R as QYYYY
10.	Covered Workers 1st Month	40	45	6	0<-	If Blank 0 Fill
11.	Covered Workers 2nd Month	46	51	6	0<-	If Blank 0 Fill
12.	Covered Workers 3rd Month	52	57	6	0<-	If Blank 0 Fill
13.	Gross Wages	58	70	13	0<-	If Blank 0 Fill
14.	Excess Wages	71	83	13	N	Must be Zeros
15.	Taxable Wages	84	96	13	N	Must be Zeros
16.	Total Payment Amount	97	107	11	N	Must be Zeros
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
17.	Filler	117	131	15	PAS	Spaces

KEY:	0<-	Fill with Preceding Zeros
	PAS	Punch as Shown
	N	Numeric



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 09

Trans Code 07

Page 67

Batch Type 09 Trans Code 07

UIA 1021R Reports without Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 00 for the Batch Type 09 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|--|
| 1. | Batch Date | The date the transactions are batched in MMDDYYYY format. |
| 2. | Batch Number | Consecutive nine digit number with the Fiscal Year of the batch represented as the first four digits. |
| 4. | Transaction Code | '00' |
| 5. | Batch Type | '09' |
| 6. | Total Number of Reports | The number of UIA 1021R reports in batch. This field should be filled with preceding zeros if there are less than 10 reports in the batch. Should always have a value greater than zero for this Batch Type. |
| 7. | Total Number of Payments | Should always be zero for this batch type. |
| 8. | Total Payment Amount | Should always be zero for this batch type. |



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 09

Trans Code 07

Page 68

Batch Type 09 Trans Code 07

UA 1021R Reports without Remittances

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 00, for the Batch Type 09 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|---------------------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 00, Item 0) |
| 2. | Batch Number | The same nine digit Batch Number entered on the Header Record. (Page 00, Item 0). |
| 4. | Transaction Code | '07' |
| 5. | Batch Type | '09' |
| 7. | Employer Number | The seven digit UIA Account Number indicated on the UIA 1021R, Item 0, at the left of the form. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | The Quarterly reporting Period Ending indicated in Item 0 of the UIA 1021R, converted to QYYYYY format.
Ex: 03/31/YYYY would convert to 1YYYY
06/30/YYYY would convert to 2YYYY
09/30/YYYY would convert to 3YYYY
12/31/YYYY would convert to 4YYYY |
| 10. | Covered Workers 1 st Month | Zero fill. |
| 11. | Covered Workers 2 nd Month | Zero fill. |
| 12. | Covered Workers 3 rd Month | Zero fill. |
| 13. | Gross Wages | The amount of Gross Quarterly Wages reported by the employer in Item 2 of Column II on the UIA 1021R. This field should be preceded with zeros if the Gross Wages are less than 10,000,000,000.00. If the employer has not completed this line, zero fill the field. |
| 14. | Excess Wages | Zero fill. |
| 15. | Taxable Wages | Zero fill. |
| 16. | Total Payment Amount | Zero fill. |
| 17. | Received Date | The date that the UIA 1021R was received in MMDDYYYYY format. |
| 18. | Deferred Indicator | Spaces. |



UNEMPLOYMENT INSURANCE AGENCY
 KEYPUNCH INSTRUCTIONS
 PROJECT -
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 09 Trans Code 07 Header Record Page 69

UIA 1021R Reports without Remittances

FILE NAME: - 1021R Vendor Edit DATA NAME: - 1021R Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: - SEQUENCE:
 REC SIZE: - BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: -

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'00'
5.	Batch Type	23	24	2	PAS	'09'
6.	Total Number of Reports	25	26	2	0<-	Nbr of 1021R's in the batch
7.	Total Number of Payments	27	28	2	PAS	Must be zeros
8.	Total Payment Amount	32	41	13	PAS	Must be zeros
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



UNEMPLOYMENT INSURANCE AGENCY
KEYPUNCH INSTRUCTIONS
PROJECT -
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 09	Trans Code 07	Detail Record	Page 70
UIA 1021R Reports without Remittances			

FILE NAME: -	1021R Vendor Edit	DATA NAME: -	1021R Vendor-Input-Record
FILE TYPE: SAM	HEADER ID: -	SEQUENCE:	
REC SIZE: -	BLOCKING FACTOR:	BLKSZ:	
FORMAT: SAM	LABEL:	REMARKS/KEY FLDS:	
OUTPUT FROM: VENDOR			
INPUT TO: -			

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'07'
5.	Batch Type	23	24	2	PAS	'09'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On 1021R
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	PAS	On 1021R as QYYYY
10.	Covered Workers 1 st Month	40	45	6	0<-	Zero fill
11.	Covered Workers 2 nd Month	46	51	6	0<-	Zero fill
12.	Covered Workers 3 rd Month	52	57	6	0<-	Zero fill
13.	Gross Wages	58	70	13	0<-	If Blank 0 Fill
14.	Excess Wages	71	83	13	N	Zero fill
15.	Taxable Wages	84	96	13	N	Zero fill
16.	Total Payment Amount	97	107	11	N	Zero fill
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces

KEY:	0<-	Fill with Preceding Zeros
	PAS	Punch as Shown
	N	Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 10

Trans Code 12

Page 71

Batch Type 10 Trans Code 12

Solvency Voluntary Payments

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 64 for the Batch Type 10 Header Record.

Header Record Processing Instructions

- | | | |
|----|--------------------------|---|
| 1. | Batch Date | The date of deposit in MMDDYYYY format |
| 2. | Batch Number | Consecutive seven-digit number with the Fiscal Year of the batch represented as the first two digits. |
| 3. | Transaction Code | '12' |
| 4. | Batch Type | '10' |
| 6. | Total Number of Reports | Should always be zero for this batch type. |
| 7. | Total Number of Payments | The number of payments in the batch.
This field should be filled with preceding zeros if there are less than 10 payments in the batch, and should always have a value greater than zero for this Batch Type. |
| 8. | Total Payment Amount | Total amount of the payments in the batch.
The field should be filled with preceding zeros if the total payment amount is less than 10,000,000,000.00, and should always have a value greater than zero for this Batch type. |



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001

DATE:

04/02/10

Batch Type 10

Trans Code 12

Page 72

Batch Type 10 Trans Code 12 Solvency Voluntary Payments

The Item Numbers listed below are cross-referenced to the Item Numbers found on the EDP File Description, Page 65 or the Batch Type 10 Detail Record.

Detail Record Processing Instructions

- | | | |
|-----|-----------------------------|--|
| 1. | Batch Date | The same Batch Date entered on the Header Record. (Page 62 Item 1) |
| 2. | Batch Number | The same seven digit Batch Number entered on the Header Record. (Page 62 Item 2). |
| 4 | Transaction Code | '12' |
| 5 | Batch Type | '10' |
| 7 | Employer Number | The seven digit UA Account Number which should be indicated on the remittance. |
| 8. | Employer Number Check Digit | Space. |
| 9. | Quarter Ending Date | Zero fill. |
| 10. | Covered Workers 1st Month | Zero fill. |
| 11. | Covered Workers 2nd Month | Zero fill. |
| 12. | Covered Workers 3rd Month | Zero fill. |
| 13. | Gross Wages | Zero fill. |
| 14. | Excess Wages | Zero fill. |
| 15. | Taxable Wages | Zero fill. |
| 16. | Total Payment Amount | The Amount of the Payment.
This field should be filled with preceding zeros.
This amount should always be greater than zero. |
| 17. | Received Date | The date the Payment was received in MMDDYYYY format. |
| 18. | Deferred Indicator | Space. |



APPENDIX F
 KEYPUNCH INSTRUCTIONS
 PROJECT SDEC7001
 EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 10 Trans Code 12 Header Record Page 73

Solvency Voluntary Payments

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'12'
5.	Batch Type	23	24	2	PAS	'10'
6.	Total Number of Reports	25	26	2	PAS	'00'
7.	Total Number of Payments	27	28	2	0<-	Nbr of Pymts in the batch.
8.	Total Payment Amount	29	41	13	0<-	Total Amount in the batch.
9.	Filler	42	131	90	PAS	Spaces

KEY: 0<- Fill with Preceding Zeros
 PAS Punch as Shown
 N Numeric



APPENDIX F
KEYPUNCH INSTRUCTIONS
PROJECT SDEC7001
EDP FILE DESCRIPTION

DATE: 04/02/10

Batch Type 10	Trans Code 12	Detail Record	Page 74
Solvency Voluntary Payments			

FILE NAME: I831 1020 Vendor Edit DATA NAME: I831 1020 Vendor-Input-Record
 FILE TYPE: SAM HEADER ID: FCVEN01 SEQUENCE:
 REC SIZE: 120 BLOCKING FACTOR: BLKSZ:
 FORMAT: SAM LABEL: REMARKS/KEY FLDS:
 OUTPUT FROM: VENDOR
 INPUT TO: CTDB0001

ITEM #	DATA NAME/VALUE	FROM	TO	LENGTH	KEY	VALUE
1.	Batch-Date	1	8	8	PAS	MMDDYYYY
2.	Batch-Number	9	17	9	N	9 Digit Nbr
3.	Filler	18	20	3	PAS	Spaces
4.	Transaction Code	21	22	2	PAS	'12'
5.	Batch Type	23	24	2	PAS	'10'
6.	Filler	25	26	2	PAS	Spaces
7.	Employer Number	27	33	7	PAS	On Remittance
8.	Employer Number Check Digit	34	34	1	PAS	Space
9.	Quarter Ending Date	35	39	5	N	Zero Fill
10.	Covered Workers 1st Month	40	45	6	N	Zero Fill
11.	Covered Workers 2nd Month	46	51	6	N	Zero Fill
12.	Covered Workers 3rd Month	52	57	6	N	Zero Fill
13.	Gross Wages	58	70	13	N	Zero Fill
14.	Excess Wages	71	83	13	N	Zero Fill
15.	Taxable Wages	84	96	13	N	Zero Fill
16.	Total Payment Amount	97	107	11	0<-	Must be > Zero
17.	Received Date	108	115	8	PAS	MMDDYYYY
18.	Deferred Indicator	116	116	1	PAS	Space
19.	Filler	117	131	15	PAS	Spaces
KEY:	0<-	Fill with Preceding Zeros				
	PAS	Punch as Shown				
	N	Numeric				



APPENDIX G
FILENET RECORD LAYOUT

UIA Tax Input Files

The input files will consist of a two text files and one or more image files contained in a folder structure. The folder structure is referred to as a batch and there can be more than one batch sent to the input location at a time.

The format of the folder structure:

WF-YYYYMMDD-HHNNSS

Where:

YYYY is the current year

MM is the month

DD is the day

HH is the hour

NN is the minute

SS is the second

There are two files included in the folder structure, an end-of-batch (EOB) file and a transaction data file. The EOB file contains useful information about the batch, including the number of documents, number of images, date and time created and the name of the transaction data file. The transaction data file includes transaction information, data field values, which will be used in the metadata for documents and workflow, and the name of the image file associated to the data values.

The format of the EOB file:

WF-YYYYMMDD-HHNNSS.wfb

Where:

YYYY is the current year

MM is the month

DD is the day

HH is the hour

NN is the minute

SS is the second

EOB Record Format

Field Number	Field Name	Data Type
1	Batch Create Date	Date (YYYYMMDD)
2	Batch Create Time	Time (HH:NN:SS)
3	Number of Documents	Integer
4	Number of Images	Integer
5	Name of the Transaction Data File	String

Table 5.7

EOB File Example:

20080103 23:30:50 104 247 WF-20080103-233050.dat



The format of the transaction data file:

WF-YYYYMMDD-HHNNSS.dat

Where:

YYYY is the current year

MM is the month

DD is the day

HH is the hour

NN is the minute

SS is the second

Transaction Data Record Format

Field Number	Field Name	Data Type
1	Group Sequence Number	Integer
2	Routing Code	Integer
3	Employer Number	Integer
4	FEIN	Integer
5	Case Number	String
6	Case Type	String
7	Zip Code	Integer
8	Area	String
9	Form Number	String
10	Image Filename	String

Table 5.8

Note: All fields are delimited by colons except for the data values which are separated by commas.

Data File Example:

1:11:1234567,123456789,1111111,Claims,48202,1,518:00000001.tif

1:11:1234567,123456789,1111111,Claims,48202,1,MISC:00000002.tif

2:12:7654321,987654321,2222222,Claims,48202,1,518:00000003.tif

2:12:7654321,987654321,2222222,Claims,48202,1,518 Schedule A:00000004.tif

2:12:7654321,987654321,2222222,Claims,48202,1,MISC:00000005.tif

UIA Tax Output Files

Document Migrate

Files for use by HPII to import documents into FileNet Image Services

There are three different files required for an HPII batch. They are the EOB file, the Transact.Dat file and the actual data files, which can be tiffs, html, word docs, etc.

EOB Data File Format:

PathName Doc_count Page_count

Note: All fields are separated by a space and all fields are required.

Field	Required	Type Validation	Max Length Validation	Field Description
PathName	Yes			points to the directory of the batch relative to the WorkingDirectory (<i>i.e.</i> , It should not include the directory where the <i>batchname.eob</i> file is located).
Doc_count	Yes	Integer	4	The total count of documents within the batch.
Page_count	Yes	Integer	4	The total count of the pages within the batch.

Table 5.9

**EOB Data File Example:**

TAXWF_20080102_001 3 3

The transact.dat file and the files to be imported are located in directory TAXWF_20080102_001. There are 3 documents to import for a total of 3 pages.

Transact.dat Data File Format:

IS ClassCode:f_docformat,Employer Number,Form Number::ImageFileName1,ImageFileNameN

Note: All fields are separated by a colon or a comma and all fields are required. Each record can be no longer than 255 characters

Field Definitions

Field	Required	Type Validation	Max Length Validation	Field Description
IS ClassCode	Yes	String	2	2-character document class code that is mapped to a defined FILENET Document Class in the HP11.cfg/MR11.cfg file.
F_DocFormat	Yes	String	-	Contains the mimetype and file name to use when the file is downloaded to a users workstation. This setting allows the user to use the native application to view documents instead of the FileNet viewer.
employer number	Yes	String	7	The employer number indexed by the incoming source. Employer Numbers are stored in Image Services with leading zeros for numbers less than 7 digits.
form number	Yes	String	64	The form number indexed by the incoming source
ImageFileName1, ImageFileNameN	Yes	String	-	A comma separated list of each file that makes up this document

Table 5.10

Transact.dat Data File Example:

40:image/tiff;name="1.tif",1234567,518::1.tif

40:image/tiff;name="3.tif",1234567,518 Schedule B::3.tif

40:image/tiff;name="4.tif",1234567,MISC::4.tif

The above batch would create 3 documents in FileNet Image Services, with each document having one page.

For **UIA Tax**, the objects stored in the Image Services repository will be stored in the following class structures with the following properties.

Document Class: Employer_File

Index	Data Type	Length	Required?	Multi-value?
Employer_Nbr	String	7	Yes	No
Form_Number	String	40	Yes	No
Roll_Number	String	4	No	No
Frame_Number	String	4	No	No

Table 5.17

Document Class: Batch_File

Index	Data Type	Length	Required?	Multi-value?
Batch_Number	String	9	Yes	No
Form_Number	String	40	Yes	No
Employer_Nbr	String	7	Yes	No

Table 5.18


Document Class: POA_File

Index	Data Type	Length	Required?	Multi-value?
FEIN_Number	String	9	Yes	No
POA_Queue	Menu		Yes	No

Table 5.20

HPII Configuration Files

HPII configuration files define the document class structures to the application in order to load images into the repository. The document classes used for the AWDS application are defined below:

ClassName=Case_File

- ClassCode=35
- IndexName=F_DOCFORMAT
- IndexName=SSN
- IndexName=Last_Name
- IndexName=First_Name
- IndexName=BYB
- IndexName=Date_Received
- IndexName=Form_Number
- IndexName=Employer_Nbr
- IndexName=Docket_Number
- IndexName=Issue_Code
- IndexName=Issue_ID_Date
- IndexName=Source

ClassName=Employer_File

- ClassCode=71
- IndexName=F_DOCFORMAT
- IndexName=Employer_Nbr
- IndexName=Form_Number

ClassName=Appeals_Case_File

- ClassCode=55
- IndexName=F_DOCFORMAT
- IndexName=SSN
- IndexName=Employer_Nbr
- IndexName=Docket_Number
- IndexName=Form_Number
- IndexName=Date
- IndexName=BYB
- IndexName=Last_Name
- IndexName=First_Name
- IndexName=Issue_Code
- IndexName=Issue_ID_Date
- IndexName=Source

ClassName=Batch_File

- ClassCode=45
- IndexName=F_DOCFORMAT
- IndexName=Employer_Nbr
- IndexName=Form_Number
- IndexName=Batch_Number



**APPENDIX H
TAX LOCK BOX
RECORD LAYOUT**

FIELD NAME	DATA TYPE	LENGTH
I8IN-1020-HEADER-TRANS		
I8IN-BATCH-DATE	CHARACTER	8
I8IN-BATCH-NUMBER	CHARACTER	9
I8IN-CORRECTION-NBR	CHARACTER	2
I8IN-CORRECTION-TYPE	CHARACTER	1
I8IN-1020-TRANS-CDE	CHARACTER	2
I8IN-BATCH-TYPE	CHARACTER	2
I8IN-1020-DETAIL-TRANS.		
FILLER	CHARACTER	2
I8IN-EMPLR-NBR	CHARACTER	7
I8IN-EMPLR-NBR-CHK-DGT	CHARACTER	1
I8IN-FIN-QTR	CHARACTER	1
I8IN-FIN-YR	CHARACTER	4
I8IN-NBR-EMPLS-MONTH-1	CHARACTER	6
I8IN-NBR-EMPLS-MONTH-2	CHARACTER	6
I8IN-NBR-EMPLS-MONTH-3	CHARACTER	6
I8IN-GROSS-WAGES	CHARACTER	13
I8IN-EXCESS-WAGES	CHARACTER	13
I8IN-TAXABLE-WAGES	CHARACTER	13
I8IN-PMT-AMT	CHARACTER	11
I8IN-PMT-RECPT-DATE	CHARACTER	8
I8IN-DEFERRAL-IND	CHARACTER	1
I8IN-1020-INPUT-SOURCE-CDE	CHARACTER	3
I8IN-1020-BATCH-CONTROL-TRANS	REDEFINES	I8IN-1020-DETAIL-TRANS.
I8IN-TOTAL-NBR-RPTS	CHARACTER	2
I8IN-TOTAL-NBR-PMTS	CHARACTER	2
I8IN-TOTAL-PMT-AMT	CHARACTER	13
FILLER PIC X(74).	CHARACTER	74
I8IN-SEQUENCE-NUMBER	CHARACTER	2
I8IN-TRANSACTION-NBR	NUMERIC	3
FILLER PIC X(4).	CHARACTER	4



**MICHIGAN UNEMPLOYMENT INSURANCE AGENCY (MUIA)
EARNINGS CREDIT RATE (ECR) ENHANCEMENT PROPOSAL**

In response to the State of Michigan's November 4, 2010 request, we are also able to offer an economic benefit to the MUIA in the way of a proposed enhanced Earnings Credit Rate (ECR) arrangement as follows:

In regard to Section 1.021 of the RFP and our proposal, it should be noted that, effective December 31, 2010 under the recently enacted U.S. federal Dodd-Frank Act, non-interest bearing transactional bank demand deposit accounts will have **unlimited** U.S. FDIC deposit insurance coverage continuing through December 31, 2012. In this connection, per the COLLATERAL SECURITY requirement provision, as all of the MUIA demand deposit accounts with us would be 100%-fully federally insured by the FDIC, it is our understanding that Collateral Security as described in this Section 1.021 would not be required during this period.

Per the foregoing, and if the MUIA will not require COLLATERAL SECURITY on its demand deposit accounts because of the full federal-FDIC insurance coverage on these accounts through 12/31/12, we offer to increase the Add on Rate (%) arrangement under our Earnings Credit Rate (ECR) proposal and modify our Bidder' Response in the EARNINGS CREDIT Section to read as follows:

Bidder Response:

For compensation on a balance basis, the monthly earnings credit allowance for each account is calculated based on the average collected balance, less the Federal Reserve Requirement – which is presently 0% -- multiplied by the Earnings Credit Rate (ECR) taking into account the actual days elapsed on a 365/366 day-year basis.

Through December 31, 2012 the MUIA will receive an Earnings Credit Rate (ECR) that will be set each month based on the average of the 3 month U.S. Treasury Bill rate published weekly plus a 28 basis points per annum "add-on" until the average 3 month U.S. Treasury Bill rate for the month reaches 80 basis points annum. After that, this add-on rate will be graduated so that the sum of the 3 month U.S. Treasury Bill rate plus the add-on rate will not exceed 1.08% per annum.

When the average 3 month U.S. Treasury Bill rate for the month reaches 1.08% per annum, the add-on rate component will become 0%.

In this connection, please refer to the example as follows:

3 Month Treasury Bill Rate (%)	Add on Rate (%)	Effective Rate (%)
0.15	0.28	0.43
0.25	0.28	0.53
0.50	0.28	0.78
0.75	0.28	1.03
0.80	0.28	1.08
0.85	0.23	1.08
0.90	0.18	1.08
0.95	0.13	1.08
1.00	0.08	1.08
1.08	0.00	1.08

After December 31, 2012 and until the expiration date of the contract, the Earnings Credit Rate (ECR) arrangement will be as set forth per our July 22 RFP proposal response covering the Earnings Credit Section, i.e. based on the ECR set each month determined by the monthly average of the 3 month U.S. Treasury Bill rate published weekly plus a 20 basis per annum "add-on" until the average 3 month U.S. Treasury Bill rate for the month reaches 80 basis points per annum. Beyond that point, this add-on rate will be graduated so that the sum of the 3 month U.S. Treasury Bill rate plus the add-on rate will not exceed 1.00% per annum. When the average 3 month U.S. Treasury Bill rate for the month reaches 1.00% per annum, the add-on rate component will become 0%.