

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201  
REQUEST FOR QUALIFICATIONS

Proposal Number: TANF-2015-01-03  
Commodity: Individual Development Account Program  
Date: January 17, 2014

Program Manager: Carla Morris  
Proposal Submission Deadline: February 17, 2014  
Proposal Deadline Time: 3:00pm

PROPOSALS WILL BE ACCEPTED UNTIL THE TIME AND DATE SPECIFIED ABOVE. THE PROPOSAL ENVELOPE MUST BE SEALED AND SHOULD BE PROPERLY MARKED WITH THE PROPOSAL NUMBER, DATE AND HOUR OF PROPOSAL OPENING AND PROPOSER'S RETURN ADDRESS. IT IS NOT NECESSARY TO RETURN "NO PROPOSALS" TO THE DEPARTMENT OF WORKFORCE SERVICES.

PROPOSAL OPENING LOCATION:  
**Department of Workforce Services**  
**Two Capitol Mall**  
**Little Rock, AR 72201**

Company Name: \_\_\_\_\_

Name (type or print): \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Dunn and Bradstreet Number: \_\_\_\_\_

FAILURE TO PROVIDE A TAXPAYER IDENTIFICATION NUMBER MAY RESULT IN PROPOSAL REJECTION:

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\_\_\_\_\_  
Federal Employer Identification Number OR Social Security Number

THE PROPOSAL MUST BE SIGNED IN INK. UNSIGNED PROPOSALS WILL NOT BE CONSIDERED.

Signature: \_\_\_\_\_

Proposed Service County or Counties: \_\_\_\_\_

Business Designation (check one):

- Individual
- Public Service Corporation
- Corporation
- Sole Proprietorship
- Partnership
- Government/Nonprofit

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

GENERAL DESCRIPTION: Arkansas Department of Workforce Services  
Individual Development Account Program

TYPE OF CONTRACT: TERM

CONTRACT PERIOD: TWELVE (12) MONTHS FROM DATE OF AWARD

Program Manager: Carla Morris

AGENCY P. R. NUMBER: N/A

MINORITY BUSINESS POLICY:

It is the policy of the State of Arkansas that minority business enterprises shall have the maximum opportunity to participate in the state Procurement process. Therefore, the State of Arkansas encourages all minority businesses to compete for, win and receive contracts for goods, services, and construction. The state also encourages all companies to subcontract portions of any state contract to minority business enterprises.

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

**STATE OF ARKANSAS  
DEPARTMENT OF WORKFORCE SERVICES**

**REQUEST FOR QUALIFICATIONS  
TANF-2015-01-03**

**ISSUED BY:**

**DEPARTMENT OF WORKFORCE SERVICES**

**DESCRIPTION/TITLE:**

**INDIVIDUAL DEVELOPMENT ACCOUNT  
PROGRAM**

**ISSUED DATE: January 17, 2014**

## **TABLE OF CONTENTS**

### Section 10: Administrative Overview

- 10.01 Purpose
- 10.02 Definition of Terms
- 10.03 Issuing Office
- 10.04 Anticipated Procurement Timetable
- 10.05 Submission of Proposals
- 10.06 Rejection of Proposals
- 10.07 Information Session
- 10.08 Proposal Evaluation
- 10.09 Response Format and Submission Requirements
- 10.10 Conditions and Terms of Proposal
- 10.11 Contract Signing and State Approval
- 10.12 Protest of Award
- 10.13 Resolution of Protests
- 10.14 Minority Business Policy
- 10.15 Ethical Procurement Standards Policy
- 10.16 Charitable and Faith-Based Organization Contracting Policy
- 10.17 Alteration of Original RFQ
- 10.18 Qualifications of Contractor
- 10.19 Work to be Performed
- 10.20 Payments to Contractor

## **SECTION 10: ADMINISTRATIVE OVERVIEW**

Act 252 of 2007 (see Attachment I), as amended, commonly referred to as “the Family Savings Initiative Act”, authorizes the Arkansas Department of Workforce Services (“DWS”) to establish an Individual Development Account (IDA) program for the State of Arkansas.

Act 252 specifies four distinct purposes for establishing the IDA program:

1. Provide low-income families with an opportunity to accumulate assets.
2. Facilitate good saving habits.
3. Promote home ownership, microenterprise development, education, saving for retirement, and automobile purchase.
4. Stabilize families and build communities.

### **Who Can Participate in the Arkansas IDA Program?**

To be eligible for participation, a household’s income cannot exceed 185% of the Federal Poverty Level, and their net worth cannot exceed \$10,000, excluding one automobile and the family’s primary residence. If the account holder’s income from all sources during a calendar year exceeds 185% of the Federal Poverty Level, they will not be eligible to receive the matching funds at the end of each year.

### **How the Program Works**

For each \$1 contributed to the IDA savings account by the participant during the preceding calendar year, a match of \$3 will be made by DWS, up to a maximum of \$2,000 per IDA account holder or \$4,000 per household per year. If the amount of available matching funds is not sufficient to meet the match for all participants, the distribution matches will be reduced accordingly.

Funds deposited in an IDA savings account are not counted as income, assets, or resources for any State, Municipal, or Federal program that bases its eligibility on need.

IDA savings accounts may be used for the following qualified purposes (Federal Temporary Assistance to Needy Families [TANF] matching funds are only allowed to be used on items A through D):

- A. Purchase of residence for first time home buyers.
- B. Major repairs on existing homes if paid directly to the company conducting the repair.
- C. Micro-enterprise development when handled through a business capitalization account through an insured financial institution.

- D. Post-secondary education expenses paid directly to the educational institution.
- E. Amounts paid directly to a retirement account or education IRA established pursuant to Federal law in the name of the account holder or an immediate family member.
- F. For the purchase or repair of an automobile, as long as that is not the sole approved purpose.
- G. Qualified emergency withdrawals (see definition of “Qualified Emergency Withdrawals” in Attachment C).

### **10.01 PURPOSE**

The Arkansas Department of Workforce Services (DWS) is inviting proposals from Arkansas-based fiduciary organizations (“the Contractor”) to operate an IDA program in one or more counties in the State of Arkansas.

Proposals will be accepted for delivering IDA services in one or more of Arkansas’ seventy-five (75) counties.

DWS will provide funding to Contractors in two categories:

- A. Match Funds - To be accessed by the Contractors to match participant’s savings, paid on a first-come first-serve basis.
- B. Operation and Administrative costs – For costs incurred by the contractor in operating an IDA program.

Currently, \$850,000 (eight hundred fifty thousand) TANF funds have been authorized to be contracted for the contract period of July 1, 2014 through June 30, 2015 to operate the IDA program.

### **10.02 DEFINITION OF TERMS**

The Department of Workforce Services has made every effort to use industry-accepted terminology in this RFQ and will attempt to further clarify any point or item in question. The words “proposer”, “vendor”, and “offeror” are used synonymously in this document.

Throughout this document, the following acronyms will be used:

DWS	Department of Workforce Services
IDA	Individual Development Account Program
RFQ	Request For Qualifications
TANF	Temporary Assistance for Needy Families
xx1	Current number of participants/estimated number of participants

### **10.03 ISSUING OFFICE**

The Department of Workforce Services is the sole point of contact in the State of Arkansas for the selection process. Vendor questions regarding RFQ-related matters should be addressed to the Issuing Officer as indicated below:

Ida Emerson, Program Operations Manager  
Issuing Officer  
501-683-1786 Ph.  
501-683-1531 Fax  
[ADWS.TANF.Contract.Unit@arkansas.gov](mailto:ADWS.TANF.Contract.Unit@arkansas.gov)

### **10.04 ANTICIPATED PROCUREMENT TIMETABLE**

RFQ Issued: January 17, 2014

Information Session: January 29, 2014

Closing date for receipt of written questions: February 4, 2014

Proposal Submission Closing: February 17, 2014

Proposal Submission Opening: February 20, 2014

Completion of proposal review and contract selections: March 5, 2014

Anticipation to Award notices: March 10, 2014

Contract Begin Date (subject to state approval): July 1, 2014

### **10.05 SUBMISSION OF PROPOSALS**

**“Delivery Notice: We strongly recommend that you not send proposal documents by priority or certified United State Postal Service (USPS) mail. The Department of Workforce Services cannot be responsible for delivery by the USPS. The Post Office does NOT deliver mail directly to our offices. Only UPS, FedEx, or similar delivery service will deliver to our offices if the street address is used. They will not deliver to a PO Box. We regret any inconvenience this may cause.”**

Not later than February 17, 2014 at 3pm. One original (marked "ORIGINAL"), five (5) copies and an electronic copy (i.e. on disk or flash drive) of the proposal should be received at:

**PROPOSAL OPENING LOCATION:**  
**Department of Workforce Services**  
**Two Capitol Mall**  
**Little Rock, AR 72201**

The envelope should be labeled:

Proposal Number: TANF-2015-01-03  
Title: Individual Development Account  
Proposal Deadline Date: February 17, 2014  
Time: 3p.m.

If the Department of Workforce Services requests additional copies of the proposal, they must be delivered by the vendor within twenty-four (24) hours. Envelopes must be marked with vendors name, proposal number, proposal deadline time and date.

Addendums or amendments, if any, should be signed, dated and included with the respondent's proposal submission. Failure to do so may be cause for rejection of the proposal.

### **10.06 REJECTION OF PROPOSALS**

The Department of Workforce Services reserves the right to reject any and all proposals received as a result of this Request for Qualifications (RFQ).

This Request for Qualifications does not commit the Department of Workforce Services to award a contract, to pay costs incurred in the preparation of a proposal in response to this request, or to procure or contract for services or supplies.

### **10.07 INFORMATION SESSION**

All prospective applicants are encouraged to attend the Information Session scheduled for January 29, 2014 at 1:00 pm. This session is designed to provide potential applicants an opportunity to clarify questions regarding the proposal requirements. Participation in the session is not required and does not impact applicant proposal scoring. The date, time, and location are as follows:

1pm. January 29, 2014  
Department of Workforce Services  
Two Capitol Mall (5th Floor Conference Room)  
Little Rock, AR 72201

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

## **10.08 PROPOSAL EVALUATION**

The staff members of the Department of Workforce Services will evaluate all proposals to certify all submission requirements are met. Awards shall be made to the responsible offerors whose proposal is determined in writing to be the most advantageous to the state, taking into consideration the evaluation factors set forth in the request for qualifications and the results of any discussions conducted with responsible offerors. No other factors or criteria shall be used in the evaluation.

## **10.09 RESPONSE FORMAT AND SUBMISSION REQUIREMENTS**

**A. Vendors are requested to provide a detailed description in their proposal of how their service concept will meet the IDA services in one or more of Arkansas' seventy-five (75) counties.** It is requested that responses be aligned with the program deliverable and performance indicators outlined in Attachment A of this RFQ. Answers should be sufficiently detailed so as to substantiate that services offered meet or exceed all requirements. Vendors may "concur" or "acknowledge" items not needing a specific response. References to handbooks or other technical materials as part of a response must not constitute the entire response and must identify the specific page and paragraph being referenced.

**B. Vendors are required to provide a yearly and quarterly budget and budget narrative.** Vendors shall explain how the requested funding amount reflects the program need, goals, and design to accomplish the proposed project. Vendors **shall submit a budget for each funding year and each quarter.** Each budget shall illustrate the exact formula used to derive each dollar amount listed. **The budget narrative must be a detailed description of each line item.** It must state how the line item will be used and what purchases will be included in each individual line item. Refer to attachment H for an example.

**C. Vendors must submit one (1) signed original, five (5) copies and an electronic copy (i.e. disk or flash drive) of their proposal. One (1) copy of referenced or otherwise appropriate descriptive literature must accompany a submitted proposal.**

**D. For a proposal to be considered, a representative authorized to bind the vendor to a resultant contract must have signed the original proposal.**

**E. All official documents, except those labeled and determined to be confidential in nature, and correspondence shall be included as part of a contract.**

**F. The Department of Workforce Services reserves the right to award a contract or reject a proposal for any or all line items of a proposal received as a result of this RFQ, if it is in the best interest of the State to do so.**

Proposals will be rejected for one or more reasons not limited to the following:

1. Failure of the vendor to submit proposal(s) on or before the deadline established by the issuing office.
2. Failure of the vendor to respond to a requirement for oral/written clarification, presentation, or demonstration.
3. Failure to supply vendor references.
4. Failure to sign and return the title page of the Official Proposal Document.
5. Failure to submit a yearly budget, a quarterly budget, and a budget narrative.
6. Failure of any proposed service, equipment or software to meet or exceed the minimum specifications.
7. Failure to comply with the Equal Employment Opportunity Policy requirement.

### **10.10 CONDITIONS AND TERMS OF PROPOSAL**

A. To be considered, proposers must include as part of their proposals all of the provisions of the RFQ. Proposals must be signed by an official authorized to bind the organization to the resultant contract. Any terms and/or conditions proposed by the respondent must be submitted with the proposal and must be clearly identified as such. If the proposer submit terms and/or conditions that conflict with the laws of the State of Arkansas, the State laws shall govern. Proposers' standard terms and conditions may need to be altered to adequately reflect and include all of the conditions of the Request for Qualifications, the organization's proposal, and Arkansas State law.

B. Proposal budget and budget narrative must be listed in United States dollars and cents.

C. Proposals will only be accepted in the English language. All sections of the Proposal are to be typed except for the authorized signature.

D. The original written or electronic language of the RFQ shall not be changed or altered except by approved written addendum issued by the Department of Workforce Services. This does not eliminate an Offeror from taking exception(s) to these documents, but does clarify that the Offeror cannot change the original documents written or electronic language. If the Offeror wishes to make exception(s) to any of the original language, it must be submitted by the Offeror in separate written or electronic language in a manner that clearly explains the exception(s). If Offeror's submittal is discovered to contain alterations/changes to the original written or electronic documents, the Offeror's response may be declared as "non-responsible" and the response shall not be considered.

E. Proposers are cautioned to ensure that they have received or obtained and responded to any and all amendments to the proposal prior to submission

### **10.11 CONTRACT SIGNING AND STATE APPROVAL**

If a contract is awarded pursuant to this RFQ, it must undergo review by the Department of Workforce Services, Department of Finance and Administration, Office of State Procurement, and the Arkansas Legislature. The contract shall be in force only after all required reviews and approvals are granted.

### **10.12 PROTEST OF AWARD**

A non-selected Offeror wishing to protest the selection decision must file a formal written protest with the Arkansas Department of Workforce Services – Assistant Director for TANF Division within fourteen (14) calendar days after the date of the notice of intended contract award. The address of the Arkansas Department of Workforce Services – Assistant Director for TANF Division is as follows:

Phil Harris, Assistant Director  
TANF Division  
Arkansas Department of Workforce Services  
P.O. Box 2981  
Little Rock, AR 72203

The protest must set out facts showing the basis for the protest. Failure to file a protest within the fourteen (14) day time period shall constitute a waiver of any rights to an administrative decision.

### **10.13 RESOLUTION OF PROTESTS**

The Assistant Director for TANF Division, or a designee, shall have the authority, prior to the commencement of an action in court, or any other action provided by law, concerning the controversy, to settle and resolve a protest of an aggrieved Offeror concerning any awards under this RFQ. The Assistant Director's exercise of this authority to resolve protests through mutual agreement shall occur within thirty calendar days after receipt of the formal written notice, unless extenuating circumstances create a delay. If the protest is not resolved by mutual agreement the Assistant Director for TANF Division, or a designee, shall promptly issue a decision in writing, a copy of which shall be mailed or otherwise furnished to the protestant and any other party intervening. The decision shall state the reasons for the action taken and shall be final and conclusive.

#### **10.14 MINORITY BUSINESS POLICY**

Minority participation is encouraged in this and all other procurements by state agencies. "Minority" is defined by Arkansas Code Annotated §1-2-503 as "black or African American, Hispanic American, American Indian or Native American, Asian, and Pacific Islander." The Division of Minority Business Enterprise of the Department of Economic Development conducts a certification process for minority businesses. Organizations unable to include minority-owned businesses as subcontractors "may explain the circumstances preventing minority inclusion".

#### **10.15 ETHICAL PROCUREMENT STANDARDS POLICY**

**It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure a state contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide established commercial selling agencies maintained by the contractor for the purpose of securing business.**

#### **10.16 CHARITABLE AND FAITH-BASED ORGANIZATION CONTRACTING POLICY**

A religious organization that contracts with the Department does not by contracting with the Department lose exemptions provided under Section 702 of the Civil Rights Act (42 U.S.C. 2000E-1(a)) regarding employment practices. A religious or charitable organization is eligible to be a Provider Agency on the same basis as any other private organization. The Provider Agency retains its independence from State and local governments, including the Provider Agency's control over the definition, development, practice, and expression of its charitable or religious beliefs. Except as provided by federal law, the Department shall not interpret any contracts executed as a result of this procurement to require a charitable or religious organization to alter its form of internal governance or remove religious art, icons, scripture, or other symbols. Furthermore if a religious or charitable organization segregates the government funds provided under any contracts executed as a result of this procurement, then only the financial assistance provided by these funds will be subject to audit. However, neither the Department's selection of a charitable or faith-based Provider Agency of social services nor the expenditure of funds under any contracts executed as a result of this procurement is an endorsement of the Provider Agency's charitable or religious character, practices, or expression. The purpose of any contracts executed as a result of this procurement is the provision of social services; no state expenditures have as their objective the funding of sectarian worship, instruction, or proselytization. A charitable or faith-based provider of social services under any contracts executed as a result of this procurement shall reasonably apprise all assisted individuals of the following: Neither the Department's selection of a charitable nor faith-based provider of

social services nor the expenditure of funds by the Department is an endorsement of the provider's charitable or religious character, religious belief, or your refusal to actively participate in a religious practice. If program participants served by the Provider Agency through any contract executed as a result of this procurement objects to the religious character of the organization, the program participant may request assignment to a different provider agency with the cost being paid for by the Provider Agency.

### **10.17 ALTERATION OF ORIGINAL RFQ DOCUMENTS**

The original written or electronic language of this RFQ shall not be changed or altered except by approved written addendum issued by the Department. This does not eliminate an Offeror from taking exception(s) to these documents, but does clarify that the Offeror cannot change the original documents written or electronic language. If the Offeror wishes to make exception(s) to any of the original language it must be submitted by the Offeror in writing in a manner that clearly explains the exception(s). If Offeror's proposal is discovered to contain alterations/changes to the original written or electronic documents, the Offeror's proposal may be declared as non-responsive and the proposal shall not be considered.

### **10.18 QUALIFICATIONS OF CONTRACTOR**

The successful Contractors must possess:

- A. **The financial ability to carry out the project.** The Contractor shall provide the most current annual audit and financial report and other evidence of financial status to demonstrate the financial ability to carry out the project. Proposals shall include proof of the financial soundness and the successful completion of other projects of like size and scope. All evidence shall include, but not be limited to: recent financial statement from a bank evidencing good standing, or original letter on bank letterhead stating good standing; and a written statement evidencing the successful completion of other projects of like size and scope.
  
- B. **The background and experience to perform the actual work of the contract.** The Contractor will provide information regarding specific experience the Contractor has had in this type of work. The name, address, and phone number of the agency(s) for projects undertaken in the last three years and the State where they were completed must be provided, including dates and timeframes. A brief history of the firm, its organizational structure, the names and background of the proposed team members and the project leader for each initiative must be included in this section. A resume containing the background of those individuals who will be designated to perform the actual work for this contract will also be included. The background must be of sufficient depth to indicate the knowledge, skill, and experience of these individuals. The Contractor must also provide a

listing of all similar types of projects in which these individuals have had significant participation during the past three years. This list must contain the name of the project, the State where it was performed (with dates and timeframes), and other information the Contractor believes pertinent to the background of the above individuals. The Contractor must identify any claims, disputes, or disallowances imposed by Federal funding agencies for all projects within the past three years. In addition, a statement of any assignments, contractual obligations, and the Contractor's involvement in litigation that could affect this work shall be included.

- C. **The knowledge and understanding of statutes, regulations, codes, ordinances, licensures or certification requirements applicable to the Contractor or the Contractor's agents and employees, and to the subject matter of the contract.** The Contractor must possess knowledge of IDA requirements contained in Act 252 of 2007 (see Attachment I), as amended.
- D. **The knowledge, ability, and equipment necessary to track requested information and to produce required reports and invoices.** The Contractor must possess appropriate computer equipment and at a minimum, the following computer software and the ability to use them to develop required reports, invoices, and other information:
- *Microsoft Word 2000* or higher
  - *Microsoft Excel 2000* or higher
  - Internet and e-mail capabilities

The Contractor will provide a statement that all personnel developing and submitting information will have proficiency in the above, and the ability to communicate freely with DWS personnel using e-mail and e-mail attachments. The Contractor will provide at least one e-mail address, with assurance that it is used on a daily (business) basis.

### **10.19 WORK TO BE PERFORMED**

Contractors shall comply with all requirements contained in Act 252 of 2007 (see Attachment I), as amended. The Contractor shall provide services specified in the "Program Deliverables and Performance Indicators" section of the contract. The Program Deliverables and Performance Indicators can be found in Attachment A of this document.

## **10.20 PAYMENTS TO CONTRACTOR**

The program will be funded by DWS and any private sector resources developed by the Contractor. Payments will be made from monthly invoices submitted by the Contractor and will be paid only after services have been rendered.

The anticipated contract period will be July 1, 2014 through June 30, 2015, unless terminated earlier by DWS or the Contractor. The State may, at its discretion and subject to funds availability, legislative review and approval of the Arkansas Department of Finance and Administration, amend to extend the contract on June 30, 2015 under the same terms and conditions for up to an additional three (3) years under this procurement.

## **Attachment A – Program Deliverables and Performance Indicators**

### **INDIVIDUAL DEVELOPMENT ACCOUNT PERFORMANCE BASED CONTRACT**

Pursuant to Ark. Code Ann. §19-4-1716 et seq., the selected Contractor(s) will have to comply with performance based contract standards. Following are the performance based contracting standards that will be a part of the contract and will have to be complied with for acceptable performance to occur under the contract.

- I. The duration of the contract will be for one (1) year beginning July 1, 2014. The State may at its discretion and subject to funds availability, legislative review, and approval of the Arkansas Department of Finance and Administration amend to extend the contract on June 30, 2015 under the same terms and conditions for an additional one (1) year under this procurement.
- II. The contract must comply with all statutes, regulations, codes, ordinances, and licensure or certification requirements applicable to the Contractor or to the Contractor's agents and employees, and to the subject matter of the contract. Failure to comply shall be deemed inadequate performance.
- III. **Performance evaluations shall be conducted prior to the completion of the contract as necessary to determine if the Contractor's performance is adequate. In addition, a performance evaluation shall be conducted as soon as practical after the contract performance is completed. Final payment shall not be made unless and until a performance evaluation evidencing adequate performance is submitted.**
- IV. Performance evaluations will be conducted at least monthly and may include on-site visits, data review, and scheduled meetings.

The contract program deliverables and performance indicators to be performed by the Contractor are:

#### **Program Deliverable #1:**

The Contractor shall execute a strategy to market client participation in service counties in the state of Arkansas in the Individual Development Account (IDA) program through, but not limited to, the following:

1. Local DWS Case Managers
2. Local Single Parent Scholarship Fund agencies - <http://www.aspsf.org/>
3. Current and former TEA recipients
4. Current in-house program clients

5. Local home ownership and micro enterprise (small business) programs, as set out in Act 252 of 2007, as amended.
6. Community-based anti-poverty organizations
7. Local community college, technical schools, and job training programs
8. Local employers
9. Church and religious organizations
10. Newspaper and television advertising
11. Information tables at community events
12. Post cards and Letters
13. Word of mouth

**Performance Indicator: #1**

1. Within fifteen (15) calendar days of the contract effective date, the Contractor shall submit to DWS, for review, a plan to market client participation, which includes a strategy and timeframe for reaching the minimum number of clients to be served under the contract. The TANF monitoring Unit will perform a desk review of marketing activities to determine if client participation strategies have been met.

**Program Deliverable #2:**

The Contractor shall execute a strategy to leverage matching contributions in order to increase the amount of IDA match funds through, but not limited to, the following:

1. Single Family Scholarship Fund program
2. Other government programs
3. Financial institutions
4. IDA program partners
5. National and community foundations
6. Corporations
7. Churches and religious organizations
8. Professional and local community organizations
9. Colleges and universities
10. Housing organizations and realtors
11. Individuals (see Attachment E for more information on processing tax credits for individuals)

**Performance Indicator: #2**

1. Within fifteen (15) calendar days of the contract effective date, the Contractor shall submit to DWS, for review, a plan to leverage contributions to the IDA match fund.

2. The Contractor shall leverage at least ten percent (10%) of the contracted match funds from other sources, in compliance with Act 252 of 2007, as amended.
3. The Contractor shall report to DWS each quarter the amount of funds that were leveraged and the impact on expanding the program. The information will be reviewed by the TANF Monitoring Unit to verify the leveraged funds (amount and sources).

**Program Deliverable #3:**

Contractors serving existing IDA program participants shall continue to provide services to a maximum of xx<sup>1</sup> program participants. The Contractor shall approve xx<sup>1</sup> new clients, of whom at least 25% are encouraged to be Transitional Employment Assistance (TEA)/Work Pays or former TEA/Work Pays recipients, who meet the following guidelines:

1. Households that meet Federal guidelines for the Temporary Assistance for Needy Families (TANF) Program.
2. Gross household income from all sources, for the calendar year preceding the year in which the application is made, which does not exceed one hundred and eighty-five percent (185%) of the Federal Poverty Level.
3. Household net worth at the time the IDA is opened does not exceed ten thousand dollars (\$10,000), disregarding the primary dwelling and one motor vehicle owned by the household.
4. The Contractor agrees that the following items will be used to verify income for participants:
  - a. Internal Revenue Service (IRS) statement from the previous tax year
  - b. Pay vouchers showing year to date earnings
  - c. Employer statement verifying employment and earnings
  - d. For self-employed individuals – forms of income verification acceptable to the IRS
  - e. For unearned income, verification from the source

**Program Deliverable # 3:**

Contractors serving existing IDA program participants shall continue to provide services to the program participants. The Contractor shall approve a number of new clients, of whom at least 25% will be Transitional Employment Assistance (TEA)/Work Pays or former TEA/ Work Pays recipients, who meet the following guidelines:

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1. Households that meet Federal guidelines for the Temporary Assistance for Needy Families (TANF) Program.
2. Gross household earned income from all sources, for the calendar year preceding the year in which the application is made, which does not exceed one hundred and eighty-five percent (185%) of the Federal Poverty Level. All household income (earned and unearned) must be verified but only earned income will be used to determine eligibility.

The Contractor agrees that the following items will be used to verify earned income for participants.

Earned Income:

- Tax return for previous year
- Pay vouchers (must show year to date earning)
- Check stubs (for at least one month; paid weekly 4 check stubs, paid bi-weekly 2 check stubs, monthly 1 check stub)
- Employer statement (must contain at least: date of statement, # of hours worked, rate of pay, wages, employee name)
- Self-employed – forms of income acceptable to the IRS (receipts received for services performed, ledger book containing names of clients and costs, etc.)

Unearned Income is generally money paid to or on behalf of an individual, which does not represent any type of payment for work or services rendered by an individual.

Unearned Income – verification from the source

- Pensions
- Social Security (award letter, bank statement showing deposit, etc.)
- Unemployment benefits
- Child support
- Interest and dividends
- Alimony
- SSI

3. The household must have at least one child under the age of 18 living in the household. The relationships must be verified.

Forms of verifications/documentation

- Tax return (with dependents listed)

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

- Current school records (must be on official paper, signed and dated)
- Birth certificate or hospital certificate
- Court papers (adoption papers)
- Baptism or other religious documentation that list the members of the household and relationships
- Notarized statement of a witness (doctor, nurse, midwife, or other person present at the time of birth)
- Collateral statement – must be signed and dated – at least two statements will be needed and the statements cannot be completed by a household member.

4. Household net worth resources at the time the IDA is opened does not exceed ten thousand dollars \$10,000, disregarding the primary dwelling and one motor vehicle owned by the household.

NOTE: Resources must be verified by the household and documented.

A resource is any real or personal property available to a household to meet their needs (i.e., can be turned into cash).

Forms of verification/documentation:

- Kelly Blue book may be used to determine the value of an automobile
- Personal property assessment
- Bank statements
- Stocks & bonds
- 401 – K
- U.S. Saving Bonds

5. The household must reside in a county that is currently being served by the Contractor

- Driver license
- Utility bills
- Real estate taxes statement
- Bank statement
- Prior year tax return
- Personal Property tax statement
- House insurance statement which list the address

6. The household as a condition of eligibility must be a citizen (native born or naturalized) or a lawfully admitted Alien. A declaration of citizenship must be made in writing or verification of alien status must be provided.

An alien admitted for permanent residence may include the following:

- Granted asylum under section 208
- Refugees under section 207
- Cuban/Haitian Entrants
- Individuals with deportation withheld by INS under section 243(h) or 241(b)(3)

**Performance Indicator: #3:**

1. Income verification will consist of one or more of the following:
  - a. IRS statement from the previous tax year
  - b. Pay vouchers showing year to date earnings
  - c. Employer statement verifying employment and earnings
  - d. For self-employed individuals – forms of income verification acceptable to the IRS
  - e. For unearned income, verification from the source
2. The Contractor must verify all eligibility items and document in the case record before approving a household for the IDA program.
3. Twenty-five percent of the participants being served by the Contractor shall be TEA or Work Pays recipients.

**Program Deliverable #4:**

A separate case file for each program participant shall be established and updated as actions or activities are completed. The Contractor shall establish an Individual Savings Plan for each program participant that outlines the steps necessary and services provided to assist clients in achieving their savings goals.

Each case file shall include information on Eligibility, Bank Account Information, Training and Documentation. (i.e.)

Section I: Eligibility

- IDA Application
- IDA Participant Agreement
- TANF Eligibility Requirement
  - Income
  - Resources

- Child in Household
- Citizenship
- Residence

Section II: Bank Account/Savings

- Individual Savings Plan
- Copy of Individual Savings Account Application
- Copies of Individual Savings Account Bank Statements
- Copies of canceled checks to vendor(s)
- Vendor information (i.e. contracts/agreements, estimates, receipts, etc.)

Section III: Training/Classes

- Orientation Sessions
- Economic Training Classes
- Training Certificates
- Sign In Sheets

Section IV: Documentation

- Narrative/Progress notes
- Forms
- DWS-TEA-3350
- Correspondences

The Contractor shall establish an Individual Savings Plan for each program participant that outlines the steps necessary and services provided to assist clients in achieving their savings goals:

**Performance Indicator: #4:**

1. Within 15 calendar days of accepting a client into the IDA program via a signed participant agreement, an appointment will be scheduled to develop an Individual Savings Plan.
2. The Individual Savings Plan, and updates, shall be provided to the local DWS county office(s) within ten (10) working days of completion, for current and former TEA recipients.
3. The Contractor shall set up individual case records on all clients, and document in a timely manner in each client case record all services provided under the terms of this contract.

**Program Deliverable #5:**

The Contractor shall provide economic literacy training to all IDA program participants:

1. Economic literacy training will be available throughout the entire program and all participants shall be required to attend training sessions consisting of, at a minimum, the following topics:

Budgeting & Money Management	Credit
Checking & Savings Accounts	Loans
Insurance	Goal Setting

**Performance Indicator: #5**

1. Within fifteen (15) calendar days of the contract effective date, a copy of the training curriculum shall be submitted to DWS for review and documented, with the Contractor retaining the original copy in their records.
2. Participants will be offered additional training sessions that will be specific to achieving their financial goals.
3. Participants shall be scheduled to take literacy training within ninety (90) days of being enrolled into the IDA program.

**Program Deliverable #6:**

The Contractor shall establish and retain in their offices a written procedure manual to cover the operation of the IDA program and provide a copy to DWS within fifteen (15) calendar days of the contract effective date. These procedures shall include, but not be limited to, the following:

1. Establishment of an IDA Advisory Council, or similar organization.
2. Establishment of client orientation sessions to be provided to all clients within one month of their entry into the IDA program.
3. Establishment of a process for accepting and approving/denying applications for IDA participants.
4. Coordination of arrangements between the individual and a financial institution in order to open the individual's account.
5. Establishment of a process by which qualified emergency withdrawals (see definition of "Qualified Emergency Withdrawals" in Attachment C) and qualified expenditures are reviewed and approved, including action to be taken if or when evidence is received that withdrawals and expenditures were used for purposes other than those approved by DWS.

6. Establishment of a procedure covering the formation of a grievance committee to hear, review, and determine in writing any grievance made by an IDA account holder.
7. Establishment of a process for written notifications, to each IDA account holder, of the amount of matching funds provided by the financial institution to each account.
8. Establishment of procedures, as deemed necessary, for the successful operation of the project.
9. Participants will have a maximum of two (2) years to complete their IDA Savings Program. Individuals having to make "Qualified Emergency Withdrawals" may be granted a six month extension to complete their IDA savings program if needed.

**Performance Indicators: # 6**

1. Within thirty (30) calendar days of the contract effective date, an IDA Advisory Council consisting of an odd number of individuals, which includes at least 5 members, will establish the following:
  - a. Written guidelines for determining participant eligibility
  - b. Selection procedures to determine which applicants are eligible
  - c. Criteria to measure participant compliance with the guidelines
2. Orientation sessions will be conducted monthly for potential participants to complete an IDA participant agreement.
3. Process for Approving/Denying Applications:
  - a. Within fifteen (15) calendar days of orientation, interested program participants will be provided an appointment for a personal interview between the applicant and the IDA Program Manager.
  - b. After the interview, the IDA Manager will determine, within five (5) working days of receipt of the application, if the applicant meets program criteria and has established an economic goal that is within program guidelines. The IDA Manager shall retain a copy of the determination results in their records.
  - c. The IDA Manager will notify the applicant in writing, within five (5) working days, whether their application has been approved or denied. A copy of the approval/denial letter shall be placed in the applicant's file.
  - d. The Local DWS Office will be provided, within ten (10) working days, written verification of approval/denial on a form DWS-TEA-3350 (see Attachment F).
4. Coordinating arrangements between the client and the financial institution:
  - a. Within thirty (30) calendar days of the contract effective date, the Contractor shall establish a working partnership with one or more financial institutions for the maintenance of IDA savings accounts.

- b. If requested by the program participant, the IDA Manager will accompany the client to the financial institution.
  - c. An interest bearing savings account will be opened within five working days of completion of the Individual Savings Plan. Each participant shall have a separate account with a unique account number.
5. Qualified Withdrawals and Expenditures:
- a. The client's personal funds will be placed into a savings account at the partner financial institution and will be subject to banking rules and regulations.
  - b. Match funds may not be withdrawn at any time, except for a qualified plan withdrawal, in compliance with Act 252 of 2007, as amended.
  - c. Match funds will be held in an account that clearly indicates the amount of funds available to the IDA Program.
  - d. The Contractor shall track monthly interest earned on match payment funds received from DWS (by law the interest earned must be returned to DWS).
  - e. Monies from this fund will be dispersed only for qualified withdrawals as set out in Act 252.
  - f. The Contractor shall issue checks for expenditures, which qualify under Act 252, from the IDA Program account and shall be made payable to the qualified vendors.
  - g. The Contractor shall update the participant's file to reflect the disbursement.
  - h. The Contractor shall monitor the IDA Program account for unapproved withdrawals and/or expenditures.
6. Grievance Committee:
- a. A grievance committee will be established to hear complaints brought against the Contractor that will consist of the following:
    - One or more members of the IDA Advisory Council
    - An executive from a partner agency
    - One or more officers of a partner bank
    - The Executive Director of the contracting organization
  - b. A grievance will be made in writing.
  - c. The grievance committee, after hearing the grievance, will send a recommendation to the IDA Advisory Council for a final decision, within 15 calendar days.
  - d. The Advisory Council will have the final decision on a resolution of the grievance, and contact the client, within five (5) calendar days, in writing as to their final decision.
  - e. A copy of the written decision shall be place in the participant's file.

7. Written notifications:  
The Contractor will provide monthly account statements to each IDA account holder showing the account balance, any activity, and amount of matching funds provided by the fiduciary.

**Program Deliverable #7:**

The Contractor shall develop a methodology for service delivery.

**Performance Indicator: #7:**

The Contractor shall train individuals on financial management utilizing the following:

1. Peer support
2. Structured planning exercises
3. Mentoring
4. Case management

**Program Deliverable #8:**

The Contractor shall provide quarterly reports to DWS that includes monthly and year-to-date information.

**Performance Indicator: #8:**

1. The quarterly report will be a standard form issued by DWS.
2. The quarterly report shall accompany the monthly billing invoice due in the month that the quarterly report is due. Both the quarterly reports and monthly billing invoices shall be received by DWS by the 15<sup>th</sup> working day following the month for which the request for payment for services provided occurs.
3. The original Quarterly and Closeout reporting are required to be submitted with authorized signature at the due date.
4. The quarterly report will include, at a minimum, the following information by county, by month and by cumulative year-to-date total and will be provided to DWS:
  - a. The number of applications
  - b. The number of participants who joined the program and signed a participant agreement
  - c. The number of applicants disapproved and reason
  - d. The number of applications pending
  - e. The number of current or former TEA recipients participating for the current contract year
  - f. The number of participants whose income is 185% of Federal Poverty Level for the current contract year

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

- g. The number of current or former TEA recipients participating from the previous contract year
  - h. The number of participants whose income is 185% of Federal Poverty Level participating from the previous fiscal year
  - i. The number of participants receiving training and type of training
  - j. The number of individuals making deposits into an IDA
  - k. The number of individuals achieving the savings goal by type of goal
  - l. The amount of funds deposited into the IDA's by program participants
  - m. The balance of the IDA's
  - n. The amount of match funds not allocated to the IDA's
  - o. The amount of match funds provided by DWS and other sources
  - p. Amount of matching funds to be returned to DWS due to participants dropping out of the program, or for any other reason
  - q. Interest earned during the month on match payment funds received from DWS and held in the Contractor's match fund account (by law this money must be returned to DWS)
  - r. The amounts withdrawn from any IDA's and the purpose for which these amounts were withdrawn
  - s. The balances remaining in the IDA's
  - t. The number of grievances filed, resolution of these grievances, and any penalties imposed
  - u. The amount of tax credits by type of contributor (individual or business). Information on processing tax credits is found at Attachment E to this document
5. An attachment to the quarterly report shall be provided to DWS Central Office and contain the following information by county:
- a. List of all participants
  - b. Social Security Number
6. Failure to submit required reports shall delay the payment of invoices

**Program Deliverable #9:**

The Contractor must submit one invoice each month with back up documentation to support the amounts being billed for that month. The billing invoice has two payment categories: Compensation (salary and fringe benefits for contractor staff) and Reimbursable (administrative and operating expenses). The Contractor shall maintain employee records, containing at a minimum the name and social security number of all employees whose salaries and fringe benefits are reimbursed by DWS, and make these employee records available for inspection upon request of state and federal government representatives.

If a Contractor has funds to return to DWS, for example matching funds returned to DWS due to a participant dropping out of the program interest earned by the Contractor on matching funds, or an over-billing from a previous invoice, the Contractor shall issue a check payable to DWS in the amount of the total refund with a credit invoice attached showing the amount of credit to be applied for that month (see Performance Indicator 2). Examples of a sample billing invoice and credit invoice are found at Attachment G. The Contractor has the option to have funds direct deposited into their checking account. A direct deposit form must be submitted (Attachment K) with W-9 form and a void check.

**Performance Indicator #9.1:**

The monthly billing invoices must contain the following financial information:

1. Amount of Compensation being claimed for that billing month.
  - a. The documentation for Compensation/Salary must contain the number of employees whose salaries are being reimbursed in whole or in part and the total amount of salary expense claimed for the month.
  - b. The documentation for Compensation/Fringe must contain the number of employees whose fringe benefits are being reimbursed in whole or in part and the total amount of fringe benefit expense claimed for the month.
2. Reimbursable fees must be broken down by category of expenditures and amounts being claimed in each category on the monthly invoice.
  - a. The Reimbursable documentation must have a detailed description by category of the goods or services being billed.
3. There cannot be any carry over balances or any other credit balances from previous billing months deducted from the invoice.
4. All Compensation amounts must be summed in the Total Compensation line of the invoice, and the Total Compensation must be a positive amount.
5. All Reimbursable fees must be summed in the Total Reimbursable line of the invoice and the Total Reimbursable must be a positive amount.
6. The Total Invoice Amount must include the Total Compensation line and Total Reimbursable line and must be a positive amount.

**Performance Indicator #9.2:**

Whenever a Contractor has money to return to DWS, they shall prepare a separate credit invoice, in addition to the normal monthly billing invoice.

1. Over billed Compensation must show a negative balance.
  - a. The documentation for Compensation/Salary with a negative balance must contain the number of employees involved and total salary expense being deducted on that credit invoice.

- b. The documentation for Compensation/Fringe with a negative balance must contain the number of employees involved and total fringe expense being deducted on the credit invoice.
2. Reimbursable credits must be broken down by category of expenditures and must show the amounts being deducted in each category on the credit invoice.
  - a. The documentation for Reimbursable must have a detailed description by category of the goods or services being deducted on the credit invoice.
3. All Compensation credits must be summed in the Total Compensation line of the invoice and show a negative amount.
4. All Reimbursable credits must be summed in the Total Reimbursable line of the invoice and show a negative balance.
5. The Total Invoice Amount on the credit invoice must sum the Total Compensation line and the Total Reimbursable line, and must be a negative amount.
6. The Total Invoice Amount must include the Total Compensation line and Total Reimbursable line and must be a positive amount
7. All returned Match Contribution and interest shall be returned with vendor check for total returned amount and include the completed DWS credit invoice and credit memo.

DWS shall examine a Contractor's monthly billing invoices and credit invoices to determine if the payment amount for the month must be reduced based on the amount of credits reported by the Contractor. The amended billing invoice will then be processed by DWS for payment. If DWS reduces the amount of a monthly billing invoice, DWS shall provide the Contractor with a photocopy of the amended billing invoice. If the Contractor disputes the amended monthly payment they shall contact their contract officer or the contract officer's supervisor and request a clarification as to how the amended monthly payment was calculated.

**Program Deliverable #10:**

The Contractor shall provide a year-end summary report to the DWS.

**Performance Indicator #10:**

A year-end summary report for the reporting period of July 1st through June 30th, detailing clients served during the 12-month period and recommendations for the program will be provided to DWS by July 15 of each year that a contract was in force at any point during the preceding July 1st through June 30th. DWS will determine the format of the report.

**Performance Deliverable #11:**

The Contractor shall participate in meetings with DWS staff, as requested by mutual agreement.

**Performance Indicator #11:**

The Contractor shall participate in meetings with DWS staff as scheduled by mutual agreement.

**Acceptable Performance**

Acceptable performance is defined as 100% compliance with the Program Deliverables and Performance Indicators as stated above.

The Contractor agrees that only 85% of the contract's maximum liability is eligible for timely payment for those Contractors that demonstrate unacceptable performance during the last four months of the contract term. DWS shall be the sole authority of what constitutes unacceptable performance. The remaining 15% will be released 30 days after the contract end date contingent upon demonstration by the Contractor that compliance with the Program Deliverables and Performance Indicators has been met as specified in the contract.

One or more of the following remedies will be imposed for unacceptable performance:

1. The Contractor shall submit a Corrective Action Plan acceptable to DWS. DWS will notify the Contractor that the corrective action plan has been approved and provide a reasonable date for the Contractor to complete the corrective action.
2. Payment may be withheld pending satisfactory performance.
3. Payment may be reduced or withheld.
4. The contract may be terminated.

## **Attachment B – DWS Contract General Terms and Conditions**

### **GENERAL TERMS AND CONDITIONS**

1. **GENERAL:** Any special terms and conditions included in the Request for Qualifications override these standard terms and conditions. The standard terms and conditions and any special terms and conditions become part of any contract entered into if any or all parts of the proposal are accepted by the State of Arkansas.
2. **ACCEPTANCE AND REJECTION:** The state reserves the right to accept or reject all or any part of a proposal, to waive minor technicalities, and to award the contract to best serve the interest of the state.
3. **PROPOSAL SUBMISSION:** Proposals must be submitted to the Department of Workforce Services as outlined in the Request for Qualifications, with attachments when appropriate, on or before the date and time specified for proposal opening. If the required format is not used, the proposal may be rejected. The proposal must be typed. The signature must be in ink. Unsigned proposals will be disqualified. The person signing the proposal should show title or authority to bind his organization in a contract. Each proposal should be placed in a separate envelope completely and properly identified with the proposal number. Late proposals will not be considered under any circumstances.
4. **PRICES:** Proposals must include a budget and budget narrative which outline the program expenditures. In case of errors in the budget outline, the budget narratives shall govern. Unless otherwise specified, the proposal budget must be firm for acceptance for thirty days from the proposal opening date. The administrative costs for the program should not exceed 10% of the overall award amount of the contract.
5. **BUDGET:** Budgets stated in **term contract** are estimates only, and are not guaranteed. Budget limitations stated on **firm contracts** are actual requirements of the ordering agency.
6. **AMENDMENTS:** The proposals cannot be altered or amended after the proposal opening except as permitted by regulation.
7. **AWARD: Term Contracts:** A contract award will be issued to the successful awardee. It results in a binding obligation without further action by either party.
8. **Firm Contracts:** A written state purchase order authorizing payment will be furnished to the successful awardee. All payments will be based on a reimbursement basis. All reimbursement requests must be actual expenses incurred by the contractor for program services rendered.

9. **LENGTH OF CONTRACT:** The Request for Qualifications will show the period of time the term contract will be in effect.

10. **DELIVERY REQUIREMENTS:** No substitutions or cancellations of programs are permitted without written approval of the Department of Workforce Services.

11. **INVOICING:** The contractor shall be reimbursed upon the completion of all the following:

1. Submission of the reimbursement form as provided with the contract award
2. Submission of an itemized worksheet detailing all expenditures occurred during the dates of service
3. Invoice must be sent to the Department of Workforce Services for reimbursement payment processing.

12. **PATENTS OR COPYRIGHTS:** The contractor agrees to indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.

13. **ASSIGNMENT:** Any contract entered into pursuant to this Request for Qualifications is not assignable nor the duties there under delegable by either party without the written consent of the other party of the contract.

14. **OTHER REMEDIES:** In addition to the remedies outlined herein, the contractor and the state have the right to pursue any other remedy permitted by law or in equity.

15. **LACK OF FUNDS:** The state may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid expenditures for programs will be reimbursed if expenditures occurred prior to notice. If the state is unable to provide payment for services rendered prior to the notice and there are no funds legally available to pay for the expenditures, the contractor may file a claim with the Arkansas Claims Commission. If the contractor has provided services and there are no longer funds legally available to pay for the services, the contractor may file a claim.

16. **DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the proposer agrees that: (a) the proposer will not discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the proposer will state that all qualified applicants will receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the proposer will furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the proposer to comply with the statute, the rules and regulations promulgated there under and this nondiscrimination clause shall be deemed a breach of contract and it may be cancelled, terminated or suspended in

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

whole or in part; (e) the awardee will include the provisions of items (a) through (d) in every subcontract so that such provisions will be binding upon such subcontractor or vendor.

17. **CONTINGENT FEE:** The awardee guarantees that he has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the awardee for the purpose of securing business

18. **DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

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## **Attachment C – Definition of Individual Development Account Terms**

**Administrative Costs** – Cost associated with but not limited to: Soliciting matching funds, processing fees charged by the fiduciary organization or financial institution and traditional overhead costs. Administrative costs shall be limited to no more than ten percent (10%) of the contract.

**DWS** – Arkansas Department of Workforce Services

**Federal Poverty Level** – Poverty income guidelines published for a calendar year by the United States Department of Health and Human Services. (See Attachment D)

**Financial Institution** – An organization authorized to do business under State or Federal laws relating to financial institutions, and includes but is not limited to a bank, trust company, savings bank, building and loan association, savings and loan company or association, or a credit union.

**Fiduciary Organization** – The organization that will serve as an intermediary between an individual account holder and the financial institution holding the account funds.

**Individual Development Account (IDA)** – An account created exclusively for the purpose of providing low-income and low-asset families an opportunity to accumulate assets, facilitate and mobilize savings, promote home ownership, promote micro-enterprise (small business) development, post secondary education, and savings for retirement and car ownership. For each one-dollar (\$1.00) contributed to the IDA account by the IDA account holder, three dollars (\$3.00) in matching funds will be available to the IDA account holder upon reaching the approved savings goal. This program was set forth by the Arkansas Legislature in Act 252 of 2007, as amended, commonly known as “The Family Savings Initiative Act”. An IDA may be used for any of the following qualified purposes:

1. Qualified acquisition costs with respect to a qualified principal residence for a qualified first time home buyer, or the costs of major repairs or improvements to a qualified principal residence, if paid directly to the persons to whom the amounts are due;
2. Amounts paid directly to a business capitalization account which is established in a Federally insured financial institution and is restricted to use solely for qualified business capitalization expenses consistent with a qualified plan;
3. Post secondary educational expenses paid directly to an eligible educational institution;
4. Amounts paid directly to an Individual Retirement Account (IRA) or Education IRA established pursuant to Federal law in the name of the IDA account holder or an immediate family member thereof (not eligible for Temporary Assistance to Needy Families [TANF] matching funds);

5. Qualified acquisition costs with respect to purchase of an automobile, or costs of repair of an automobile, if paid directly to a licensed automobile dealer or repair shop. Such a purpose cannot be the sole purpose of the IDA. Participants must also save for another approved purpose (not eligible for TANF matching funds).

**Net Worth** – The aggregate market value of all assets that is owned in whole or in part by any member of the household, less the obligations or debts of any member of the household.

**Operating Cost** – Operating costs include, but are not limited to, cost of training IDA participants in economic and financial literacy and IDA uses, marketing participation, counseling participants and conducting required verification and compliance activities.

**Post Secondary Expenses** - Expenses that include:

1. Tuition fees required for enrollment or attendance of an IDA account holder or immediate family member who is a student at an eligible educational institution; and
2. Fees, books, supplies and equipment required for courses of instruction for an IDA account holder or immediate family member who is a student at an eligible educational institution.

**Qualified Acquisition Costs** –Includes:

1. The costs for acquiring, constructing, or reconstructing a residence to be occupied by an IDA account holder or an immediate family member thereof, including, but not limited to, any usual or reasonable settlement, financing, or other closing costs; and
2. The costs of acquiring or repairing a motor vehicle to be used by an IDA account holder or an immediate family member thereof, including but not limited to any taxes, insurance, or registration costs incurred in acquiring a motor vehicle.

**Qualified Business** – Any business that does not contravene any law or public policy.

**Qualified Business Capitalization Expenses** – Qualified business expenditures for the capitalization of a qualified business pursuant to a qualified plan.

**Qualified Emergency Withdrawals** – A withdrawal by an eligible individual that is a withdrawal of only those funds, or a portion of those funds, deposited by the individual into the IDA, and is permitted by a fiduciary organization on a case-by-case basis in accordance with the following rules established by the Department of Workforce Services:

Unforeseeable emergency and financial hardship reasons for which an emergency withdrawal of funds deposited into an IDA account can be made:

1. Unexpected illness or accident involving the IDA participant or their dependents resulting in medical expenses not covered by insurance or compensation.
2. Damage or destruction to participant's primary residence, the repair of which is not covered by insurance.
3. To prevent the eviction of the participant from his/her primary residence.
4. Funeral expenses for which the participant is financially responsible which are not covered by insurance.
5. Separation or divorce by the participant. Qualifying expenses may include attorney fees, court costs, and expenses previously covered by income of spouse.
6. To pay for normal monthly expenses, such as housing, utilities, food, etc., if the IDA participant unexpectedly loses his/her job.
7. Other critical need cases. The IDA program manager shall carefully document these cases.

If the unforeseeable emergency is caused by any of the following, the IDA participant will not qualify for an emergency withdrawal of funds in their IDA account:

- Normal monthly expenses, except as specified in item 6 above.
- Normal maternity leave.
- Loss of overtime or holiday pay.
- Elective or cosmetic surgery/orthodontia.
- Annual tax liability.

No more than three withdrawals will be allowed per participant during participation of the IDA savings program. More than three withdrawals will result in the participant being removed from program participation. The fiduciary organization will reduce the amount of match invoicing to DWS by a corresponding amount of savings withdrawals.

**Qualified Expenditures** –Expenditures included in a qualified plan, including but not limited to capital, plant, equipment, working capital, and inventory expenses.

**Note:** Equipment Report – Awardees must submit a tag number request form (Standard DWS Form) to DWS within 15 days for all equipment purchased to conduct the program. DWS will issue TANF Property tags to be placed on all purchased equipment valuing \$250 or more. All equipment purchased under this funding opportunity will remain the property of DWS and must be surrendered by the contractor to DWS at the end of the program service.

**Qualified First Time Home Buyer** – An individual who has no ownership interest in a principal residence during the three- (3) year period ending on the date of acquisition of the principal residence.

**Qualified Plan** – A plan for the operation of a business by an IDA account holder or an immediate family member thereof which:

1. Is approved by a financial institution or by a nonprofit micro-enterprise program, or loan fund, having demonstrated business expertise;
2. Includes a description of services or goods to be sold, a marketing plan, and projected financial statements; and
3. May require the eligible individual to obtain the assistance of an experienced entrepreneurial advisor.

**Qualified Principal Residence** – A principal residence within the meaning of Section 1034 of the Internal Revenue Code of 1986, 26U.S.C, Section 1034, as in effect on January 2000, of IDA account holder or an immediate family member thereof, the qualified acquisition cost of which does not exceed the average area purchase price applicable to such residence determined in accordance with paragraphs (2) and (3) of Section 143(e) of the Internal Revenue Code, 26 U.S.C., Section 143(e)(2) and (3), as in effect on January 1, 2000.

## Attachment D – Federal Poverty Level Guidelines

Federal Poverty Level (FPL) guidelines:

<b>The 2013 Poverty Guidelines for the 48 Contiguous States and the District of Columbia</b>	
<b>Persons in family</b>	<b>Poverty guideline</b>
<b>1</b>	<b>\$11,490</b>
<b>2</b>	<b>15,510</b>
<b>3</b>	<b>19,530</b>
<b>4</b>	<b>23,550</b>
<b>5</b>	<b>27,570</b>
<b>6</b>	<b>31,590</b>
<b>7</b>	<b>35,610</b>
<b>8</b>	<b>39,630</b>
<b>For families/households with more than 8 persons, add \$4,020 for each additional person.</b>	

**SOURCE: Federal Register, Vol. 78, No. 16, January 24, 2013, pp. 5182-5183**

<http://www.aspe.hhs.gov/poverty/index.shtml>

## **Attachment E - IDA Tax Credit Process**

An individual who makes a monetary contribution (donation) to an IDA agency's matching fund may receive a tax credit in the amount of 50% of the donation on his or her individual Arkansas State Income Tax return for the year the contribution was made. To claim the credit, the individual must receive a tax credit certification from Department of Workforce Services that specifies the amount of credit to which the individual is entitled. The maximum amount of tax credits that DWS may certify in a calendar year is \$100,000.

**NOTE:** This credit does not apply to contributions made by individuals participating in an IDA program.

### **Procedures**

The following procedures will be followed when an individual wishes to make a contribution to an IDA agency's matching fund and receive a tax credit certification from Department of Workforce Services.

1. The contributor will notify the IDA agency's fiduciary organization of the intended contribution.
2. The fiduciary organization will request an IDA tax credit certification from DWS by completing Section I (Notice of Intent to Contribute) of form DWS-TEA-202 (IDA Program-Arkansas Income Tax Credit Certification) and sending it to the Department of Workforce Services – Temporary Assistance for Needy Families (TANF).
3. Upon receipt of the DWS-TEA-202, DWS will determine the availability of a tax credit for the intended contribution amount. If the maximum statewide \$100,000 amount allowed for IDA tax credits has not yet been certified for the calendar year, DWS-TANF Contracts will calculate the amount of tax credit allowable for the intended contribution.
4. The DWS TANF Contracts will complete Section II (Tax Credit Certification) of the DWS-TEA-202, certifying the amount of tax credit allowed for the intended contribution and route the form back to the fiduciary organization. (A copy of the DWS-TEA-202 will be retained by the Office of Employment Assistance and the certified tax credit will be reserved pending notification back from the fiduciary organization that the contribution has been made.)
5. Upon receipt of the DWS-TEA-202 certifying the tax credit amount, the fiduciary organization will notify the intended contributor of the potential tax credit.
6. Upon receipt of the contribution, the fiduciary organization will complete Section III (Receipt of Contribution) of the DWS-TEA-202, acknowledging receipt of the contribution.

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

7. The fiduciary organization will provide the completed original DWS-TEA-202 to the contributor (to be filed with his/her individual Arkansas Income Tax Return) and forward a copy of the form to the Office of Employment Assistance and a copy to DWS-TANF Contracts Unit. A copy will also be retained by the fiduciary organization.
8. If the intended contributor decides not to make the contribution, the fiduciary organization will notify Office of Employment Assistance of this decision by returning the DWS-TEA-202 with an explanatory cover memo and a copy to DWS-TANF Contracts Unit. Upon receipt of that information, Office of Employment Assistance will “deobligate” that tax credit amount so that it is available for other contributors.

Once the statewide maximum \$100,000 tax credit amount has been certified for a particular calendar year, Office of Employment Assistance will notify all IDA agencies so that potential contributors can be advised of this at the time they indicate intent to contribute. Once the notification has been made to all IDA agencies that the \$100,000 maximum has been reached, Office of Employment Assistance will not accept any new DWS-TEA-202 requests for certification for the remainder of the calendar year.

**Attachment E - Arkansas Department of Workforce Services  
Individual Development Account Program  
Arkansas Income Tax Credit**

Section I Notice of Intent to Contribute (to be completed by fiduciary organization)

Contributor's Name: \_\_\_\_\_ SSN: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Intended Contribution Amount: \$ \_\_\_\_\_

\_\_\_\_\_  
Contributor Signature Date

Section II Tax Credit Certification (to be completed by DWS)

This certifies that, upon receipt of the above referenced intended contribution to  
\_\_\_\_\_ (name of IDA fiduciary organization),  
the above named individual is entitled to an Arkansas Income Tax Credit in the amount of  
\$ \_\_\_\_\_ for calendar year \_\_\_\_\_.

\_\_\_\_\_  
Authorized DWS Signature Date

Section III Receipt of Contribution (to be completed by fiduciary organization)

This acknowledges the receipt of the following contribution to the IDA program's matching  
fund account managed by \_\_\_\_\_  
(Name of fiduciary organization)

Contribution Amount: \$ \_\_\_\_\_ Date Received: \_\_\_\_\_

\_\_\_\_\_  
Signature of Fiduciary Organization Representative

**Attachment F – DWS Referral for Services Form (DWS-TEA-3350)**

**DEPARTMENT OF WORKFORCE  
SERVICES**

**REFERRAL FOR SERVICES**

Date \_\_\_\_\_

TO:	FROM:
CONTACT NAME:	STAFF NAME:

CUSTOMER NAME:

SSN:

Address/Phone:

Service Requested:

Comments:

<input type="checkbox"/> Reply Requested	Services Provided/Comments: _____ _____ _____
---	--



**TANF Initiatives  
Contract Reimbursement Form**

1) Remit To:

[Enter Vendor Name]

[Enter Vendor Mailing Address]

[Enter Vendor City and State]

[Enter Vendor Zip Code]

Bill To:

Department of Workforce Services

ATTN: TANF CONTRACTS

P.O. Box 2981

Little Rock, Arkansas 72203-2981

**IDA CREDIT INVOICE**

2) PROGRAM NAME:

IDA

3) VENDOR NUMBER:

4) CONTRACT NUMBER:

5) INVOICE NUMBER:

CM + Invoice #

6) DATES OF SERVICE:

7) PURCHASE ORDER #:

Program Cost

8)

Match Funds  
Returned

Interest Earned

9) TOTAL TO BE RETURNED

\$

10) Provider Approval:

Signature – Name and Title

Date

11) Contact Person:

Phone #

E-mail

\*Include Vendor check with invoice

For Use by DWS

FMAS Code:

12) Reviewed by TANF Contracts:

Date:

13) Approved for Payment TANF Accounting:

Date:



State of Arkansas  
 DEPARTMENT OF WORKFORCE SERVICES  
 Two Capitol Mall  
 Little Rock, Arkansas 72201

**Organization Name: xxx Contract Number: xxx**  
**Contract Period: [July 1, 2014 – June 30, 2015]**  
**Reimbursement Spreadsheet**

		Invoice Number & Invoice Date												Total	Remaining Available
		1	2	3	4	5	6	7	8	9	10	11	12		
Approved Budget		7/1/2014	8/1/2014	9/1/2014	10/1/2014	11/1/2014	12/1/2014	1/1/2015	2/1/2015	3/1/2015	4/1/2015	5/1/2015	6/1/2015		
<b>Personnel Services</b>	<b>\$0.00</b>														
For each position and the corresponding amount earned.															
<b>Per Diem Benefits</b>	<b>\$0.00</b>														
For each position and the corresponding amount earned.															
<b>Travel</b>	<b>\$0.00</b>														
For the position traveling, the date traveled, and the travel destination.															
<b>Supplies and Materials</b>	<b>\$0.00</b>														
For each receipt and the corresponding amount spent															
<b>Advertising and Recruitment</b>	<b>\$0.00</b>														
For each receipt and the corresponding amount spent.															
<b>Other Funds</b>	<b>\$0.00</b>														
For each receipt and the corresponding amount spent.															
<b>Other Fund Returned</b>															
For each recipient and amount returned.															
	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Grey shaded rows should reflect reimbursement form requests

White rows should reflect itemized summary of each major line item

**Attachment H**  
**Individual Development Account Program**  
Budget Narrative for July 1, 2014 – June 30, 2015  
Agency XYZ, Inc.

<b>Salaries</b>	<b>Definition</b>	<b>Unit Cost</b>	<b>Total Cost</b>
Program Manager			
Case Manager			
Instructor			
Receptionist			
<b>Fringe Benefits</b>			
FICA			
UI			
Worker Compensation			
Retirement			
<b>Operational Costs</b>			
Bookkeeping and Audit			
Contract Services			
Insurance			
Space			
Travel			
Office Supplies			
Workshop Supplies			
Printing and Copying			
Communication			
Postage			
<b>Total Operations</b>			
Matching Funds	Client Match ( current & new)		
<b>Grand Total</b>			

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

**Attachment H – Sample / Budget Narrative**  
**(Vendor’s must submit a yearly, quarterly, budget, and budget narrative for each.)**  
**Budget for July 1, 2014 – June 30, 2015**  
**Agency XYZ, Inc.**

	IDA Budget		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Quarter Totals
<b>Compensation</b>							
Salaries (4)							
Program Manager							
Case Manager							
Instructor							
Receptionist/Clerical							
<i>Total Salaries</i>							
Fringe Benefits							
FICA							
Unemployment Insurance							
Retirement							
Worker Compensation							
<i>Total Fringe Benefits</i>							
<b>Reimbursable</b>							
<b>Administrative Costs</b>							
Bookkeeping & Audit							
Contract Services							
Insurance							
Space							
Travel							
Office Supplies							
Workshop Supplies							
Printing & Copy							
Communication							
Postage							
<i>Total Administration</i>							
<b>Matching Funds</b>							
Current( ) & new( ) Clients							
<b>Total Request</b>							

**Attachment I – Act 252 of 2007**

State of Arkansas  
86th General Assembly  
Regular Session, 2007

*As Engrossed: S2/21/07*  
A Bill

HOUSE BILL 1423

By: Representative Key

**For An Act To Be Entitled**

AN ACT TO TRANSFER THE FAMILY SAVINGS INITIATIVE FROM THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO THE DEPARTMENT OF WORKFORCE SERVICES; AND FOR OTHER PURPOSES.

**Subtitle**

AN ACT TO TRANSFER THE FAMILY SAVINGS INITIATIVE FROM THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO THE DEPARTMENT OF WORKFORCE SERVICES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 20-86-104 is amended to read as follows:  
20-86-104. Definitions.

As used in this subchapter:

- (1)(A) "Administrative costs" includes, but is not limited to, soliciting matching funds, processing fees charged by the fiduciary organization or financial institution, and traditional overhead costs.
- (B) Administrative costs shall be limited to no more than ten percent (10%) of the contract;
- (A) An institution described in 20 U.S.C., § 1088(a)(1) or § 1141(a), as such sections are in effect on January 1, 2000;
- (B) An area vocational education school, as defined in 20 U.S.C., § 2471(4), subparagraph (C) or (D), as such section is in effect on January 1, 2000; and
- (C) Any other accredited education or training organization;
- (A) Tuition and fees required for the enrollment or attendance of an individual development account holder or immediate family member thereof who is a student at an eligible educational institution; and
- (B) Fees, books, supplies, and equipment required for courses of instruction for an individual development account holder or immediate family member thereof who is a student at an eligible educational institution;
- (A) The costs of acquiring, constructing, or reconstructing a residence to be occupied by an individual development account holder or an immediate family member thereof, including, but not limited to, any usual or reasonable settlement, financing, or other closing costs; and
- (B) The costs of acquiring or repairing a motor vehicle to be used by an individual development account holder or an immediate family member thereof, including, but not limited to, any taxes, insurance, or registration costs incurred in acquiring a motor vehicle;
- (A) Is approved by a financial institution or by a nonprofit microenterprise program or loan fund, having demonstrated business expertise;

State of Arkansas  
DEPARTMENT OF WORKFORCE SERVICES  
Two Capitol Mall  
Little Rock, Arkansas 72201

(B) Includes a description of services or goods to be sold, a marketing plan, and projected financial statements; and

(C) May require the eligible individual to obtain the assistance of an experienced entrepreneurial advisor; and

SECTION 2. Arkansas Code § 20-86-105(a), concerning proposals for approval as a fiduciary organization under the Family Savings Initiative Act, is amended to read as follows:

SECTION 3. Arkansas Code § 20-86-106(a), concerning individual development account, is amended to read as follows:

SECTION 4. Arkansas Code § 20-86-109(d)(1)(B), concerning matching funds, is amended to read as follows:

SECTION 5. Arkansas Code §§ 20-86-111 through 20-86-113 are amended to read as follows:  
20-86-111. Reporting requirements.

- (1) The number of individuals making deposits into an individual development account;
- (2) The amounts deposited in the individual development account;
- (3) The amounts not yet allocated to individual development accounts;
- (4) The amounts withdrawn from the individual development accounts and the purposes for which the amounts were withdrawn;
- (5) The balances remaining in the individual development accounts;
- (6) The service configurations such as peer support, structured planning exercises, mentoring, and case management which increased the rate and consistency of participation in the demonstration project and how such configurations varied among different populations or communities; and
- (7) The number of grievances filed, the resolution of the grievances, and any penalties imposed.

20-86-112. Implementation.

20-86-113. Reports — Recommendations.

*/s/ Key*

**APPROVED: 3/9/2007**

## **ATTACHMENT J**

### **Evaluation Criteria**

#### **Criteria A:**

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1. The vendor must identify the type of organization and the name of the organization that will be performing the project.
2. The vendor must provide proof of the financial soundness and the successful completion of other projects of like size and scope.
3. The vendor must provide information regarding specific experience the vendor has had in providing IDA or similar programs in the past.

#### **Criteria B:**

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1. The vendor must provide a detailed description of how their service concept will meet the IDA services in one or more of Arkansas' seventy-five (75) counties.
2. The vendor's detailed description of how their service concept will meet the IDA services as outlined in number 1 must be aligned with the program deliverable and performance indicators outlined in Attachment A of the Request for Qualifications.

#### **Criteria C:**

---

1. The vendor must provide a proposal budget and budget narrative for the IDA project.

**VENDOR CONTACT INFORMATION**

Name of Contact Person	
Phone #	
Fax #	
Email Address	

**DIRECT DEPOSIT INFORMATION**

- Add
- Change
- Cancel

Bank Name:	
Bank Routing #:	
Bank Account #:	
Account Type:	<input type="checkbox"/> <b>Checking</b> <input type="checkbox"/> <b>Savings</b>
Account Holder:	<b>(List Bank Acct holder)</b>

**Please submit copy of a voided check with this completed form and W-9**