



A more human resource.™

ADP Human Capital Solution

The Cooperative Purchasing Network

Solicitation Number 15-19

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Executive Summary

Government and education organizations everywhere are being faced with budget pressures and changing regulatory and compliance requirements. Employers must find ways to stay current with these complex regulations while streamlining operations – without compromising employee satisfaction and productivity. These challenges, combined with shrinking budgets, are forcing employers of all sizes to develop new ways to increase operational efficiencies year after year.

The challenges described represent only a select few of the critical issues that require time and attention. We understand that organizations must continually balance demands on two levels: on a macro-economic large scale (i.e., health care reform, Medicaid and Medicare reimbursements, union workforces, and high unemployment) and on a micro-economic smaller scale (i.e., internal budgets, doing more with less, maintaining costly ERP/legacy systems, staying compliant, etc.).

Your human capital management (HCM) strategy is a key component to helping you resolve your most critical business challenges while meeting your business goals. Your ability to deploy an effective HCM strategy hinges, in large part, on choosing a service provider who not only understands these concerns – but who delivers and supports the solutions that help you address them.

With ADP, you get an experienced human capital management service provider that helps drive efficiency and consistency through a single point of a contact. As an extension of your team, we bring the expertise gained from servicing thousands of organizations like yours to make planning, implementation, and ongoing execution of your HCM solution successful.

Providing maximum value to your business in minimal time, ADP is uniquely positioned to provide the District the solution and service that helps you meet your most critical business needs. Our relationship begins as we work together to understand your organization's unique business objectives and challenges and extends as we collaborate to design and implement a solution that is the best fit for your organization, your employees, and you.

Our service team provides ongoing support and guidance to help you with your specific processes. With ADP, you gain more than technology and service – you gain insightful expertise from a company who knows your business and is committed to your satisfaction.





A strategic relationship with ADP offers the following:

- **Comprehensive breadth and depth of solutions** delivered by a single vendor with expertise gained in serving clients for 65 years. You establish a relationship with a global payroll leader who has the entire HCM lifecycle covered – from HR, talent management, time and attendance, and benefits administration to the critical payroll services you count on.
- **Implementation and service methodologies** which help guide us in understanding your organization’s culture, processes, and goals in order to deliver the right solution for you. Our consultative, hands-on implementation and service approach fine-tunes processes to maximize satisfaction and avoid last-minute surprises.
- Lower total cost of ownership (TCO) through a shift in your key resources. ADP can help substantially reduce compliance-ridden processes from the HCM lifecycle, helping you gain cost efficiencies and allowing your teams to focus on the strategy of your business.

ADP’s combination of broad solution offerings, deep domain expertise, guided implementation, personalized service, and cost-saving strategic delivery model has helped us serve more than 625,000 clients. We continually strive to deliver more of what our clients need to be successful – more insight, more savings, and more time to focus on what matters.

The details we’ve provided on the following pages help illustrate the importance we put on understanding each of our clients’ unique needs and how we can work together to design and deliver the solution that not only helps meet those needs, but helps move your business forward.

Your Organization’s Business Challenges

Through the various conversations we’ve had with many organizations, we understand the most critical business challenges you face today include:

- Increasing visibility to information and data through a single vendor.
- Understanding and complying with health care reform.
- Effectively managing your workforce.

ADP’s solution addresses these business challenges by streamlining your HCM processes in a way that fits how you work. The following pages touch on just a few examples of how our solution tackles these key concerns.

Business Challenge: Increasing visibility to information and data through a single vendor.

A “single version of the truth” is difficult for key stakeholders to obtain due to data being stored in multiple systems and sources. ADP’s solution enables your designated users to report across the entire HCM suite, providing relevant, timely data, and alerting the District to emerging trends inside and outside your organization.



The solution's delivered analytics allow you to quickly spot trends and drill down to the details needed so you can take action (e.g., analytics show high turnover in one department – why are employees leaving?). Dynamic, real-time analytics make it possible for you to make decisions based on the most current information without having to wait for various reports to be run and analyzed. Your managers also gain access to the information and tasks they need in a simple, workflow-based process. Human Resource administrators and managers no longer spend hours hunting for information; our solution brings it to them so they can proactively address trends and more effectively manage your workforce.



In addition, the ADP Document Cloud offers the ability to manage, store, and access employee-related documents electronically on the employee record – from anywhere. Your employees, managers, and practitioners can upload documents and then easily access them within organized, logical categories.

By enabling you to electronically maintain payroll-related employee documents, you can reduce costs of maintaining paper copies, increase visibility to information, and help improve productivity by providing quick access to these types of files – in one location.

Business Challenge: Understanding and complying with health care reform.

Health care reform is no longer just talk. Organizations now must take action to understand and implement new legislation so they can remain compliant and avoid costly penalties. Not surprisingly, the vast majority of organizations are not ready to shoulder this burden. The good news is that with ADP, they don't have to.

ADP provides the guidance, support, and operational capabilities you need to help you meet the challenges of the ACA.

- *Get a clear path to ACA compliance.* ADP can deliver the expertise and knowledge to help ensure that you're on the right path to ACA compliance. You'll be able to focus on your business without managing the painstaking but necessary execution of day-to-day tasks related to ACA. You also can leverage ADP's longstanding partnerships with federal and state agencies to help protect your interests.
- *Leverage a pre-built ACA compliance infrastructure.* Without making capital investments or increasing your headcount, you'll get the expertise, processes, and systems you need. ADP interacts with exchanges and agencies on your behalf, applying best-practice processes for verification and reporting, and maintaining an IT infrastructure.
- *Manage your approach as regulations evolve.* Leverage a scalable platform to help streamline operations and rich decision-support tools to help strengthen your future decisions around ACA compliance. You'll be better able to identify and manage your controllable costs while helping to ensure your decisions are informed with the necessary data, metrics, and benchmarks.



With more than 1,000 associates dedicated to monitoring, interpreting, and deploying legislative changes, ADP has the necessary resources with the knowledge to work for your compliance while you continue to focus on your day-to-day business.

Business Challenge: Effectively managing your workforce.



As organizations grow, the importance of finding ways to more effectively manage your workforce grows as well. This need has never been more prevalent than today, as employers face Affordable Care Act (ACA) regulations that require you to more closely manage your workforce to ensure Shared Responsibility compliance (related to workforce planning, eligibility, affordability, enrollment, and penalty management and compliance reporting). ADP delivers solutions to help our clients manage these needs.

For example, in order to maintain compliance, employers are required to determine each employee's ACA full-time status. ADP provides a solution that enables you to accurately determine employee eligibility based on average hours of service across a pre-defined measurement period, providing critical reporting and the consistent, repeatable process that is paramount to maintaining ACA compliance.

On a day-to-day basis, ADP solutions enable managers and HR professionals to work smarter – not harder – to complete essential functions, such as reviewing time off, ensuring adequate staffing coverage, managing performance and compensation planning, etc. Our solution not only provides easy-to-use scheduling tools, your managers also gain analytics which help them schedule based on forecasted needs, such as headcount requirements and employee skills, preferences, and availability.

With ADP, you gain the insight and tools to ensure a well-staffed organization – as your workforce changes and as regulations change. But ADP provides more than technology and service solutions; we are a consultative partner, working with you to review your current processes and understand how we can best support your HCM vision/strategy.

Why ADP?

Following are some details that further explain ADP's unique value to our clients.

Comprehensive Breadth and Depth of Solutions

ADP is the global payroll leader with an unrivaled breadth of solutions and unmatched depth of expertise.



Organizations gain access to the **entire spectrum of human capital management solutions** delivered by a single vendor with unmatched expertise gained by serving clients for 65 years. ADP associates are true experts in the arenas they serve – whether implementation, operations, client service, solution development, hosting, technology, security, etc. Our capability to provide the broadest set of client solutions combined with the knowledge, skill, and experience of our associates truly distinguishes ADP from the rest. What’s more, we have leveraged our decades of experience to develop solutions that are scalable to fit your needs today and as your business changes. So, you gain one partner who has the entire HCM lifecycle covered now and years from now – from HR, talent management, time and attendance, and benefits administration to the critical payroll services you count on – from the global payroll leader.

We not only deliver the core HCM solutions that more than 625,000 organizations rely on each and every day, we continue to add value by offering **strategic consulting services** to help you navigate through some of today’s most pressing issues, such as managing ACA compliance, reducing your health care costs, refining your employee benefits strategy, and delivering effective employee communications (to name just a few). We work directly with you to provide analysis of the constantly changing HCM and benefits landscape. By leveraging our experience, thought leadership, and industry best practices, you gain business intelligence and tools to make managing your human capital even more strategic.

Hands-on Implementation and Service Models

ADP’s consultative, hands-on implementation and service approach goes beyond the typical technology/service provider; we are a true strategic partner.

Implementations are often perceived as “one size fits all.” At ADP, we implement our solution around your specific processes to ensure it works the way you do. Our **consultative, hands-on implementation model** guides us in understanding your organization’s unique culture, processes, and goals. Using our proven implementation tools, you are able to make critical decisions early on (using your own data) so we can tailor workflows specific to your requirements.

During this process, ADP implementation professionals work with you to not only define your current processes – but to uncover any opportunities to streamline or enhance those processes to help move you toward a more accurate and efficient operating model. Our experience with tens of thousands of organizations enables us to offer best practices and insight into client process improvements and efficiencies. With this knowledge, our implementation experts work with you to design and successfully deliver the solution you need – guaranteed.

Plus, ADP offers our **professional implementation services at a fixed fee**. This means that, unlike some providers, ADP does not tack on change-control items that gradually increase your costs at every turn if changes are needed. We provide a fixed implementation fee so you know your costs up-front and aren’t surprised with unexpected charges as the implementation progresses.



Another unique ADP advantage is that, while many providers charge clients ongoing fees on Day 1, we **do not charge for ongoing services until you are live** in production and taking full advantage of your ADP solution. This is just one more example of the importance we place on providing the right solution for you and delivering what we promise.

When it comes to taking full advantage of your ADP solution, training is obviously a key element. In 2015, **ADP was ranked 18th on Training Magazine's Top 125**. This honor is evidence of our commitment to developing the quality training programs our clients need and delivering the most effective training in the formats they want, such as virtual labs, self-paced eLearning, and in-person classroom sessions. And, unlike some providers who use contract trainers, our clients are trained by expert ADP associates who have completed extensive certification in content, training delivery methods, and tools.

Furthermore, we provide (at no additional cost) an **ADP learning consultant** who serves as your primary training contact throughout implementation and is responsible for ensuring your specific training needs are being met.

Last, but certainly not least, our approach is unique in that core solution **training is not fee-based**. Certified ADP trainers provide the quality training you need, when you need it.

Following implementation, **you are supported by ADP professionals – not a ticket management system**. This unique service model sets us apart from SaaS providers. With ADP, you don't have to put in a ticket only to wait for a return email or phone call. Our tenured service professionals have **deep domain expertise** and are ready to answer your questions, provide insight, and recommend best practices to ensure you continue getting the most out of your solution. Most importantly, this team not only understands your ADP solution, they understand your organization.

We are committed to building strong, lasting relationships with each of our clients and, as evidenced by our 91 percent client retention rate and average client tenure of about 12 years, we continue to deliver on this promise. A key piece of this promise is made possible by our quality service professionals who are specialists in the services they provide. For example, to best support our ongoing relationship, we provide a **named client account executive** who is introduced to you at the early stages of implementation and remains with you throughout the life of the contract, helping ensure continuity of service as you transition from implementation to ongoing support. Your client account executive is complemented by a team of functional experts and technical service consultants to further ensure that your day-to-day inquiries are proactively managed and resolved to your expectations.

As you can see, ADP is well-equipped to provide the hands-on, tailored implementation and quality, personalized service you deserve. We are offering a **true strategic partnership** – with your needs at the forefront of our service and implementation approach.



Lower Total Cost of Ownership

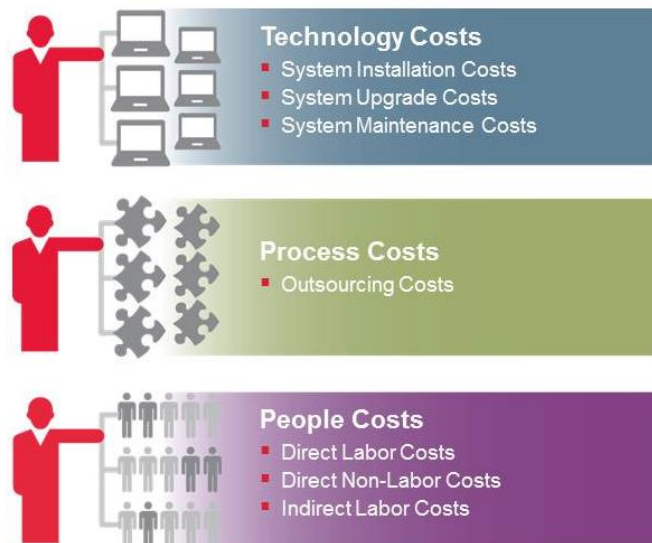
ADP's unique combination of technology, process, and people delivers clients a lower total cost of ownership.

A recent PricewaterhouseCoopers (PwC) study found that, on average, an organization spends \$1,400 per employee, per year administering all the processes and touch points associated with HR/talent, benefits, payroll, and time and attendance management. These processes and touch points contain hundreds of steps and actions that are not strategically relevant to your core business. This “process layer” consumes significant time, effort, and resources for organizations like yours – to the tune of about \$1.4 million per 1,000 employees per year. The PwC study also found that organizations that deploy a technology-only solution have no impact on their TCO. However, by combining technology with elimination of the process layer, organizations can achieve 32 percent greater cost efficiency.

When you consider the TCO of all the processes, technology, and support staff, you only realize true savings when you leverage ADP's combined model of “technology, process, and people.” This model delivers **lower TCO and clear ROI** while enabling you to manage your human capital more efficiently, effectively, and strategically – no longer being mired in the tactical processes that waste time and resources. With ADP as your single-source provider, you can achieve the lowest possible HCM-cost-per-employee while re-discovering time to focus on your truly revenue-producing initiatives. Plus, the potential year-after-year savings you experience could be re-allocated to other areas in the organization that can have a more positive impact on your business.

Not only does ADP offer you ROI via both technology and process-layer service, we're the only company that does it while **lowering your financial and technology risk** and helping ensure you are compliant with changing legislation.

We would be happy to share more details of the PwC study, along with the specifics of the potential savings and ROI possibilities.





At ADP, we provide the ideal mix of service, technology, and strategic process improvement – backed by our decades of experience as a trusted and reliable business partner. When you add in the stability demonstrated by our exceptionally strong financial ratings and Tier IV data centers, the ADP advantage becomes even clearer.

We look forward, should you choose ADP as your strategic partner, to offering the benefits of our depth and breadth of solutions, hands-on implementation and service, lower TCO, and much more.

As you consider the decisions that impact your organization today and plan the HCM strategy that will guide you in the future, we hope you are now even more confident that ADP is the right partner for you.



Section I. Tab 1 – Entire Vendor Contract and Signature Form

Appendix A has been provided in the following pages.

Appendix D has been provided in the following pages.

APPENDIX A

VENDOR CONTRACT AND SIGNATURE FORM

This Vendor Contract and Signature Form ("Contract") is made as of _____, by and between ADP, LLC ("Vendor") and Region 4 Education Service Center ("Region 4 ESC") for the purchase of Managed Services, including Payroll Services _____ ("the products and services").

RECITALS

WHEREAS, both parties agree and understand that the following pages will constitute the contract between the successful vendor(s) and Region 4 ESC, having its principal place of business at 7145 West Tidwell Road, Houston, TX 77092.

WHEREAS, Vendor agrees to include, in writing, any required exceptions or deviations from these terms, conditions, and specifications; and it is further understood that, if agreed to by Region 4 ESC, said exceptions or deviations will be incorporated into the final contract "Vendor Contract."

WHEREAS, this contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth below shall control.

WHEREAS, the Vendor Contract will provide that any state, county, special district, local government, school district, private K-12 school, technical or vocational school, higher education institution (including community colleges, colleges and universities, both public and private), other government agencies or non-profit organization may purchase products and services at prices indicated in the Vendor Contract upon registering and becoming a member with TCPN; and it being further understood that Region 4 ESC shall act as the Lead Public Agency with respect to all such purchase agreements.

WHEREAS, TCPN has the administrative and legal capacity to administer purchases on behalf of Region 4 ESC under the Vendor Contract with participating public agencies and entities, as permitted by applicable law.

ARTICLE 1- GENERAL TERMS AND CONDITIONS

- 1.1 TCPN shall be afforded all of the rights, privileges and indemnifications afforded to Region 4 ESC under the Vendor Contract, and such rights, privileges and indemnifications shall accrue and apply with equal effect to TCPN, including, without limitation, Vendors obligation to provide insurance and other indemnifications to Lead Public Agency.
- 1.2 Awarded vendor shall perform all duties, responsibilities and obligations, set forth in this agreement, and required under the Vendor Contract.
- 1.3 TCPN shall perform its duties, responsibilities and obligations as administrator of purchases, set forth in this agreement, and required under the Vendor Contract.

1.4 **Purchasing procedure:**

- Purchase orders are issued by participating governmental agencies to the awarded vendor indicating on the PO “Per TCPN Contract # R_151901.”
- Vendor delivers goods/services directly to the participating agency.
- Awarded vendor invoices the participating agency directly.
- Awarded vendor receives payment directly from the participating agency.
- Awarded vendor reports sales monthly to TCPN.

1.5 **Customer Support:** The vendor shall provide timely and accurate technical advice and sales support to Region 4 ESC staff, TCPN staff and participating agencies. The vendor shall respond to such requests within one (1) working day after receipt of the request.

ARTICLE 2- ANTICIPATED TERM OF AGREEMENT

2.1 Unless otherwise stated, all contracts are for a period of three (3) years with an option to renew annually for an additional two (2) years if agreed to by Region 4 ESC. Region 4 ESC will notify the vendor in writing if the contract is extended. Awarded vendor shall honor all administrative fees for any sales made based on the contract whether renewed or not.

2.2 Region 4 ESC shall review the contract prior to the renewal date and notify the current awarded vendor, no less than ninety (90) days of Region 4 ESC’s intent renew the contract. Upon receipt of notice, awarded vendor must notify Region 4 ESC if it elects not to renew. Awarded vendor shall honor the administrative fee for any sales incurred throughout the life of the contract on any sales made based on a Region 4 ESC contract whether awarded a renewal or not. Region 4 ESC reserves the right to exercise each two-year extension annually.

ARTICLE 3- REPRESENTATIONS AND COVENANTS

3.1. **Scope:** This contract is based on the need to provide the economic benefits of volume purchasing and reduction in administrative costs through cooperative purchasing to schools and other members. Although contractors may restrict sales to certain public units (for example, state agencies or local government units), any contract that prohibits sales from being made to public school districts may not be considered. Sales without restriction to any Members are preferred. These types of contracts are commonly referred to as being “piggybackable”.

3.2. **Compliance:** Cooperative Purchasing Agreements between TCPN and its Members have been established under state procurement law.

3.3. **Offeror’ s Promise:** Offeror agrees all prices, terms, warranties, and benefits granted by Offeror to Members through this contract are comparable to or better than the equivalent terms offered by Offeror to any present customer meeting the same qualifications or requirements.

ARTICLE 4- FORMATION OF CONTRACT

4.1. **Offeror Contract Documents:** Region 4 ESC will review proposed offeror contract documents. Vendor’s contract document shall not become part of Region 4 ESC’s contract with vendor unless and until an authorized representative of Region 4 ESC reviews and approves it.

4.2. **Form of Contract:** The form of contract for this solicitation shall be the Request for Proposal, the awarded proposal(s) and best and final offer(s), and properly issued and reviewed purchase orders referencing the requirements of the Request for Proposals. If a firm submitting an offer requires Region

4 ESC and/or Member to sign an additional agreement, a copy of the proposed agreement must be included with the proposal.

- 4.3. **Entire Agreement (Parol evidence)**: The contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.
- 4.4. **Assignment of Contract**: No assignment of contract may be made without the prior written approval of Region 4 ESC. Purchase orders and payment can only be made to awarded vendor unless otherwise approved by Region 4 ESC. Awarded vendor is required to notify Region 4 ESC when any material change in operations is made that may adversely affect members (i.e. bankruptcy, change of ownership, merger, etc.).
- 4.5. **Novation**: If contractor sells or transfers all assets or the entire portion of the assets used to perform this contract, a successor in interest must guarantee to perform all obligations under this contract. Region 4 ESC reserves the right to accept or reject any new party. A simple change of name agreement will not change the contractual obligations of contractor.
- 4.6. **Contract Alterations**: No alterations to the terms of this contract shall be valid or binding unless authorized and signed by a Region 4 ESC staff member.
- 4.7. **Order of Precedence**: In the event of a conflict in the provisions of the contract as accepted by Region 4 ESC, the following order of precedence shall prevail:
- Special terms and conditions
 - General terms and conditions
 - Specifications and scope of work
 - Attachments and exhibits
 - Documents referenced or included in the solicitation
- 4.8. **Supplemental Agreements**: The entity participating in the Region 4 ESC contract and awarded vendor may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this contract i.e. invoice requirements, ordering requirements, specialized delivery, etc. Any supplemental agreement developed as a result of this contract is exclusively between the participating entity and awarded vendor. Neither Region 4 ESC, TCPN, its agents, members and employees shall be made party to any claim for breach of such agreement.
- 4.9. **Adding authorized distributors/dealers**: Awarded vendors are prohibited from authorizing additional distributors or dealers, other than those identified at the time of submitting their proposal, to sell under their contract award without notification and prior written approval from TCPN. Awarded vendors must notify TCPN each time it wishes to add an authorized distributor or dealer. Purchase orders and payment can only be made to awarded vendor unless otherwise approved by TCPN. Pricing provided to members by added distributors or dealers must also be less than or equal to the pricing offered by the awarded contract holder, unless otherwise approved by TCPN.

ARTICLE 5- TERMINATION OF CONTRACT

- 5.1. **Cancellation for Non-Performance or Contractor Deficiency**: Region 4 ESC may terminate any contract if Members have not used the contract, or if purchase volume is determined to be low volume in any 12-month period. Region 4 ESC reserves the right to cancel the whole or any part of this contract due to failure by contractor to carry out any obligation, term or condition of the contract. Region 4 ESC may issue a written deficiency notice to contractor for acting or failing to act in any of the following:
- i. Providing material that does not meet the specifications of the contract;
 - ii. Providing work and/or material that was not awarded under the contract;
 - iii. Failing to adequately perform the services set forth in the scope of work and specifications;

- iv. Failing to complete required work or furnish required materials within a reasonable amount of time;
- v. Failing to make progress in performance of the contract and/or giving Region 4 ESC reason to believe that contractor will not or cannot perform the requirements of the contract; and/or
- vi. Performing work or providing services under the contract prior to receiving an authorized purchase order from Region 4 ESC or participating member prior to such work

Upon receipt of a written deficiency notice, contractor shall have ten (10) days to provide a satisfactory response to Region 4 ESC. Failure to adequately address all issues of concern may result in contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by contractor under the contract shall become the property of the Member on demand.

5.2 **Termination for Cause:** If, for any reason, the Vendor fails to fulfill its obligation in a timely manner, or if the vendor violates any of the covenants, agreements, or stipulations of this contract Region 4 ESC reserves the right to terminate the contract immediately and pursue all other applicable remedies afforded by law. Such termination shall be effective by delivery of notice, to the vendor, specifying the effective date of termination. In such event, all documents, data, studies, surveys, drawings, maps, models and reports prepared by vendor for this solicitation may become the property of the participating agency or entity. If such event does occur then vendor will be entitled to receive just and equitable compensation for the satisfactory work completed on such documents.

5.3 **Delivery/Service Failures:** Failure to deliver goods or services within the time specified, or within a reasonable time period as interpreted by the purchasing agent or failure to make replacements or corrections of rejected articles/services when so requested shall constitute grounds for the contract to be terminated. In the event that the participating agency or entity must purchase in an open market, contractor agrees to reimburse the participating agency or entity, within a reasonable time period, for all expenses incurred.

5.4 **Force Majeure:** If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

5.5 **Standard Cancellation:** Either party may cancel this contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order. Vendor may be requested to provide additional items not already on contract at any time.

ARTICLE 6- LICENSES

6.1 **Duty to keep current license:** Vendor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by vendor. Vendor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the

lawful provision of services under the contract. Region 4 ESC reserves the right to stop work and/or cancel the contract of any vendor whose license(s) expire, lapse, are suspended or terminated.

- 6.2 **Survival Clause**: All applicable software license agreements, warranties or service agreements that were entered into between Vendor and Customer under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Order Fulfiller shall survive expiration or termination of the Contract.

ARTICLE 7- DELIVERY PROVISIONS

- 7.1 **Delivery**: Vendor shall deliver said materials purchased on this contract to the Member issuing a Purchase Order. Conforming product shall be shipped within 7 days of receipt of Purchase Order. If delivery is not or cannot be made within this time period the vendor must receive authorization from the purchasing agency for the delayed delivery. At this point the participating entity may cancel the order if estimated shipping time is not acceptable.
- 7.2 **Inspection & Acceptance**: If defective or incorrect material is delivered, purchasing agency may make the determination to return the material to the vendor at no cost to the purchasing agency. The vendor agrees to pay all shipping costs for the return shipment. Vendor shall be responsible for arranging the return of the defective or incorrect material.

ARTICLE 8- BILLING AND REPORTING

- 8.1 **Payments**: The entity using the contract will make payments directly to the awarded vendor. Payment shall be made after satisfactory performance, in accordance with all provisions thereof, and upon receipt of a properly completed invoice.
- 8.2 **Invoices**: The awarded vendor shall submit invoices to the participating entity clearly stating "Per TCPN Contract". The shipment tracking number or pertinent information for verification shall be made available upon request.
- 8.3 **Tax Exempt Status**: Since this is a national contract, knowing the tax laws in each state is the sole responsibility of the vendor.
- 8.4 **Reporting**: The awarded vendor shall electronically provide TCPN with a detailed monthly report showing the dollar volume of all sales under the contract for the previous month. Reports shall be sent via e-mail to TCPN offices at reporting@tcpn.org. Reports are due on the **fifteenth (15th)** day after the close of the previous month. It is the responsibility of the awarded vendor to collect and compile all sales under the contract from participating Members and submit one (1) report. The report shall include at least the following information listed below:
- Vendor Name
 - TCPN Contract Number
 - Reporting Period/Year
 - Entity Name
 - Entity Address (Including Street, City, State & Zip)
 - Entity Purchase Order Number (Individual Purchase Order Numbers)
 - Purchase Order Date
 - Gross Sale Amount
 - Administrative Fee (Based on Gross Sale Amount)
 - If there are no sales to report, Vendor is still required to communicate that information via email

ARTICLE 9- PRICING

- 9.1 **Best price guarantee:** The awarded vendor agrees to provide pricing to Region 4 ESC and its participating entities that are the lowest pricing available and the pricing shall remain so throughout the duration of the contract. Pricing offered to Federal government buying consortiums for goods and services is exempt from this requirement. The awarded vendor, however, agrees to lower the cost of any product purchased through TCPN following a reduction in the manufacturer or publisher's direct cost.
- 9.2 **Price increase:** Should it become necessary or proper during the term of this contract to make any change in design or any alterations that will increase expense Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the contract, shall be paid without prior approval. All price increases must be supported by manufacture documentation, or a formal cost justification letter.
- Awarded vendor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC if requested.
- It is the awarded vendor's responsibility to keep all pricing up to date and on file with Region 4 ESC. All price changes must be provided to Region 4 ESC, using the same format as was accepted in the original contract.
- 9.3 **Additional Charges:** All deliveries shall be freight prepaid, F.O.B. destination and shall be included in all pricing offered unless otherwise clearly stated in writing.
- 9.4 **Price reduction and adjustment:** Price reduction may be offered at any time during contract and shall become effective upon notice of acceptance from Region 4 ESC. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all Members equally; 2) reduction is for a specific time period, normally not less than thirty (30) days; 3) original price is not exceeded after the time-limit; and 4) Region 4 ESC has approved the new prices prior to any offer of the prices to a Member. Vendor shall offer Region 4 ESC any published price reduction during the contract period.
- 9.5 **Prevailing Wage:** It shall be the responsibility of the Vendor to comply, when applicable, with the prevailing wage legislation in effect in the jurisdiction of the purchaser (Region 4 ESC or its Members). It shall further be the responsibility of the Vendor to monitor the prevailing wage rates as established by the appropriate department of labor for any increase in rates during the term of this contract and adjust wage rates accordingly.
- 9.6 **Administrative Fees:** All pricing submitted to Region 4 ESC shall include the administrative fee to be remitted to TCPN by the awarded vendor.

The awarded vendor agrees to pay administrative fees monthly to TCPN as calculated as follows: (Sales will be calculated for fiscal year of January 1st through December 31st and reset each year). Administrative fees must be paid net 30 days after TCPN acceptance of the vendor's monthly report.

<u>Annual Sales Through Contract</u>	<u>Administrative Fee</u>
0 - \$50,000,000	2%
\$50,000,001 - \$100,000,000	1.75%
\$100,000,001 - \$150,000,000	1.5%
\$150,000,001 - \$200,000,000	1.25%
\$200,000,001 - \$500,000,000	1%
\$500,000,001 - \$1,000,000,000	0.75%
\$1,000,000,000+	0.5%

ARTICLE 10- PRICING AUDIT

- 10.1 **Audit rights:** Vendor shall, at Vendor's sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Agreement. TCPN and Region 4 ESC each reserve the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. In the State of New Jersey, this audit right shall survive termination of this Agreement for a period of five (5) years from the date of final payment. Such records shall be made available to the New Jersey Office of the State Comptroller upon request. Region 4 ESC shall have the authority to conduct random audits of Vendor's pricing that is offered to eligible entities at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered to eligible agencies that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Vendor's pricing at Vendor's sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC or TCPN.

ARTICLE 11- OFFEROR PRODUCT LINE REQUIREMENTS

- 11.1 **Current products:** Proposals shall be for materials and equipment in current production and marketed to the general public and education/government agencies at the time the proposal is submitted.
- 11.2 **Discontinued products:** If a product or model is discontinued by the manufacturer, vendor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.
- 11.3 **New products/Services:** New products and/or services that meet the scope of work may be added to the contract. Pricing shall be equivalent to the percentage discount for other products. Vendor may replace or add product lines to an existing contract if the line is replacing or supplementing products on contract, is equal or superior to the original products offered, is discounted in a similar or to a greater degree, and if the products meet the requirements of the solicitation. No products and/or services may be added to avoid competitive procurement requirements. Region 4 ESC may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Region 4 ESC may reject any additions without cause.
- 11.4 **Options:** Optional equipment for products under contract may be added to the contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.
- 11.5 **Product line:** Offerors with a published catalog may submit the entire catalog. Region 4 ESC reserves the right to select products within the catalog for award without having to award all contents. Region 4 ESC may reject any addition of equipment options without cause.
- 11.6 **Warranty conditions:** All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing.
- 11.7 **Buy American requirement:** (for New Jersey and all other applicable States) Vendors may only use unmanufactured construction material mined or produced in the United States, as required by the Buy American Act. Where trade agreements apply, to the extent permitted by applicable law, then unmanufactured construction material mined or produced in a designated country may also be used. Vendors are required to check state specific requirements to ensure compliance with this requirement.

ARTICLE 12- SITE REQUIREMENTS

- 12.1 **Cleanup**: Vendor shall clean up and remove all debris and rubbish resulting from their work as required or directed by Member. Upon completion of the work, the premises shall be left in good repair and an orderly, neat, clean and unobstructed condition.
- 12.2 **Preparation**: Vendor shall not begin a project for which Member has not prepared the site, unless vendor does the preparation work at no cost, or until Member includes the cost of site preparation in a purchase order. Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.
- 12.3 **Registered sex offender restrictions**: For work to be performed at schools, vendor agrees that no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Vendor agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the Member's discretion. Vendor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.
- 12.4 **Safety measures**: Vendor shall take all reasonable precautions for the safety of employees on the worksite, and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Vendor shall post warning signs against all hazards created by its operation and work in progress. Proper precautions shall be taken pursuant to state law and standard practices to protect workers, general public and existing structures from injury or damage.
- 12.5 **Smoking**: Persons working under the contract shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.
- 12.6 **Stored materials**: Upon prior written agreement between the vendor and Member, payment may be made for materials not incorporated in the work but delivered and suitably stored at the site or some other location, for installation at a later date. An inventory of the stored materials must be provided to Member prior to payment. Such materials must be stored and protected in a secure location, and be insured for their full value by the vendor against loss and damage. Vendor agrees to provide proof of coverage and/or addition of Member as an additional insured upon Member's request. Additionally, if stored offsite, the materials must also be clearly identified as property of buying Member and be separated from other materials. Member must be allowed reasonable opportunity to inspect and take inventory of stored materials, on or offsite, as necessary.

Until final acceptance by the Member, it shall be the Vendor's responsibility to protect all materials and equipment. The Vendor warrants and guarantees that title for all work, materials and equipment shall pass to the Member upon final acceptance.

ARTICLE 13- MISCELLANEOUS

- 13.1 **Funding Out Clause**: Any/all contracts exceeding one (1) year shall include a standard "funding out" clause. A contract for the acquisition, including lease, of real or personal property is a commitment of the entity's current revenue only, provided the contract contains either or both of the following provisions:
- "Retains to the entity the continuing right to terminate the contract at the expiration of each budget period during the term of the contract and is conditioned on a best efforts attempt by the entity to obtain appropriate funds for payment of the contract."
- 13.2 **Disclosures**: Offeror affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with this contract.

Include a complete description of any and all relationships that might be considered a conflict of interest in doing business with participants in TCPN.

The Offeror affirms that, to the best of his/her knowledge, the offer has been arrived at independently, and is submitted without collusion with anyone to obtain information or gain any favoritism that would in any way limit competition or give an unfair advantage over other vendors in the award of this contract.

- 13.3 **Indemnity:** The awarded vendor shall protect, indemnify, and hold harmless both Region 4 ESC and TCPN and its participants, administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the vendor, vendor employees or vendor subcontractors in the preparation of the solicitation and the later execution of the contract, including any supplemental agreements with members. Any litigation involving either Region 4 ESC or TCPN, its administrators and employees and agents will be in Harris County, Texas. Any litigation involving TCPN members shall be in the jurisdiction of the participating agency.
- 13.4 **Franchise Tax:** The Offeror hereby certifies that he/she is not currently delinquent in the payment of any franchise taxes.
- 13.5 **Marketing:** Awarded vendor agrees to allow Region 4 ESC/TCPN to use their name and logo within website, marketing materials and advertisement. Any use of TCPN name and logo or any form of publicity, inclusive of press releases, regarding this contract by awarded vendor must have prior approval from TCPN.
- 13.6 **Certificates of Insurance:** Certificates of insurance shall be delivered to the Region 4 ESC participant prior to commencement of work. The insurance company shall be licensed in the applicable state in which work is being conducted. The awarded vendor shall give the participating entity a minimum of ten (10) days notice prior to any modifications or cancellation of policies. The awarded vendor shall require all subcontractors performing any work to maintain coverage as specified.
- 13.7 **Legal Obligations:** It is the Offeror's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services identified in this RFP and any awarded contract and shall comply with all while fulfilling the RFP. Applicable laws and regulation must be followed even if not specifically identified herein.
- 13.8 **Open Records Policy:** Because Region 4 ESC contracts are awarded by a governmental entity, responses submitted are subject to release as public information after contracts are executed. If a vendor believes that its response, or parts of its response, may be exempted from disclosure, the vendor must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, the Offeror must specify which exception(s) are applicable and provide detailed reasons to substantiate the exception(s). Offeror must provide this information on the "Acknowledgement and Acceptance to Region 4 ESC's Open Record Policy" form found at the beginning of this solicitation. Any information that is unmarked will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any vendor. Offeror are advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

[Signatures follow on Signature Form]

VENDOR CONTRACT SIGNATURE FORM

The undersigned hereby proposes and agrees to furnish the licensed professional services in strict compliance with the terms, specifications and conditions at the prices proposed within proposal unless noted in writing. The undersigned further certifies that he/she is an officer of the company and has authority to negotiate and bind the company named below and has not prepared this proposal in collusion with any other Respondent and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any person engaged in this type of business prior to the official opening of this proposal.

Prices are guaranteed: **120 days**

Company name ADP
Address 1245 S Lake Pointe way
City/State/Zip Eagle, ID 83616
Telephone No. 208-863-5870
Fax No. _____
Email address Ty.Arlint@ADP.com
Printed name Ty Arlint
Position with company Sales Executive
Authorized signature Ty Arlint

Accepted by The Cooperative Purchasing Network:

Acknowledgement of Addendum Number(s): 1

Term of contract May 1, 2016 to April 30, 2019

Unless otherwise stated, all contracts are for a period of three (3) years with an option to renew annually for an additional two (2) years if agreed to by Region 4 ESC and the awarded vendor. Awarded vendor shall honor all administrative fees for any sales made based on a contract whether renewed or not.

Rita Drabek
Region 4 ESC Authorized Board Member

2/23/16
Date

Rita Drabek
Print Name

Faye B. Bryant
Region 4 ESC Authorized Board Member

2/23/16
Date

Faye B. Bryant
Print Name

TCPN Contract Number R151901

Appendix D:

GENERAL TERMS & CONDITIONS ACCEPTANCE FORM

Signature on Vendor Contract Signature form certifies complete acceptance of the General Terms and Conditions in this solicitation, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the General Terms and Conditions:

We take no exceptions/deviations to the general terms and conditions

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

We take the following exceptions/deviations to the general terms and conditions. All exceptions/deviations must be clearly explained. Reference the corresponding general terms and conditions that you are taking exceptions/deviations to. Clearly state if you are adding additional terms and conditions to the general terms and conditions. Provide details on your exceptions/deviations below:

(Note: Unacceptable exceptions shall remove your proposal from consideration for award. Region 4 ESC shall be the sole judge on the acceptance of exceptions/deviations and the decision shall be final.)

ADP requests a deviation from Article 10.1, Audit Rights. ADP proposes the following clause, which satisfies the intent of TCPN's audit rights provisions and complies with ADP's business practices and policies:

“SAS 70 Audit Report. Upon request of Client, ADP will provide Client with a copy of ADP's SAS 70 Type 2 audit performed by ADP's third party auditor to the extent available for the ADP services performed hereunder. Each calendar year, ADP will retain a nationally recognized public accounting firm to produce a SAS 70 Type 2 audit report in accordance with American Institute of Certified Public Accountants (AICPA) guidelines as follows: (1) ADP will request of its auditors that the SAS 70 reports be dated September 30 of each calendar year; (2) the SAS 70 reports will include a 12-month testing period; and (3) the SAS 70 reports will be available to the Client on or about November 15 of each calendar year.

Verification of Invoices Audits. ADP shall keep, at its own expense, accurate, true and complete records with respect to the charges billed to Client by ADP hereunder. Such records shall be kept at ADP's place of business and shall be made available to Client for examination, audit, inspection, transcription and copying so as to allow Client to verify all invoices to be paid by Client pursuant to the terms of this Agreement. With respect to any audit request, Client must advise ADP in writing at least sixty (60) days in advance of the proposed date of such audit. The place, time, type, duration, and frequency of all audits must be reasonable, and in no case may any audit exceed two (2) Business Days. Further, such written notice of Client's intent to audit shall specify in reasonable detail the nature and proposed scope of such audit. Under no circumstances will ADP be required to disclose information about proprietary systems, software, or business practices. Any such audit will be at Client's expense, and additionally Client will pay any expense that ADP incurs in connection with such audit. In the event that an audit discloses an overpayment by Client to ADP, and ADP agrees with such determination by such audit, then ADP shall promptly, at Client's discretion, either (a) issue a credit to Client in the amount of such overpayment or (b) refund to Client the amount of such overpayment.”



A more human resource.™

Cory Good
Division Vice President | Vertical Solutions
118 E 250 S
Valparaiso, IN 46383
714.869.7131

February 3, 2016

BY ELECTRONIC MAIL

Deborah Bushnell
725 Cool Springs Boulevard, Suite 100
Franklin, TN 37067

Re: Request for Proposal (RFP) 15-19

Dear Deborah:

After speaking with ADP legal counsel we have agreed to your request. In addition, the pricing we submitted with the RFP will be the pricing used for this agreement. Please let me know if there is additional action that I need to take.

Sincerely,

A handwritten signature in black ink that reads 'Cory J. Good'. The signature is written in a cursive, flowing style.

Cory J Good
ADP DVP / Vertical Solutions



February 2, 2016

Mr. Ty Arlint
Sales Executive
ADP, LLC
5800 Windward Parkway
Alpharetta, Georgia 30005

Email: Ty.Arlint@ADP.com

Subject: Request for Proposal 15-19
Managed Business/Operational Services and Solutions
Intent to Negotiate and Request for Best and Final Offer

Dear Mr. Arlint:

On behalf of Region 4 Education Service Center, I am pleased to inform you the evaluation of submittals received in response to the subject solicitation has been completed. Based upon the recommendation of the evaluation committee, your firm is invited to enter negotiations. This letter serves as notification of Region 4's intent to enter into negotiations. Specifically:

1. The SAS 70 Audit Report language is acceptable and nothing additional is required for this language.
2. The Verification of Invoices Audits is acceptable, except Region 4 requests the following sentence be modified as redlined:

With respect to any audit request, Client must advise ADP in writing at least ~~sixty~~ thirty (~~60~~30) days in advance of the proposed date of such audit.

Confirm agreement with this change.

3. Provide best and final pricing. If revised pricing is not offered, pricing submitted with the RFP response will be used.

Please submit a signed written response to my attention via e-mail to deborah.bushnell@nationalipa.org on or before **Wednesday, February 3, 2016 end of business day**.

This Notice of Intent to Negotiate and Request for a Best and Final Offer is not an intent to award a contract and does not establish a contractual relationship between the firm and Region 4. Region 4 will review and evaluate the written response and advise you on the next step of the process.

Please contact me via e-mail or 713.744.0460 with questions regarding the items above.

Sincerely,

A handwritten signature in cursive script that reads "Deborah Bushnell".

Deborah Bushnell
Contract Manager

Vendor Orientation

Respondent companies must commit to attending a vendor orientation meeting at TCPN's offices should they be awarded a contract with Region 4 ESC through this RFP. Vendor orientation meetings are meant to establish a good relationship with awarded vendors and help to ensure compliance and effective administration over the life of the contract.

Respondents should indicate below what date they would like to have their vendor orientation and who the participants will be. TCPN highly recommends that the individuals who will handle contract management, reporting and accounting, and marketing all come to the vendor orientation.

Vendor orientations for this RFP will be held between December 21-30, 2015 unless otherwise notified.

If awarded, please provide information on who should be contacted for scheduling:

ADP, LLC

Vendor

Ty Arlint

Point of Contact

Sales Executive, Government & Education

Title

208.288.5634

Phone Number

Ty.Arlint@adp.com

Email Address

Signature: _____

Ty Arlint

Date: _____

10/5/15



Section II. Tab 2 – Questionnaire

Appendix E has been provided in the following pages.

Appendix E:
QUESTIONNAIRE

Please provide responses to the following questions that address your company's operations, organization, structure and processes for providing products and services.

1. States Covered

Offeror must indicate any and all states where products and services can be offered.

Please indicate the price co-efficient for each state if it varies.

50 States & District of Columbia (Selecting this box is equal to checking all boxes below)

- | | |
|---|---|
| <input type="checkbox"/> Alabama | <input type="checkbox"/> Montana |
| <input type="checkbox"/> Arizona | <input type="checkbox"/> Nebraska |
| <input type="checkbox"/> Arkansas | <input type="checkbox"/> Nevada |
| <input type="checkbox"/> California | <input type="checkbox"/> New Hampshire |
| <input type="checkbox"/> Colorado | <input type="checkbox"/> New Jersey |
| <input type="checkbox"/> Connecticut | <input type="checkbox"/> New Mexico |
| <input type="checkbox"/> Delaware | <input type="checkbox"/> New York |
| <input type="checkbox"/> District of Columbia | <input type="checkbox"/> North Carolina |
| <input type="checkbox"/> Florida | <input type="checkbox"/> North Dakota |
| <input type="checkbox"/> Georgia | <input type="checkbox"/> Ohio |
| <input type="checkbox"/> Hawaii | <input type="checkbox"/> Oklahoma |
| <input type="checkbox"/> Idaho | <input type="checkbox"/> Oregon |
| <input type="checkbox"/> Illinois | <input type="checkbox"/> Pennsylvania |
| <input type="checkbox"/> Indiana | <input type="checkbox"/> Rhode Island |
| <input type="checkbox"/> Iowa | <input type="checkbox"/> South Carolina |
| <input type="checkbox"/> Kansas | <input type="checkbox"/> South Dakota |
| <input type="checkbox"/> Kentucky | <input type="checkbox"/> Tennessee |
| <input type="checkbox"/> Louisiana | <input type="checkbox"/> Texas |
| <input type="checkbox"/> Maine | <input type="checkbox"/> Utah |
| <input type="checkbox"/> Maryland | <input type="checkbox"/> Vermont |
| <input type="checkbox"/> Massachusetts | <input type="checkbox"/> Virginia |
| <input type="checkbox"/> Michigan | <input type="checkbox"/> Washington |
| <input type="checkbox"/> Minnesota | <input type="checkbox"/> West Virginia |
| <input type="checkbox"/> Mississippi | <input type="checkbox"/> Wisconsin |
| <input type="checkbox"/> Missouri | <input type="checkbox"/> Wyoming |

Territories & Outlying Areas (Selecting this box is equal to checking all boxes below)

- | | |
|---|---|
| <input type="checkbox"/> American Samoa | <input type="checkbox"/> Northern Marina Islands |
| <input type="checkbox"/> Federated States of Micronesia | <input checked="" type="checkbox"/> Puerto Rico |
| <input checked="" type="checkbox"/> Guam | <input checked="" type="checkbox"/> U.S. Virgin Islands |
| <input type="checkbox"/> Midway Islands | |

2. Diversity Programs

- Do you currently have a diversity program or any diversity partners that you do business with? Yes No
- If the answer is yes, do you plan to offer your program or partnership through TCPN Yes No

(If the answer is yes, attach a statement detailing the structure of your program, along with a list of your diversity alliances and a copy of their certifications.)

- Will the products accessible through your diversity program or partnership be offered to TCPN members at the same pricing offered by your company?
 Yes No

(If answer is no, attach a statement detailing how pricing for participants would be calculated.)

3. Minority and Women Business Enterprise (MWBE) and (HUB) Participation

It is the policy of some entities participating in TCPN to involve minority and women business enterprises (MWBE), small and/or disadvantaged business enterprises, disable veterans business enterprises, historically utilized businesses (HUB) and other diversity recognized businesses in the purchase of goods and services. Respondents shall indicate below whether or not they hold certification in any of the classified areas and include proof of such certification with their response.

a. Minority Women Business Enterprise

Respondent certifies that this firm is an MWBE Yes No

List certifying agency: _____

b. Small Business Enterprise (SBE) or Disadvantaged Business Enterprise (DBE)

Respondent certifies that this firm is a SBE or DBE Yes No

List certifying agency: _____

c. Disabled Veterans Business Enterprise (DVBE)

Respondent certifies that this firm is a DVBE Yes No

List certifying agency: _____

d. Historically Underutilized Businesses (HUB)

Respondent certifies that this firm is a HUB Yes No

List certifying agency: _____

e. Historically Underutilized Business Zone Enterprise (HUBZone)

Respondent certifies that this firm is a HUBZone Yes No

List certifying agency: _____

f. Other

Respondent certifies that this firm is a recognized diversity certificate holder Yes No

List certifying agency: _____

4. Residency

Responding Company's principal place of business is in the city of Alpharetta, State of GA.

5. Felony Conviction Notice

Please check applicable box:

- A publicly held corporation; therefore, this reporting requirement is not applicable.
- Is not owned or operated by anyone who has been convicted of a felony.

- Is owned or operated by the following individual(s) who has/have been convicted of a felony.

*If the third box is checked a detailed explanation of the names and convictions must be attached.

6. Processing Information

Company contact for:

Contract Management

Contact Person: Ty Arlint
Title: Sales Executive
Company: ADP
Address: 1245 S Lake Pointe Way
City: Eagle State: ID Zip: 83616
Phone: 208-863-5870 Fax: _____
Email: Ty.Arlint@ADP.com

Billing & Reporting/Accounts Payable

Contact Person: Travis Kassay
Title: Division Vice President - Sales Operations
Company: ADP
Address: 5800 Windward Parkway
City: Alpharetta State: GA Zip: 30005
Phone: 201-783-7986 Fax: _____
Email: Travis.Kassay@ADP.com

Marketing

Contact Person: Emily Papadopoulos
Title: SR. Director - Sales operations
Company: ADP
Address: 5800 Windward Parkway
City: Alpharetta State: GA Zip: 30005
Phone: 973-404-4011 Fax: _____
Email: Emily.Papadopoulos@ADP.com

7. **Distribution Channel:** Which best describes your company's position in the distribution channel:

- Manufacturer direct Certified education/government reseller
 Authorized distributor Manufacturer marketing through reseller
 Value-added reseller Other Direct Services Provider

8. Pricing Information

- In addition to the current typical unit pricing furnished herein, the Vendor agrees to offer all future product introductions at prices that are proportionate to Contract Pricing.
Yes No

(If answer is no, attach a statement detailing how pricing for participants would be calculated.)

- Pricing submitted includes the required administrative fee. Yes No
(Fee calculated based on invoice price to customer)
- Additional discounts for purchase of a guaranteed quantity? Yes No

9. Cooperatives

List any other cooperative or state contracts currently held or in the process of securing.

ADP's only current cooperative purchasing contract is its current contract with TCPN, which expires in April 2016. ADP also currently provides the services solicited here to numerous state, county, and municipal clients under direct contracts with the government agency. Such contracts are too numerous to list here, but ADP will provide such information to TCPN upon request.

Cooperative/State Agency	Discount Offered	Expires	Annual Sales Volume

[Remainder of Page Intentionally Left Blank]

ADP's Supplier Diversity Initiative

POLICY STATEMENT

Diverse suppliers will have an equal opportunity to be included in ADP's strategic sourcing and procurement process. Companies that seek to do business with ADP must demonstrate the ability to add value and provide high-quality goods and services that are competitively priced, reliable and aligned with our superior level of service.

SUPPLIER DIVERSITY at ADP

The primary goal of this initiative is to proactively identify, build relationships with and purchase goods and services from minority, women, veteran-owned and other qualified diverse enterprises. We strive to partner with businesses that reflect the local and global markets we serve, while obtaining the highest level of quality goods and services for our clients.

Basic Reporting in the ADP Supplier Diversity Program include:

- Quarterly and annual status reports to internal executive management
- Reports as required by external clients and organizations
- Reports from our prime suppliers to provide Tier II spend on a quarterly basis in accordance with established requirements and procedures

Evidence of ADP's Diversity Efforts:

The ADP Supplier Diversity Program targets spend with businesses certified as 51% owned, operated and controlled by diverse business enterprises. Spend is verified by an outside third party agency.

To help ensure that our bidding opportunities reach eligible diverse business enterprises, ADP works in conjunction with the following organizations and councils:

- National Minority Supplier Development Council (NMSDC)
- Women's Business Enterprise National Council (WBENC)
- United States Hispanic Chamber of Commerce (USHCC)
- National Gay and Lesbian Chamber of Commerce (NGLCC)

INCLUSIVE GROUPS

A "diverse business enterprise" is defined as a company that is at least fifty-one (51%) owned, operated and controlled by a women, minority, veteran or LGBT business as follows:

Minority Business Enterprises ("MBE") consists of:

- African American
- Asian
- Asian Indian
- Asian Pacific
- Hispanic American and
- Native American

Women Business Enterprises (“WBE”) consist primarily of Non-minority women

LGBT Business Enterprises consist of business-owners who are defined as, Lesbian, Gay, Bi-sexual and Transgender

Veteran Business Enterprise (“VET”) consists of former members of the United States Armed Services

Other inclusive diverse business enterprises that are acknowledge by the Small Business Administration (“SBA”) and ADP include the following:

Disabled Business Enterprises (DIS)

Disabled Veterans Business Enterprises (DVET)

Disadvantaged Business Enterprises (DBE)

Small Business Administration Program (SBA)

Small Disadvantaged Business Enterprises (SDA)

Small Business Enterprises (SBE)

PROGRAM REQUIREMENTS

To qualify for doing business with ADP under the supplier diversity program, a company must be certified as a diverse business enterprise by a third party organization that is acceptable to ADP.

Acceptable third-party Certification Agencies:

- National Minority Supplier Development Council (“NMSDC”), and local affiliates
- Women’s Business Enterprise National Council (“WBENC”), and local affiliates
- National Gay and Lesbian Chamber of Commerce (“NGLCC”)
- Veterans Administration (“VA”)
- Small Business Administration (“SBA”)
- Other municipal and state certifying agencies

CORE PROGRAM COMPONENTS

- **Tier I Program** – Purchasing goods and services directly from diverse business enterprises.
- **Tier II Program** -- Working with ADP prime suppliers to achieve supplier diversity at multi-tiered levels within the supply chain.
- **Objective Measurements** -- Establishing and meeting company and departmental goals and objectives that support our overall diversity strategy
- **Tracking and Reporting** -- Monitoring and reporting our progress toward achieving our supplier diversity goals and objectives with a strong emphasis on continuous improvement.

- **Training and Education** -- Ensuring that associates with purchasing authority throughout our organization understand ADP's supplier diversity principal components and commitment.
- **External Outreach Activities** -- Seeking diverse suppliers through active involvement with women and minority development organizations and outreach within the supplier diversity community.
- **Communications** – Engaging and educating associates, management, suppliers and the general public on our supplier diversity program, policies and achievements.
- **Awards Program and Recognition** -- Rewarding the hard work and outstanding efforts of our associates, suppliers and organizational partners.

We will measure our success based on our ability to attain and exceed in these primary focus areas.

ADP was recognized in **Diversity Inc's Top 50 Companies** 2011, 2012, 2013 and 2014.

<http://diversityinc.com/the-diversityinc-top-50-companies-for-diversity-2011/>

ADP devotes significant resources to finding, and securing diverse suppliers

<http://www.adp.com/about-us/diversity/supplier-diversity.aspx#>

Should you have additional questions, please see the contact information below.

Supplier Diversity Contact	
<i>Name:</i>	Walt Gore
<i>Role Title:</i>	Director of Supplier Diversity
<i>Address:</i>	100 Northwest Point Blvd.
<i>City:</i>	Elk Grove Village
<i>State/Zip code:</i>	IL, 60007
<i>Country:</i>	United States
<i>Business Hours Phone:</i>	847.718.3992
<i>E-mail Address:</i>	walt.gore@adp.com



Section III. Tab 3 – Company Profile

Appendix F:

COMPANY PROFILE

Please provide the following:

1. Company's official registered name.

ADP, LLC. was incorporated in the state of Delaware on August 13, 1970, and is a corporation in good standing.

Automatic Data Processing, Inc. (the ultimate parent of ADP, LLC.) has been in the payroll processing business since 1949 and was incorporated in Delaware on June 24, 1961.

2. Brief history of your company, including the year it was established.

ADP was founded in 1949 by Henry Taub in Paterson, New Jersey, as Automatic Payrolls, Inc. The first ADP office processed payroll manually with a bookkeeping machine, addressograph equipment, calculators, and comptometers. With the introduction of punch card machines, mainframe computers, and check printing machines, Automatic Payrolls became Automatic Data Processing in 1958.

ADP became a public company in 1961, and by 1974, had extended its reach into the international market. ADP has since emerged as one of the largest independent computing, data communications, software, and information services organizations in the global marketplace by providing technology-based solutions to employers, vehicle retailers, and manufacturers.

Today, ADP, with nearly \$10 billion in revenues and approximately 570,000 clients, is one of the world's largest providers of business outsourcing solutions. ADP's easy-to-use solutions for employers provide superior value to companies of all types and sizes. Leveraging more than 60 years of experience, ADP offers the widest range of HR, payroll, tax, and benefits administration solutions from a single source.

3. Company's Dun & Bradstreet (D&B) number.

ADP's Dun & Bradstreet credit rating is 5A1, Dun & Bradstreet's highest rating. Our corporate DUNS number is 00-191-5172.

4. Corporate office location.

Automatic Data Processing Inc. (ADP) is headquartered in Roseland, New Jersey.



5. List the total number of sales persons employed by your organization within the United States, broken down by market.

ADP has over 900 sales associates located throughout the United States with a focus on a variety of markets (For organizations with greater than 50 employees). Within ADP's National Account Services division (focused on organizations with over 1,000 employees) ADP has a dedicated sales team, service and implementation resources that are exclusively focused on the government and education markets. The salesperson segment of this group is comprised of over 25 government and education sales associates.

6. List the number and location of offices, or service centers for all states being offered in solicitation. Additionally, list the names of key contacts at each location with title, address, phone and e-mail address.

Please refer to **Exhibit 1**, population by worksite, for a listing of ADP locations across the United States.

Contract administration, sales, marketing and services will be handled centrally through ADP's Government and Education Vertical team. Cory Good, DVP of Vertical Markets will be ADP's primary contact with TCPN. Cory can be reached at:

5800 Windward Parkway
Alpharetta, Georgia 30005
Telephone: 714.869.7131
Email: cory.good@adp.com

7. Please provide contact information for the person(s) who will be responsible for the following areas, including resumes:

Both Cory Good and Ty Arlint lead ADP's Government and Education efforts from a sales and strategy perspective. Cory and Ty have spent significant portions of their careers within the public and commercial spaces. Collectively they bring over 15 years of ADP and Government and Education market experience to the TCPN/ADP partnership. As a result of Cory's and Ty's emphasis on the TCPN relationship, ADP and TCPN have shared in many significant wins over the last several years of the relationship. With the precedence that TCPN is a viable option for procurement of Human Capital Management (HCM) services within the market set, the momentum of success is now at our backs – the ADP/TCPN sales pipeline is a shining example of that. Included below is contact information for both Cory and Ty. A copy of Cory's resume can be found in **Exhibit 2**.



a. Sales

Cory Good
Division Vice President, Vertical Markets
Cory.good@adp.com
714.869.7131

Ty Arlint
Sales Executive, Government and Education
Ty.arlint@adp.com
208.863.5870

b. Sales Support

Cory Good
Division Vice President, Vertical Markets
Cory.good@adp.com
714.869.7131

c. Marketing

Emily Papadopoulos
Sr. Dir. Sales Operations
Emily.Papadopoulos@adp.com
973.404.4011

d. Financial Reporting

Travis Kassay
DVP Sales Operations
Travis.Kassay@adp.com
770.360.3662

e. Executive Support

Cory Good
Division Vice President, Vertical Markets
Cory.good@adp.com
714.869.7131

8. Define your standard terms of payment.

Our clients receive monthly invoices for our services. Invoices are sent via hard copy and email to each client's designated financial contact. Typically, invoices are produced on the 11th of each month, and our clients have 30 days to make payments.



The invoice displays the monthly charges for the services included in the client's solution. Each client also receives monthly operational reports that provide the detailed information to support the invoices.

Various payment arrangements have been made to account for the differences between implementation and ongoing processing. These variations are negotiated during the contract process. Late fees apply to any payments that are past due.

9. *Who is your competition in the marketplace?*

Within the government and education markets, ADP views our main competitor as in-house administration of PR and HR administration (via ERPs and/or legacy systems). The marketplace has the perception that these internal processes and solutions provide tighter control and can be managed at a lower total cost than other vendor models (such as those that ADP can provide). Therefore our main competitor within these markets traditionally tends to be "Do Nothing" vs. replacing the incumbent systems (with an appropriate ADP solution) that are currently in place within the markets that we target. We spend a significant amount of time in our sales approach focused on educating our prospects on the potential inefficiencies and the significant costs their current approaches are driving across their organization. The primary reasons for this are an organization's inability to determine true costs of the in-house model, the fear of change, and associated future costs and the perceived value.

Another primary competitor is the vendors that have created the "lift and shift" model (taking over a client's in-house system and providing the resources to manage and maintain that). Initially, this had been an attractive alternative to organizations that did not want to go through much change. However, that early model has proven faulty. Some of those "lift and shift" vendors are now coming forward to admit some of the challenges with that model; including the unknown costs of upgrades and maintenance of a third-party platform. The new preferred method is a vendor who can deliver domain expertise within service lines in a "one-to-many" systems model. The ADP approach offers clients the best of both worlds. While we share costs across many clients for compliance, regulatory areas and extended functionality, ADP recognizes that our clients require the flexibility and configurability to have client-specific databases.

10. *Overall annual sales for last three (3) years; 2012, 2013, 2014.*

As indicated in ADP's Form 10-K, recent historical revenue totals are as follows:

- Total revenues for FY 2014 = \$12.2 billion.
- Total revenues for FY 2013 = \$11.3 billion.
- Total revenues for FY 2012 = \$10.6 billion.



11. Overall public sector sales, excluding Federal Government, for last three (3) years; 2012, 2013, 2014.

Due to the broad set of products and services that ADP offers to the market, we do not track industry specific sales. Our most current annual report is from fiscal year 2014. For subsequent fiscal years, ADP has published a Letter to Shareholders in lieu of an annual report. We receive numerous requests for these documents every week, and due to conservation efforts, we have made our annual reports available on our corporate web site at www.adp.com under the Investors tab. Other financial information, such as current Earnings Releases and SEC Filings, is also available at this link.

12. What is your strategy to increase market share?

We're seeing a very dynamic market place driven by Cost, Compliance, Consumerism, and Culture. These four drivers are beginning what we call a HCM (Human Capital Management) Renaissance. Organizations are realizing that their older ERP and In-house software solutions are not sufficient to keep up with the drastic changes that are happening in the world.

Cost containment has become a significant issue because of rising benefits cost, shrinking budgets, and an aging workforce with large pension liabilities. In addition, compliance has taken center stage as the pace of change continues to increase, especially with the new Health Care Reform requirements.

The HCM renaissance is also gaining momentum because of the employees' change in behavior around Consumerism. A common example is how employees use technology. What was once a nice to have has now become a given where they expect technology to be easy to use and accessible on a smart phone. In addition they expect choosing their benefits to be as easy as buying something on Amazon.

Lastly, the HCM renaissance is being driven by organizations' need to create a culture that is more flexible to attract and maintain the millennial generation. They need systems and processes that allow them to engage their associates in meaningful ways and that are adaptive enough to change quickly to accommodate their most important assets...their people.

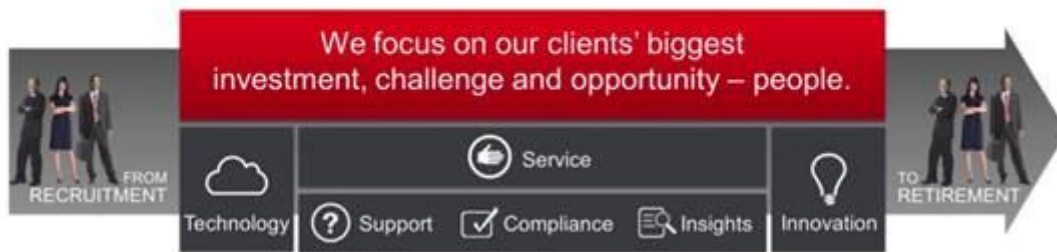
With this dynamic marketplace, our strategy to increase market share is all about awareness. ADP has recently launched a nationwide branding campaign. We are getting the news out with ad campaigns in many of the most prolific publications along with nationwide commercials that help tell our story. This ad campaign along with the strongest sales force in B2B sales is how we intend on increasing our market share. We believe that ADP has a unique set of solutions that helps organizations move into the future solving all of these challenges that our clients face.



13. What differentiates your company from competitors?

ADP is uniquely positioned to provide solutions and services that help organizations meet their most critical business needs. Our relationship begins as we work together to understand your organization’s unique business objectives and challenges and extends as we collaborate to design and implement a solution that best fits your organization and your employees. Our service team provides ongoing support and guidance to help you with your specific processes. With ADP, you gain more than technology and service – you gain insightful expertise from a company that knows your business and is committed to your satisfaction.

Human Capital Management



A strategic relationship with ADP offers:

- Comprehensive breadth and depth of solutions delivered by a single partner with 65 years of expertise serving clients. You establish a relationship with a global payroll leader who has the entire HCM lifecycle covered – from HR, talent management, time and attendance, and benefits administration to the critical payroll services you count on.
- Commitment to innovation and an industry record of innovation unmatched by any other outsourcing partner. From the first major provider of outsourced payroll to the introduction of our comprehensive big data and analytics offering, ADP is committed to investing in best-in-class services that help your business run more efficiently. Our ADP Innovation Labs are dedicated to delivering next-generation ADP innovation to the marketplace.
- Implementation and service methodologies that guide us in understanding your organization’s culture, processes, and goals so we deliver the right solution. Our consultative, hands-on implementation and service approach fine-tunes processes to maximize your satisfaction and avoid last-minute surprises. Unlike some providers, we do not just sell you technology and wish you luck. Instead, we support you through implementation and beyond. Service is at the heart of what we do at ADP and part of what makes us uniquely qualified to help power your productivity.



- Global compliance expertise and insights to help you decipher complex and always-changing regulations. In the U.S., our leading health compliance solution addresses all elements of the Affordable Care Act (ACA) via integration with time, payroll, and benefits to help mitigate your risk of non-compliance. Plus, we help employers around the world manage beyond in-country compliance by providing local expertise in more than 104 countries.
- Lower total cost of ownership (TCO) through a shift in your key resources. ADP can help substantially reduce compliance-ridden processes from the HCM lifecycle, helping you gain cost efficiencies and allowing your teams to focus on the strategy of your business.

ADP's combination of broad solution offerings, deep domain expertise, guided implementation, personalized service, and cost-saving strategic delivery model allows us to serve more than 625,000 clients. We continually strive to deliver more of what our clients need to be successful – more insight, more savings, and more time to focus on what matters.

14. Describe the capabilities and functionality of your firm's on-line catalog/ordering website.

Not applicable.

15. Describe your company's Customer Service Department (hours of operation, number of service centers, etc.).

Normal hours of operation for client services is a 10-hour window between 8:00 a.m. to 8:00 p.m. Eastern time, Monday through Friday, excluding ADP holidays. ADP Hosting Services may be reached during this time frame via our toll-free number, web, or email. However, if they experience a critical problem outside of normal business hours that affects their ability to access their system, a client service analyst is available, via cell phone, to respond to their call. For client issues that may need management attention, a management team member is also available during these hours.

The administration team's standard hours are 8:00 a.m. to 5:00 p.m. based on service location.

ADP supports several web sites and list servers that clients can access. In addition, toll-free telephone support and eSupport web sites allow clients to submit and track requests electronically.

16. Provide information regarding whether your firm, either presently or in the past, has been involved in any litigation, bankruptcy, or reorganization.

ADP has not been subject to any investigations or litigation, nor are there any investigations or litigation pending where the results, if unfavorable to ADP, would have a material impact on ADP's ability to deliver the services encompassed in this RFP response.



Marketing / Sales

17. ***Detail how your organization plans to market this contract within the first ninety (90) days of the award date. This should include, but not be limited to:***
- a. ***A co-branded press release within first 30 days***
 - b. ***Announcement of award through any applicable social media sites***
 - c. ***Direct mail campaigns***
 - d. ***Co-branded collateral pieces***
 - e. ***Advertisement of contract in regional or national publications***
 - f. ***Participation in trade shows***
 - g. ***Dedicated TCPN and Region 4 ESC internet web-based homepage with:***
 - i. ***TCPN and Region 4 ESC Logo***
 - ii. ***Link to TCPN and Region 4 ESC website***
 - iii. ***Summary of contract and services offered***
 - iv. ***Due Diligence Documents including; copy of solicitation, copy of contract and any amendments, marketing materials***

ADP has shared plans on how we believe a renewed award from TCPN could be marketed to the TCPN membership. Currently, the TCPN contract is a part of ADP's standard best practice sales approach and process. Capitalizing on those already existing elements, our marketing plan highlights a quick renewal of understanding of both organizations' products/services along with an introduction to the market of the renewal agreement (highlighting our recent mutual sales success). The plan quickly expands into thought leadership and awareness efforts that capitalize on our shared external partners.

18. ***Describe how your company will demonstrate the benefits of this contract to eligible entities if awarded.***

Precedence in the Government and Education industry is paramount. With our collective experience with TCPN we believe that we are very well positioned to leverage the current momentum that we're seeing as well as precedence of other entities using this procurement vehicle as a viable alternative to a RFP process. As a result of those efforts, our highly tenured salesforce has rigorously adopted the TCPN award and process into their standard sales process – most notably the TCPN vehicle adds another layer of cost savings that we can leverage and extend to our prospect accounts on top of the savings that we share with them as a result of partnering with ADP as a client.

The growing momentum that we've seen with TCPN has allowed ADP's sales organization to leverage those references with current prospect opportunities that we're calling upon. In addition, ADP has relied heavily on the TCPN team to help where needed in providing clarity to procurement officials at our prospect accounts as well as awareness when not known as to the prospect's already existing spend via other TCPN contracts. Collectively these continuous steps have brought a confidence to the ADP sales organization related to deal and decision velocity as well as the benefits of the TCPN award.



19. Explain how your company plans to market this agreement to existing government customers.

TCPN has become part of our new hire training for Government and Education sales associates. With this knowledge of TCPN and using TCPN as part of our sales process our sales associates do not differentiate between existing client and prospects. The value of shorter sales processes is significant motivation enticing our sales associates to use TCPN in every sales process. With over 5,000 GovEd clients, our mission is to lead with TCPN for procuring every transaction possible.

20. Provide a detailed ninety (90) day plan describing how the contract will be implemented within your firm.

ADP has shared plans on how we believe a renewed award from TCPN could be marketed to the TCPN membership. Currently, the TCPN contract is a part of ADP's standard best practice sales approach and process. Capitalizing on those already existing elements, our marketing plan highlights a quick renewal of understanding of both organizations' products/services along with an introduction to the market of the renewal agreement (highlighting our recent mutual sales success). The plan quickly expands into thought leadership and awareness efforts that capitalize on our shared external partners.

21. Describe how you intend on train your national sales force on the Region 4 ESC agreement.

Having an already existing relationship with TCPN as well as a solely dedicated Government and Education sales force highlights ADP's ability to keep our foot on the gas as it relates to growing ADP and TCPN's collective market share. Assuming ADP is awarded the current RFP, ADP will utilize our existing "Gov/Ed Internal Team Call" to announce the award to our dedicated government and education team. During such call ADP will highlight any changes to the agreement as compared to our existing agreement, and will invite members of the TCPN team to re-introduce themselves and present to the team as a whole.

22. Acknowledge that your organization agrees to provide its company logo(s) to Region 4 ESC and agrees to provide permission for reproduction of such logo in marketing communications and promotions.

Subject to agreeable terms to be negotiated, ADP acknowledges the request for use of ADP's logo.



23. Provide the revenue that your organization anticipates each year for the first three (3) years of this agreement.

- \$ in year one**
- \$ in year two**
- \$ in year three**

\$ 5 million in year one.

\$ 8 million in year two.

\$ 12 million in year three.

Administration

24. Describe your company's implementation and success with existing cooperative purchasing programs, if any, and provide the cooperative's name(s), contact person(s) and contact information as reference(s).

Over the past seven years ADP has had a successful relationship with TCPN via our current award for HR services. Over that time we have honed our skill, understanding and best practice approach to delivering a value proposition that shares the values of ADP (and our services) the TCPN organization. As a "followers"/"risk adverse" market (Government and Education), we believe our recent momentum provides a solid foundation and will have a multiplier effect going forward. Precedence within the market for HCM services via TCPN has now been set and ADP plans to leverage that to ADP and TCPN's mutual benefit.

25. Describe the capacity of your company to report monthly sales through this agreement.

As we have discussed, the structure in the past has made monthly reporting to be very challenging, especially because TCPN spans multiple divisions within ADP. We are exploring ways to leverage sf.com within our environment to allow us to provide better reporting internally and externally to TCPN.

26. Describe the capacity of your company to provide management reports, i.e. consolidated billing by location, time and attendance reports, etc. for each eligible agency.

ADP has the ability to provide management reports as requested for each eligible agency.

27. Please provide any suggested improvements and alternatives for doing business with your company that will make this arrangement more cost effective for your company and Participating Public Agencies.

We do not have any suggestions at this time.



Green Initiatives

We are committed to helping to build a cleaner future! As our business grows, we want to make sure we minimize our impact on the Earth's climate. So we are taking every step we can to implement innovative and responsible environmental practices throughout Region 4 ESC to reduce our carbon footprint, reduce waste, promote energy conservation, ensure efficient computing, and much more. We would like vendors to partner with us in this enterprise. To that effort, we ask respondents to provide their companies environmental policy and/or green initiative.

28. Please provide your company's environmental policy and/or green initiative.

At ADP, our biggest impact is through conservation of both paper and energy, so we focus on driving efficiency throughout our operations that help reduce waste and conserve energy. Our company and our associates take measures large and small, day-in and day-out, to help reduce our environmental footprint. We support virtual meetings and actively encourage our associates to telecommute when possible, which saves fuel resources.

Globally, we are reducing our carbon footprint in a variety of ways, including testing smaller, more fuel-efficient hybrid vehicles in our sales fleet and closely monitoring our fuel consumption.

Domestically, we continue to reduce our overall energy needs. For example:

- At our U.S. data centers, we are minimizing water usage by using technology to track, maintain, reuse, and capture water for recycling.
- We are currently looking into thermal energy as well as exploring alternative power solutions, such as wind and solar energy.
- Since we have consolidated our data centers down from 20 facilities to 2 facilities, we have reduced 24,000 tons of harmful carbon dioxide emissions annually. The result has been increased utilization of technology assets and decreased usage of kilowatts by half.
- We have also installed power efficient servers and energy efficient lighting.

All of these changes, including the modern power efficient mechanical electrical and cooling equipment that was installed has allowed us to save \$3 million in electricity costs per year.

In addition, ADP periodically reviews paper suppliers for compliance with national standards. Environmental awareness is communicated through our procurement web site. In addition, we partner with CBRE, our facilities management company, on tightly managing facility costs and alternatives to procurement of energy. Contracts and energy usage are reviewed for compliance with minimization of costs and fuel consumption.

All ADP paper purchases are from Forest Stewardship Council (FSC)-certified sources. ADP is considered the end customer in the chain of custody, as we do not manufacture goods with the paper we purchase.



Vendor Certifications (if applicable)

29. ***Provide a copy of all current licenses, registrations and certifications issued by federal, state and local agencies, and any other licenses, registrations or certifications from any other governmental entity with jurisdiction, allowing respondent to perform the covered services including, but not limited to licenses, registrations or certifications. M/WBE, HUB, DVBE, small and disadvantaged business certifications and other diverse business certifications, as well as manufacturer certifications for sales and service must be included if applicable.***

Please refer to **Exhibit 3** for ADP's business qualification forms by state.



Section IV. Tab 4 – Product / Services

Appendix B:

PRODUCT / SERVICES SPECIFICATIONS

Region 4 Education Service Center (ESC 4) is seeking highly qualified vendors for Managed Business/Operational Services and Solutions. Respondents may elect to limit their proposals to a single service within a category or multiple services within any or all categories. Respondents should provide details about the services being offered in the proposal

TCPN reserves the right to select or reject any and all responses as a result of this RFP, to waive irregularities and informalities submitted and to cancel this RFP in its entirety. Neither Region 4 ESC nor TCPN will be liable for any costs incurred by any person or firm responding to this RFP.

Region 4 ESC is seeking a service provider that has the depth, breadth and quality of resources necessary to complete all phases of this contract. The intent of this solicitation is to provide eligible public agencies with multiple solutions to meet the agency's diverse needs. Respondents should be able to clearly show experience in providing services and solutions to one or more of the following categories:

- *Business Process Management*
- *Child Care and Welfare Management Services*
- *Human Resources and Human Capital Solutions*
- *Human Resources Position Management*
- *Other Managed Business/Operational Services and Solutions*

Respondents shall provide a complete turnkey solution.

The awarded vendor will work with the participating agency to develop a scope of work and services to be performed under this contract with pricing to be determined from pricing submitted in response to this proposal.

Respondents should present their typical approach to providing services within these categories, including methodology and delivery.

Respondents should submit a detailed work plan for each service category that identifies key time frames and milestones.

Respondents should include their company's standard Master Service Agreement

Respondents will be expected to ensure design compatibility and uniformity. During implementation of the system, the awarded vendor will be expected to coordinate all work with the participating entity. Any subcontractors or affiliates used when providing services will be approved by the Local Government Entity.



Intent

Many local government entities have made the decision to contract with private companies for Managed Services, Including Payroll Services. The TCPN Participating Entity using this contract will have the ability to have this service performed by the awarded contractor. Government agencies are looking for alternatives to reduce their costs and/or improve their effectiveness and service delivery to the citizenry. This RFP was developed to provide a mechanism for local government agencies to evaluate and contract for this solution and service. The Cooperative Purchasing Network (TCPN) from here forward referred to as the Contracting Entity, now desires to invite Vendors to respond to the Request for Proposals.

Requested Solution

The solution proposed by the Vendor shall provide for a complete turnkey solution. Additionally, the vendor may offer to perform a partial solution for the participating agency. The vendor will work with the participating agency to develop a scope of work and services to be performed under this contract with pricing to be determined from pricing submitted in response to this proposal. The Vendor shall be responsible for all costs associated with installation, training, and implementation of an outsourced payroll solution.

The Vendor's equipment and operating system must be compatible with the participating agency/entity's financial system or ERP system. If the Local Government entity has a system that is in compatible with their proposed solution, the participating entity may contract with the vendor to develop custom software to integrate the systems. The vendor will develop a scope of work and the participating entity will agree to the project plan prior to commencing with the program. The vendor will invoice the number of labor hours and the mark up on the equipment purchased. This should be included in the pricing of the submitted proposal. The invoice markup and labor rates that are necessary to perform services not primarily listed.

The Vendor shall coordinate its efforts with various departments within the participating Entity and other agencies affected by the project. The Vendor will be expected to ensure design compatibility and uniformity. During installation of the system, the Vendor will be expected to coordinate all work with the participating Entity. Any subcontractors will be approved by the Local Government Entity.

SCOPE OF SERVICES

Few organizations can claim to have even a third of the solutions that we offer, but what's more is that our solutions' deep functionality is supported by associates with the expertise that organizations need in a truly collaborative and consultative partner. In addition, our various service methods range from processing services to managed services to full comprehensive outsourcing services which means clients can choose how much responsibility they want to shoulder and let us handle the rest.

The response sections listed below have (when applicable) provided a response in line with our "full comprehensive outsourcing services" HR BPO offering, known as COS (for clients with 1,000 or more employees) – A similar offering known as ADP CompServices is offered for organization's with less than 1,000 employees. As noted above, both our suite of products and service methods range, allowing us to provide a client relationship which individually meets the needs of each of our clients and overall requirements. If awarded this contract, ADP will work with each interested TCPN member to deliver both an appropriate product and service level offering.



Payroll services

Payroll Processing

1. What is the standard turn-around time for processing payroll?

Most clients experience turnaround within minutes following receipt of the payroll file.

We generally require a 24-hour turnaround time to process and print checks and vouchers, assuming the Participating Entity submits payroll per the specified schedule.

2. What scheduling requirements must be met to adhere to the payroll schedule?

Once the payroll calculation process is complete, the Participating Entity can review the results online. Upon your approval and confirmation, ADP generates banking, tax, garnishment, general ledger and any other the Participating Entity requested interfaces and files.

The payroll schedule and payroll submission times are largely determined by direct deposit/ACH timeframes, which currently require 48 hours from initiation to deposit into employee accounts.

3. How is the payroll distributed (i.e., all to corporate location or to each separate location)?

Employee pay can be distributed via a combination of payment methods, including:

- Check. An employer check or a check from an ADP-managed bank account with client-specific company name, address, etc.
- Direct deposit. Transactions managed by the client's bank or originated from ADP.
- Pay card. Branded or non-branded payment medium that can be used at ATMs, banks, or retailers around the world. Our pay card offering provides the ability for clients to go 100 percent paperless in all 50 states.

We offer a variety of pay delivery options, including distributing pay statements to a primary or multiple work locations or supporting paperless delivery option for those employees who elect direct deposit and/or pay card.

4. In what format is the payroll data distributed (i.e., hard copy, CD)?

Reports are delivered as PDF files and can be viewed using Adobe Acrobat Reader 6.0 (or higher). To comply with the SSAE 16/Sarbanes-Oxley (SOX) compliance rulings and provide better security to our clients purchasing ADP reports on CD, we encourage clients who receive their reports on CD to establish an encryption key(s). The encryption key will be used by the client to open and view encrypted reports from CD. Many of our clients copy and paste this CD to their own network drive for historical reporting purposes.



5. How do you handle inquiries, discrepancies & resolution for federal & state tax inquiries?

ADP maintains tax compliance in all 50 states, the Virgin Islands, Puerto Rico, and Guam. Dedicated agency-relations associates interact daily with federal and state tax representatives, and we also communicate with all known local tax agencies on an as-needed basis. ADP maintains a seven-year history of all changes to agency tax laws and regulations – as well as a catalog of pending changes. To ensure that we maintain full tax compliance and meet agency requirements, we make changes to our tax processing system as needed. Federal tax deposits are made in accordance with the electronic federal tax payment system.

Our close relationship with the tax agencies enables ADP to maintain an excellent penalty abatement program. ADP can aggressively pursue penalty abatements – whether generated by our clients or by ADP. In addition to pursuing abatements, ADP works with our clients to determine the business reasons that generated the penalty and recommend changes in business practices to prevent or minimize future occurrences.

6. Are inquiries handled through direct contact with the applicable department or representative from your company?

Our clients are assigned a team of representatives that handle their inquiries. If another level of support is needed their representative will work with them as they get a response.

7. Describe the support model. (i.e., can you contact one person for all support needs or do you call one place for check distribution and another for tax questions)

All the Participating Entity employees and users are assigned to a designated team of Service Representative's within ADP. This team acts as the first point of contact for all employee inquiries. If the issue is beyond their ability to resolve, they will escalate to the appropriate ADP team for resolution. In addition, each client is assigned a primary point of contact who is responsible for the Participating Entity retained team and overall relationship.

8. Provide a sample pay stub.

ADP's pay statement can provide the following information:

- W-4 information (such as marital status and exemptions).
- Earnings and deductions exempt from federal tax (such as 401(k)).
- Other compensation that is taxable (such as group term life).
- Identifiers for items listed on the document (up to 15 characters).
- Taxes by jurisdiction.
- Year-to-date earnings and deductions.
- Deductions with arrears balances.
- Client-specific messages.
- Audit messages to identify changes in the employee's indicative information.



- Notification of when a tax limit is reached (13 categories are associated with certain conditions).
- Time (punch) detail (if an ADP time and labor management solution is used).

Employees' Social Security numbers and bank account numbers are masked on all checks and may be eliminated from voucher pay statements as needed.

Customized check formats can be supported for an additional fee.

Please refer to **Exhibit 4** for a sample pay statement.

9. *What is the lead time required for a new deduction, earning or benefit plan to be established?*

Lead time may vary depending on the request date vs. the payroll processing date and any additional areas for which the code would need to be applied. New deduction and earnings codes typically take a short amount of lead time. ADP will meet with TCPN Participating Entity's Benefits Team well in advance of Annual Enrollment to discuss their new benefit plans.

10. *Describe how the banking works. Are payments issued from a client bank account or a vendor bank account?*

ADP's standard banking approach is to utilize our TotalPay service, in which all payments are issued on an ADP-owned bank account. This approach shifts the banking support and administration to ADP, thereby removing unnecessary administration from our clients' resources. Should the Participating Entity decide not to utilize ADP's TotalPay service, we can support the traditional approach of issuing all payments via a client-owned bank account(s).

TotalPay is ADP's full service management of a company's payroll account. In a positive pay situation, the Participating Entity is in a shared risk environment. If any fraudulent acts occur on their checking accounts because they are in control of their checking account and check stock and the bank is in charge of the encashment of these items, the Participating Entity will share the responsibility if fraud occurs. Our clients came to us and asked us to manage this process from start to finish. The checks that are given to the employee still have the Participating Entity's company logo and corporate signature but are written on an ADP account.

A full description of our TotalPay banking service follows.



Overview of ADP TotalPay

ADP offers the ability to affect and monitor several types of banking transactions, including ACH reversals and voids, stop payments, and positive pay file. Employees can request stop payment on checks by calling the Employee Service Center (ESC) and supplying the Employee Service Representative (ESR) with the appropriate documentation. Once ADP has received the appropriate information, a replacement check will be issued and the employee's record and check log will be updated.

Highlights include:

- Combination of pay card, full-service direct deposit, and ADPCheck.
- Elimination of fraud liability, check reissues, stop payments.
- Single point of contact.
- Simplified reconciliation.
- Management of uncashed items.
- Flexible payment options.

All required documentation must be received and verified by ADP prior to any stop payment or other banking transactions can be initiated.

ADPCheck

We can issue payroll checks using an ADP account and eliminate fraud liability while increasing encashment for their employees. With a single reverse wire transfer for the total of all payroll checks, reconciliation is completed in minutes. Highlights include:

- Ability to issue payroll checks using an ADP account.
- Single reverse wire transfer for total payroll.
- Simplified reconciliation.
- Elimination of fraud liability.
- Increased encashment options.

Full Service Direct Deposit

Direct deposit is a great benefit to employees and employers. Employees do not have to take a paper check to the bank, and employers eliminate the problems associated with paper checks such as lost checks, un-cashed checks, etc.

Comprehensive payroll provides the employer with a robust and highly flexible direct deposit capability. The system allows employees to have multiple direct deposits. Funds can be split based on a net or flat dollar amount, and direct deposit can be turned off for a given check without affecting pre-note status.



By contacting our ESC, employers and employees can connect with one of our payroll experts that will assist them with resolving any issues, including:

- Requests to void and reissue checks.
- Requests to void processed checks and reverse all entries.
- Requests to cancel and reissue direct deposits.

Comprehensive payroll puts control of direct deposit into the hands of employees, allowing them to complete and submit all necessary forms online. In addition:

- Employees can view current allocations to direct deposit accounts.
- Employees can modify allocations by terminating, activating, or changing them.
- The employee can make all authorizations in a paperless mode.
- Clients can define the scope of the deposits allowed (i.e., only allow full check direct deposits).

The Participating Entity must provide ADP with the necessary data items in order to initiate these tasks, including:

- Identification of the individual making the request.
- Documentation that funds were not received.
- The check number that is to be voided, name of the recipient.
- Amount of the check.

Payment administration

ADP offers the Participating Entity's managers and/or employees the ability to affect and monitor the following banking transactions:

- Voiding and reissuing checks.
- Voiding processed checks and reversing all entries.
- Canceling and reissuing direct deposits on a complete file or individual employee basis in accordance with NACHA banking requirements.
- ADP manages uncashed items directly with the Participating Entity's employees. This is performed at 90, 120, and 150 days. After 180 days, any remaining uncashed items are delivered back to the Participating Entity for escheatment.

The Participating Entity's managers and employees will be able to contact the ESC to initiate the banking transactions. Any request for a banking transaction will be subject to ADP's standard policies and procedures. Exceptions to such policies and procedures will require the approval of the Participating Entity.



Stop payment/check void charges will be the responsibility of the Participating Entity. Volume assumptions are not related to these fees and do not change their obligation to pay the per occurrence charges.

ADP will validate all bank routing numbers to ensure the accuracy of employee entries.

For full-service direct deposit, the Participating Entity employees will be able to perform the following online (but not through the IVR):

- Complete and submit all necessary forms.
- View current allocations to direct deposit accounts.
- Activate, terminate, or modify allocations.
- Make authorizations in an electronic model.

Pay cards

ADP will provide the Participating Entity with the capability to use a payroll card service as part of the ADP Banking services. This service will allow the Participating Entity employees to receive their pay via ADP's VISA-branded pay card.

Employees will sign up for payment via pay card in the same way as they would for direct deposit. Deposits to pay cards follow the same timing as all other direct deposit transactions. Employees will have access to their net wages on the morning of payday, enabling them to pay bills, and purchase goods and services wherever VISA is accepted. Employees will also have access to their funds by using an ATM machine.

Use of the TotalPay card by the Participating Entity's employees will be subject to the following:

- ADP's partnership with Aline and TCPN Member allows pay card users to cash out to the penny for free.
- Pay card users are also provided with Transchecks, a bounce-less check that can be used almost anywhere.
- The first ATM withdrawal per payroll processing cycle is free at the issuing bank ATM. Fees at non-issuing bank ATMs are displayed at the time of the transaction request and are subject to acceptance or rejection by the employee. In addition, ADP currently charges an employee for each subsequent ATM transaction.
- Charges for VISA (signature transaction) purchases, including purchases made by the Participating Entity employees through a VISA merchant or service provider, in person, over the phone, or via the Internet, are determined by the vendor.
- Charges for PIN-based point-of-sale transactions at the grocery store, gas station, and convenience stores are determined by the vendor.
- The Participating Entity employees are not required to have a checking account, and no credit approval will be required.



- The Participating Entity employees will be able to choose the issuing bank from ADP's approved providers during the enrollment process.
- Employees can withdraw cash as needed (up to the amount of their net pay).
- Lost pay cards will be replaced within five to seven business days of notification of loss (fee to employee for replacement), with express three business day delivery available for an additional shipping charge.
- ADP will offer promotional and sign-up materials for the TotalPay card, plus ongoing customer support, in both English and Spanish.

ADP provides employees who use the pay card with a pay statement following each payroll cycle that details the components of their earnings, deductions, and taxes; however, we can suppress the statement based on employee groups. Pay statements are available via the web. The TCPN Participating Entity employees may also receive a paper copy of the statement. In addition, we provide the Participating Entity employees using pay cards, a monthly statement that reflects their pay card activities for that month, including:

- Payroll deposits.
- ATM transactions.
- Point-of-sale and signature-based VISA transactions.

We provide a web site and toll-free number for employee access and inquiries related to pay card activity.

11. *Describe how benefit deductions are interfaced to your system.*

Depending on the specific solution utilized by the Participating Entity, batch, daily, and/or real-time interfaces are in place between our payroll/HR solutions and our benefits administration solutions. ADP manages the interfaces between the various solution components. If utilizing ADP's Benefits Services no interface is necessary.

12. *Describe the employee maintenance that needs to occur in addition to the interface from Financial System or ERP designated HR/BN.*

If ADP's payroll/HR system is the system of record for all employee indicative data, separate employee-level maintenance will not be necessary between the delivered system solution components of HR, payroll, and benefits.

In addition, ADP can accommodate integration between third-party ERP HR systems of record (Oracle, PeopleSoft, SAP, etc.,) whereby no separate employee-level maintenance may be necessary between the system components.



13. What check fraud protection is available?

ADP's leading-edge technology sets new standards for check security and offers additional protection for our clients. Our security-enhanced, anti-fraud paycheck features include:

- Warning bands. A printed message along the top and/or the bottom of a check alerts the bank to the security features incorporated in the check.
- Iridescent printing. The blending of blue/red/blue, combined with the dark-to-light shading on the face of the check, makes the check difficult to duplicate.
- Copy void pantograph. The pantograph reads VOID when the check is photocopied. Voids are only effective for certain settings on a color copier and are not foolproof. The void pantograph does not usually work when the document is duplicated on a desktop scanner.
- Prismatic borders. Intricate designs printed in the border of a check are difficult to duplicate on a color copier.
- Micro print border. Small writing, generally found in borders or as a signature line, spells a word or phrase and is nearly impossible to duplicate. This border often has no value in terms of fraud protection – it is known as a “downstream verification tool” and is used primarily as a method for the issuer to verify that the document is an original.
- Bleed-through number. The control number printed on the back of the form bleeds through onto the face. This feature is virtually impossible to duplicate, but it is ineffective as a fraud deterrent. It is also a “downstream verification tool.”
- Laid lines. These gray diagonal lines are printed on the back of the check. If the check is physically altered (cut and pasted back together), the lines will not match up.
- Artificial watermark. Opaque white ink, which is only visible when the check is held at an angle to the light, is printed on the back of the check. This watermark is nearly impossible to duplicate, but it can be recreated using an opaque white stamp.
- Thermochromic ink. Thermochromic ink is a very effective security feature. It is easily verified and is impossible to duplicate without access to this expensive ink source.

14. Can your firm issue payroll to re-loadable debit cards for employees or other individuals the entity is currently issuing checks to? If yes, describe the process.

ADP will provide the Participating Entity with the capability to use a payroll card service as part of the ADP Banking services. This service will allow the Participating Entity employees to receive their pay via ADP's VISA-branded pay card.

Employees will sign up for payment via pay card in the same way as they would for direct deposit. Deposits to pay cards follow the same timing as all other direct deposit transactions. Employees will have access to their net wages on the morning of payday, enabling them to pay bills, and purchase goods and services wherever VISA is accepted. Employees will also have access to their funds by using an ATM machine.



Use of the TotalPay card by the Participating Entity's employees will be subject to the following:

- ADP's partnership with Aline and Wal-Mart allows pay card users to cash out to the penny for free.
- Pay card users are also provided with Transchecks, a bounce-less check that can be used almost anywhere.
- The first ATM withdrawal per payroll processing cycle is free at the issuing bank ATM. Fees at non-issuing bank ATMs are displayed at the time of the transaction request and are subject to acceptance or rejection by the employee. In addition, ADP currently charges an employee for each subsequent ATM transaction.
- Charges for VISA (signature transaction) purchases, including purchases made by the Participating Entity employees through a VISA merchant or service provider, in person, over the phone, or via the Internet, are determined by the vendor.
- Charges for PIN-based point-of-sale transactions at the grocery store, gas station, and convenience stores are determined by the vendor.
- The Participating Entity employees are not required to have a checking account, and no credit approval will be required.
- The Participating Entity employees will be able to choose the issuing bank from ADP's approved providers during the enrollment process.
- Employees can withdraw cash as needed (up to the amount of their net pay).
- Lost pay cards will be replaced within five to seven business days of notification of loss (fee to employee for replacement), with express three business day delivery available for an additional shipping charge.
- ADP will offer promotional and sign-up materials for the TotalPay card, plus ongoing customer support, in both English and Spanish.

ADP provides employees who use the pay card with a pay statement following each payroll cycle that details the components of their earnings, deductions, and taxes; however, we can suppress the statement based on employee groups. Pay statements are available via the web. The TCPN Participating Entity employees may also receive a paper copy of the statement. In addition, we provide the Participating Entity employees using pay cards, a monthly statement that reflects their pay card activities for that month, including:

- Payroll deposits.
- ATM transactions.
- Point-of-sale and signature-based VISA transactions.

We provide a web site and toll-free number for employee access and inquiries related to pay card activity.



Interfaces

1. What are the requirements for transmitting data to third party administrators? Include requirements for both the Participating Entity and third party administrator.

ADP delivers the necessary tools to interface to third-party systems, including but not limited to: financial systems, time and labor management systems, spreadsheets, benefit carriers, and accounts payable subsystems as needed.

Our tools include, but are not limited to:

- Ad hoc reporting tool.
- Data interface utility (a process scheduler/monitor is included).
- External pay data import.

If data from external files needs to be brought into the application, an import utility feature maps the data to the appropriate fields. Data can be exported (FTP) via ADP Reporting or through the data interface utility.

2. Who maintains the changes that need to be made to our General Ledger interface?

Clients have the flexibility and control to make changes directly to ADP's general ledger solution. If assistance is needed, an ADP help desk associate can walk the client through the process or escalate the change request to other resources to provide assistance to the client.

Additionally, if ADP Managed Service is selected, ADP's GL interface solution is a powerful, yet flexible integration tool that is easily accessible via the Internet, and provides anywhere, anytime insight into a virtual cross section of labor statistics and employee records. Plus, ADP GL provides the ability to organize and analyze data for better decision-making. With this solution, TCPN gets a valuable tool for improved visibility into labor costs, increased audit reporting, and faster information processing speed.

- ADP's GL interface presents information in a format that makes it easy to compare and contrast individuals or groups of employees, identify salary discrepancies, and better determine the true cost of labor for improved budgeting.
- With our GL interface, we provide ongoing compatibility management between our payroll services and any financial package. The GL interface helps ensure a smooth, efficient flow of information no matter how often your financial systems vendor releases new versions.
- The GL interface creates journal entries for our payroll services and makes that data available at your fingertips. Built-in guides make it simple for even novice users to set up and maintain, while advanced users speed through processes with shortcuts for improved flexibility and efficiency.



During business analysis we will review the Participating Entity's account structures, fiscal calendars, security requirements and other factors to determine the best implementation approach. Depending upon the level of standardization, we may recommend one instance of ADP GL or multiple instances to meet the Participating Entity's business requirements.

3. *What is the response time for the changes that need to take place to the General Ledger interface?*

As stated in our response to Item 2 above, clients have the flexibility and control to make changes directly to ADP's general ledger solution.

4. *Describe the general ledger offering in terms of ease to modify and keep up-to-date.*

ADP's application can interface with the Participating Entity's general ledger. Whether the interface is controlled by ADP or by their staff, our solution is flexible in the way they interface to their general ledger. All hours, earnings, deductions, memo codes (such as taxable relocation), and taxes may be applied to their general ledger.

Clients have the flexibility and control to make changes directly to ADP's general ledger solution.

Printing and reports

1. *Provide a list, including descriptions of all available reports.*

Included within **Exhibit 5** are standard payroll reports as well as reports available to TCPN members who might choose to procure our HR-BPO service offering.

2. *Describe the process of importing and exporting data from your application.*

Several import and export capabilities allow data to be easily imported into and exported from ADP's application.

Import tools include:

- External pay input program. This tool is used to import and validate payroll batches created by an external source or system (such as an electronic time clock, point-of-sale system, or labor system).
- Import utility. This tool is used to import employee and company-level data. The supported file formats are fixed- and variable-length ASCII (delimited).
- SQR tools can be used by ADP to create import files for an additional fee.

The import utility can also be used to convert data from the TCPN Participating Entity's existing files to the application data tables. Record definitions are the foundation for each import definition. The import utility automates the layout of import "filters," which are field maps for loading the data into the application data tables. The same editing process occurs regardless of how the data is entered (the import process versus data input via panels).



Export tools include:

- *eQuery*. The eQuery tool is an integrated, simplified query tool designed to meet the needs of HR, payroll, and benefits professionals. Administrators can select data, filter data using common logic functions, summarize data using aggregate functions, sort data on up to three fields, and extract data to Excel.
- *Ad hoc reporting*. The internally developed, web-native ad hoc reporting solution was architected to provide a common reporting tool across ADP's products and services. This tool includes a scheduling component to automate reporting executions (jobs) and allows users to extract report results in a variety of formats (including HTML, PDF, Excel, CSV, TXT, and XML). Clients can leverage their own corporate reporting strategy by extracting data in whatever format necessary. Report output can also be delivered securely to FTP locations based on system requirements.
- *Export utility*. The export utility is a client-configurable tool that provides a flat file extract of data in CSV, tab-delimited, or fixed-length ASCII file formats.
- *SQR*. SQR tools can be used to produce complex reports or file extractions.

Additionally, if ADP Managed Services is selected, ADP will provide the following:

A key to the proposed ADP solution is the interaction of that solution with existing the Participating Entity systems that will remain in place. To address these needs, we will document all integration requirements during the analysis phase of the project. The same processes used to define interfaces and modifications will be used. Existing system interactions will be reviewed and incorporated into data mapping, interface development, testing procedures for validation, and operational scheduling.

During analysis, these components will be defined. During configuration and conversion, specifications will be developed that will lead to programming. ADP and the Participating Entity will jointly develop these interfaces, with each group taking lead on their respective systems. During validation, each interface that addresses integration of systems will be completely tested. ADP prescribes to complete end-to-end testing. This means that data will be passed from the 'sending' to the 'receiving' system as in a normal production environment. Existing systems will be tested in a closed-loop fashion to ensure that not only the interface works correctly, but that the resultant data can be appropriately processed by the system.

It will take the Participating Entity subject-matter expert and technical resource involvement to ensure the development of the interfaces is successful and that proper testing is conducted.



3. *Is there any system performance issues associated with generating reports? Provide specific information.*

The proposed services are hosted on the Participating Entity's behalf utilizing ADP hosting facilities. Hosting support includes management of the data center network, systems, and security management as well as all required server hardware, operating system, application, and database software. The ADP payroll processing systems are configured to accommodate your data processing and reporting needs, including separate reporting instances if necessary in order to avoid potential system performance issues associated with generating ad hoc reports.

Self service

1. *Does your package include a self-service piece? Please describe.*

The ADP solution is delivered with employee and manager self service, which enables the Participating Entity to shift ownership of and access to employee information to their employees and managers.

- Time and attendance. View accrued time, request time off, and enter time card information (if an appropriate ADP time and labor solution is utilized).
- Personal. Change personal information, update work and personal email address, view job information, add or change emergency contact information, make email notification preferences,
- Money. View pay statements, view annual statements, set up or change tax withholdings, and set up or change direct deposit.
- Benefits. Enroll/view/change benefit plans, view and print election summary, and add or change dependents/beneficiaries (if an ADP health and welfare solution is utilized).
- Policy acknowledgements. Acknowledge company policies and perform data verification tasks.

Managers have additional functionality, including:

- Time and attendance activities. Approve employee time cards, time-off, and scheduling (if an appropriate ADP time and labor solution is utilized).
- Employee data management. Make updates to compensation and work authorizations and manage organizational changes.
- Reporting capabilities. Run and export manager-specific queries.

Practitioners/Administrators may also have additional functionality, including:

- Security. Define user access to all of the features and functionality contained within ADP Self Service.
- Configuration. Design the look and feel of the ADP Self Service screens and set up approvals and routing.



Additionally if ADP Managed Services is selected the following is also available:

Our web applications will provide a high-level help menu to facilitate instruction for employees. Web applications are designed with a help facility to provide general information about the web application, content, functionality, and navigational assistance to employees. For example, on the first page of the web application, an employee can access general information about:

- The purpose of the web application.
- How the application is secured.
- How to proceed from the page by entering his or her employee ID number and PIN (if applicable).

When an employee clicks on the help button for each page, a separate browser that contains the help information opens. When this browser window is closed, the employee is in the same place within the application.

Should employees require additional assistance with the self-service tools or with an issue that cannot be resolved via self-service, they can contact an ADP ESR at the ADP ESC via a toll-free number. The ESC calls will be routed to an ESR who is trained to respond as a natural extension to the Participating Entity's organization.

2. *What fields can employees change/update? Can it be customized?*

ADP's solution offers the ability for users to perform a variety of common tasks in either English or Spanish, such as:

- Time and attendance. View accrued time, request time off, and enter time card information (if an appropriate ADP time and labor solution is utilized).
- Personal. Change personal information, update work and personal email address, view job information, add or change emergency contact information, make email notification preferences.
- Money. View pay statements, view annual statements, set up or change tax withholdings, and set up or change direct deposit.
- Benefits. Enroll/view/change benefit plans, view and print election summary, and add or change dependents/beneficiaries (if an ADP health and welfare solution is utilized).
- Policy acknowledgements. Acknowledge company policies and perform data verification tasks. These acknowledgements can be configured based on the Participating Entity's needs.
- The Self Service tool cannot be customized but it can be configured to provide the messaging, workflow and security necessary for the Participating Entity's unique needs.



Additionally if ADP Managed Services is selected the following is also available:

Our web applications will provide a high-level help menu to facilitate instruction for employees. Web applications are designed with a help facility to provide general information about the web application, content, functionality, and navigational assistance to employees. For example, on the first page of the web application, an employee can access general information about:

- The purpose of the web application.
- How the application is secured.
- How to proceed from the page by entering his or her employee ID number and PIN (if applicable).

When an employee clicks on the help button for each page, a separate browser that contains the help information opens. When this browser window is closed, the employee is in the same place within the application.

Should employees require additional assistance with the self-service tools or with an issue that cannot be resolved via self-service, they can contact an ADP ESR at the ADP ESC via a toll-free number. The ESC calls will be routed to an ESR who is trained to respond as a natural extension to the Participating Entity's organization.

3. *What fields can managers change/update?*

ADP provides managers direct access to processes that are critical to the manager's need to motivate, guide, and reward his or her team. Configurable manager functionality includes:

- **Employee data management.** Make updates to compensation and manage organizational changes.
- **Talent management.** Enrolling direct reports and indirect reports in training opportunities and viewing training summaries. Completing performance reviews.
- **Reporting capabilities.** Run and export manager-specific queries.

4. *How do changes/updates reach the appropriate department (i.e., Payroll, HR)*

The Participating Entity can design workflow mapping to require an approval, a notification, or an immediate update to the database. The Participating Entity's administrator can easily configure new workflow processes and establish email notifications. If an action requires approval or notification, the task can be routed to an individual or a group of practitioners.

5. *Describe the approval/review process after employees and managers make updates.*

Please refer to our response in the question above.



6. Describe what auditing capabilities are included.

ADP's solution provides powerful auditing capabilities – auditing can be done on a record level or a field level.

The standard audit report allows the Participating Entity to identify changes made during a specified time frame, by a specific user, or to a specific area of the database. Audit capabilities also enable the professional user to view the audit data for the screen currently being viewed.

Various tables and fields in the database can be audited, and security is enforced on all transactions. Exception reporting can be created for virtually any record and can be defined for particular points in time.

7. What training is available at the employee level for using a self-service piece? Include all formats.

ADP provides the Participating Entity an Adoption kit that consists of posters, letters, PowerPoint presentations, discussion point-strategies, tips and techniques. The Self Service functionality is intuitive making it easy for a user with little computer experience to navigate through their information.

General

1. What default fields trigger history?

ADP's solution is effective-dated, so history is recorded automatically. There is no need to designate historical data at the field level.

2. What is the maximum amount of history that can be retained while maintaining system performance?

The system can store an unlimited amount of payroll history for practitioner access employees are able to access up to three years of online pay history and W-2 data.

3. What is the expansion/growth potential for the proposed application?

The proposed application architecture is stateless and has proven to be highly scalable. There are no technical limits to the number of concurrent users the proposed ADP solution can support.



ADP continues to make significant investments in research and development and functional HRMS enhancements. ADP is recognized as a leader in delivering the most innovative HRMS solutions in the marketplace. ADP delivers information regarding upcoming functionality to our clients to help them plan and prepare to utilize the new functionality as it becomes available. In some cases, certain clients elect to participate in client forums to provide input with regard to future HRMS enhancements.

4. *What is the expected implementation time?*

Regarding implementation time frames, it depends on many factors including overall solution design, the services procured and complexity of the organization. Overall, on average an organization implementing a full blown HCM (Human Capital Management) solution should look on average for a timeframe of 9-12 months.

5. *Describe how version upgrades are applied, what is expected of the client when this occurs, and the frequency upgrades occur.*

ADP's BPO solution includes all application and IT hosting services to clients – hardware and software support, disaster recovery, and software design and upgrades.

Maintenance releases

ADP has developed a systematic approach to the periodic maintenance of all supported releases of our products. The types of maintenance releases are determined by the type of ADP application the Participating Entity is using and the terms and conditions outlined in your ADP Master Services Agreement. Examples of application maintenance releases are:

- Ad hoc maintenance releases. These smaller fixes (also called “patches”) are delivered on an as-needed basis. This category includes isolated fixes and special enhancements.
- Quarterly maintenance releases. Quarterly releases are more comprehensive and cover a wider spectrum of enhancements.

As part of our hosting service, ADP evaluates and applies maintenance releases to the Participating Entity's environment as needed in accordance with their ADP Master Services Agreement. As a client, their participation in the process is necessary in the following areas:

- Communication. ADP works with our clients to determine the time frame for applying the release. They advise your internal team(s) regarding the impact to the system and operations.
- Review of release. ADP provides our client's with detailed information concerning the content of the release to aid the Participating Entity in defining test scenarios applicable to the modified areas of the product.



- Testing. ADP works with the Participating Entity to coordinate testing scenarios and end-to-end testing (where applicable).
- Sign-off/acceptance. ADP seeks direct authorization from the Participating Entity prior to converting any maintenance releases into production.

ADP continues to make significant investments in research and development and functional HRMS enhancements. ADP is recognized as a leader in delivering the most innovative HRMS solutions in the marketplace. ADP delivers information regarding upcoming functionality to our clients to help them plan and prepare to utilize the new functionality as it becomes available. In some cases, certain clients elect to participate in client forums to provide input with regard to future HRMS enhancements.

Patches and upgrades

In the proposed model, ADP is responsible for mandatory patching (e.g., due to regulations and/or bug fixes) and application upgrades. Upgrades are contractually stipulated, including time frames. ADP can provide flexibility when working with the Participating Entity to schedule upgrades within the ADP-designated time frame.

Most point release upgrades are made available every 18-24 months.

ADP utilizes upgrade control programs to identify and compare the current release with the new release. During the upgrade process, if a customization is identified that becomes part of the delivered functionality, the client reviews the new feature and decides if it will suffice or if the modification should be maintained as part of the upgrade.

6. Describe how a Participating Entity's Financial system/ERP version upgrades are applied and what is expected of the client when this occurs.

When the Participating Entity's financial system is upgraded they will notify their Service Representative of any changes in their file layout or chart of accounts. ADP will then make those changes on their behalf.

7. Describe client responsibility related to interfaces (i.e., coding, maintaining, and mapping flat files, etc.).

ADP's responsibility is to maintain and/or develop the interfaces that are needed. If the Participating Entity develops an interface utilizing the adhoc reporting tool, that will then be their responsibility.



Client Support

Describe the provisions for ongoing client support. Be as detailed as possible, and indicate if service is provided only if client is on a maintenance contract. Include the following (if applicable):

1. Does each client have a dedicated service representative?

Clients are assigned Employer Service Representative's (ESRs) on a "designated" versus "dedicated" basis. While a specific team of ESRs has primary responsibility for responding to inquiries from a client's employees, two other ESR teams are cross-trained to support each client. This approach allows us to effectively manage the call volume peaks and valleys that occur from employee calls throughout the year.

2. How many clients will our customer service representative support? What is the client service representative to client ratio?

Since ADP's goal is to facilitate long-term account relationships, we consider several factors as clients are assigned to consultants, including: size, account complexity, geographic disbursement, and centralized or decentralized processing. On average, each ESR is responsible for four to six clients.

3. What are the average years of retention of your clients?

Our Employer Services group has an annual client revenue retention rate of more than 90 percent and an average client tenure of approximately ten years.

4. Describe the toll-free "hot-line" phone support available.

Normal hours of operation for client services is a 10-hour window between 8:00 a.m. to 8:00 p.m. Eastern time, Monday through Friday, excluding ADP holidays. ADP Hosting Services may be reached during this time frame via our toll-free number, web, or email. However, if the Participating Entity experiences a critical problem outside of normal business hours that affects their ability to access their system, a client service analyst is available, via cell phone, to respond to their call. For client issues that may need management attention, a management team member is also available during these hours.

The administration team's standard hours are 8:00 a.m. to 5:00 p.m. based on service location.

ADP supports several web sites and list servers that clients can access. In addition, toll-free telephone support and eSupport web sites allow clients to submit and track requests electronically.



5. Include number of support personnel on “hot-line” and average problem/solution turnaround time.

All TCPN Participating Entity employees and users are assigned to a designated team of ESRs within the ESC. This team acts as the first point of contact for all employee inquiries. If the issue is beyond their ability to resolve, they will escalate to the appropriate ADP team for resolution. In addition, each client is assigned a primary point of contact that is responsible for the retained team and overall relationship.

Issue resolution

The types of calls vary in nature based on the client. Examples are verification of submitted data such as address and rate changes; help to employees who are first using self service, benefits enrollment questions, direct deposit, etc.

Approximately 85-90 percent of all calls received in the ESC are expected to be completed by the Tier 1 representative. Approximately 12 percent will be escalated to an ADP Tier 2 payroll specialist. Approximately two to three percent will be sent to the TCPN Participating Entity Tier 3 team.

Typically, Tier 2 requests involve an action that might need to involve a payroll process. For example, a Tier 2 call might involve the issuance of a manual payment for a terminated employee. Other examples might be an adjustment to prior earnings, research as to the interface file received and processed from third-party vendors or prior quarter adjustments that might result in an amendment. The types of Tier 2 calls can vary based on the client’s setup.

If a Tier 2 specialist is unable to resolve an issue or if client protocols indicate that an issue is beyond the scope of these individuals, the call or issue is escalated to Tier 3 (we cannot make policy exceptions unless we receive specific written authorization from the Participating Entity).

Additionally, if ADP Managed Services is selected ADP will provide the Participating entity’s with a SLA.

The goal of ADP’s SLA is to provide our clients with metrics and quality targets that identify important performance trends in a meaningful and cost effective manner, while also providing our management team with data tools that allow them to understand current state, to make performance goals, to identify the root cause of service failures, and to drive continuous process improvement within the organization.

To facilitate these goals, ADP has evaluated historical performance data and client requests to identify the metrics and performance levels most critical to our clients. These metrics make up ADP’s SLA offering and are the same metrics used by ADP’s management team to monitor the organization’s performance. Various associates, managers, and executives have direct compensation tied to ADP’s SLA performance as part of a “balanced scorecard” approach.



ADP's SLA program is managed separately from operations. While data and performance statistics reported through the SLA program are collected via system monitoring and standard operating procedures, all information is independently monitored, audited, and/or validated by ADP's COS quality assurance (QA) department. Monthly and quarterly performance reporting under the SLA program is prepared by QA. QA is also responsible for determining any applicable service level credits using ADP's quarterly performance score.

ADP is strongly committed to providing world-class service. In addition to direct client feedback, our performance against SLA metrics is a critical measure of our performance and the level of service provided to our clients.

6. *What are the scheduled hours of operation, including holidays?*

Normal hours of operation for client services is a 10-hour window between 8:00 a.m. to 8:00 p.m. Eastern time, Monday through Friday, excluding ADP holidays. ADP Hosting Services may be reached during this time frame via our toll-free number, web, or email. However, if they experience a critical problem outside of normal business hours that affects the Participating Entity's ability to access their system, a client service analyst is available, via cell phone, to respond to their call. For client issues that may need management attention, a management team member is also available during these hours.

The administration team's standard hours are 8:00 a.m. to 5:00 p.m. based on service location.

ADP supports several web sites and list servers that clients can access. In addition, toll-free telephone support and eSupport web sites allow clients to submit and track requests electronically.

7. *Describe the hierarchy of your support center.*

The service delivery team is composed of the following members:

Employee center consultant. ADP's consultants answer client inquiries and document them as cases into our ADP eACCESS CRM system.

If at any time the Participating Entity feels that an issue needs to be escalated, they can contact their team leader (the telephone number will be provided). We want to hear from them.

When they contact a team leader or manager to request escalation, he or she discusses the case in detail with the consultant. After obtaining a complete understanding of the case, the team leader or manager will contact the Participating Entity with an appropriate plan of action.

Team leader. The team leader acts as an escalation point for minor issues. He or she identified trends in issues and works toward solutions that solve the root cause of the issues.



Manager, solution center (MSC). The MSC owns the client relationship, is the client advocate at ADP, and serves as the escalation point for any major issues. He or she speaks for the client within ADP, keeps the client's goals in mind, and is the voice of the client in coordinating teams within ADP. The MSC also ensures that ADP is performing services according to the contract, monitors and reports performance measures, and coordinates projects within the contract (or changes if additional services are required).

Additionally if ADP Managed Services is selected the following is also available in regards to tiers. The types of calls vary in nature based on the client. Examples are verification of submitted data such as address and rate changes, help to employees who are first using self service, benefits enrollment questions, direct deposit, etc.

Approximately 85-90 percent of all calls received in the ESC are expected to be completed by the Tier 1 representative. Approximately 12 percent will be escalated to an ADP Tier 2 payroll specialist. Approximately two to three percent will be sent to the TCPN Tier 3 team.

Typically, Tier 2 requests involve an action that might need to involve a payroll process. For example, a Tier 2 call might involve the issuance of a manual payment for a terminated employee. Other examples might be an adjustment to prior earnings, research as to the interface file received and processed from third-party vendors or prior quarter adjustments that might result in an amendment. The types of Tier 2 calls can vary based on the client's setup.

If a Tier 2 specialist is unable to resolve an issue or if client protocols indicate that an issue is beyond the scope of these individuals, the call or issue is escalated to Tier 3 (we cannot make policy exceptions unless we receive specific written authorization from TCPN).

8. *Are all service and support issues provided by one client service representative or team?*

The employee contact center is staffed according to commonly used employee service center industry practices – using metrics such as call volume, average speed-of-answer, and length of call to determine work effort. Initial contact center staffing is based on the Erlang C model (which is typically viewed as the employee service center industry standard for forecasting resources).

Erlang C is a mathematical traffic engineering technique that is used to predict through put based on call volumes, call handling times, and service levels. Using Erlang C, we are able to accurately predict the number of ESRs required to meet the client's requirements.

Backups are trained and managers use software to monitor the incoming call volume so they can assign more associates to take calls, or take calls themselves, to ensure efficient and effective service to Participating Entity at all times.

Each solution center consultant has backup team members who are familiar with every account as well as a solution center manager to address escalation issues.



The advantage of our staffing model is the cross-trained, cross-functional team, which enables us to provide better coverage and support for our clients through the various peaks of the year. This model also supports coverage when our associates take time off.

9. Are there support functions that require all users to be out of the system?

There are no processes within the ADP proposed solution that require all users to be out of the system.

10. How is the system accessed by the vendor? Include if any special equipment is needed for vendor to access the system remotely.

Authorization IDs and passwords are used to control operator access to the ADP application systems and tables. The operator's ID and password are part of his or her overall profile, which dictates access to the functions within the application as well as the employee population.

Additional security includes a session time-out based on inactivity.

11. Is there a local or national organized support group? If yes, provide an overview of the support groups.

ADP clients can take advantage of a variety of forums for sharing best practices, gaining solution and industry knowledge, and networking with other clients.

[Meeting of the Minds](#)

Each year ADP offers our clients the opportunity to participate in a three-day event that is designed to enhance skills and on-the-job results. Our national users group meets at ADP's annual Meeting of the Minds (MOTM) – a forum that originated 20 years ago to facilitate the exchange of ideas with hundreds of other ADP users who face the same business challenges, use the same services, and solve the same problems every day.

MOTM brings clients and ADP operations personnel together to interact with one another and to share their experiences with ADP solutions. MOTM participants also have an opportunity to hear updates from our senior executives on ADP's overall achievements of the past year and the future direction of the company.

Educational tracks are organized around ADP product groups (payroll, human resources, and benefits), as well as professional/personal development. For each product-related track, ADP offers sessions that cover strategic and tactical issues geared toward the interests of payroll, human resources, benefits, compensation, information services, and cross-functional project teams. There are dynamic presentations by industry experts and motivational speakers – as well as a “hands-on” interactive solutions lab that is open throughout the conference.

During the meeting, round-table discussions bring together ADP clients that do business in related industries, are located in the same regions, and are using the same services.



With more than 140 learning sessions and networking opportunities, MOTM helps our clients achieve the greatest value possible from their ADP services.

We also offer local user group meetings. These meetings are coordinated by our users and ADP. Local user meetings are typically held several times each year.

[User group meetings](#)

Experience and studies have shown that business professionals would rather seek guidance from their peers than from analysts or the media. ADP's regional user groups support this premise.

Each national service center (NSC) has an active user group. Frequent meetings allow users to discuss how they use ADP's solutions to handle changing issues in their business environment. Attendees also have the opportunity to interact with ADP's data center management team. Guest speakers often address upcoming statutory changes and practical interpretations of new laws.

ADP's NSCs are available for committee meetings and user group meetings. The NSC may also provide administrative services to keep minutes, send invitations, or track responses to a meeting. At the request of the user group committee, the NSC can also coordinate guest speakers from ADP or ADP's partners.

[Guide groups](#)

In addition to user meetings that seek to educate our clients and facilitate networking opportunities, ADP also focuses on working with our clients to better understand their perspective regarding solution enhancements.

We work with guide groups as new system features are developed. Guide groups are comprised of a demographic cross-section (geography, industry, size, solution scope) of clients that share common interests in particular functional areas. We meet frequently with guide groups during the definition and design phase – and then again for validation and feedback once a new feature or piece of functionality has been built.

The BPO user group meets annually each fall (typically September/October) at ADP offices.

[BPO client advisory board](#)

The primary difference between the user groups and the client advisory board (CAB) is that the user group is more operational/tactical focus on discussing successful business practices either from ADP or client perspective. CAB objectives are as follows:

- To enable ADP to elicit direct client feedback regarding future service development. Provide the client base with a facility to participate in the evolution of the service experience by utilizing the CAB as advocate for their concerns.



- Generate a continuous cycle of fresh ideas, free-flow of information and content that supports ADP to be the best in BPO service and customer satisfaction.
- Highlight major service/technology issues occurring for the BPO client base and brainstorm possible solutions.
- Discuss successful practices and identify metrics that could be shared within the community.

Benefits client advisory boards and focus groups

The ADP benefit services client advisory board is comprised of six to eight clients (the typical board member is a director or vice president of benefits). This group meets once or twice each year – depending on the topics that need to be discussed.

Discussion topics are typically broad in nature instead of being related to a specific product or service. Members of the advisory board have the opportunity to provide feedback and to influence the overall direction of ADP benefit services.

ADP focus groups provide opportunities to share best practices as they relate to a specific topic. They also provide ADP with various client experiences that we leverage for continuous improvement in areas such as training, service, and implementation. A focus group consists of as few as 5 or as many as 25 people. The majority of the communication between the groups occurs via conference calls and in online chat sessions. Focus groups are run and managed by the product management team.

12. Is support available via the Internet? If yes, provide web address/link.

Online support is available via several formats:

- *Online help tools:* Comprehensive “online manuals” include user documentation for ADP Enterprise HR/Payroll benefits practitioners and system administrators.
- *ADP National Account Services web site:* This web site (www.ADP4Me.com) provides three major areas of online support:
 - The implementation link provides useful tools such as eRoom, eAnalysis, and eLibrary to use throughout the implementation process.
 - The product knowledgebase link provides product information such as release notes, software updates, job aids, and support information.
 - The service eRoom link provides specific information for clients that have transitioned from implementation to service.
- *Email support within the solution center:* Each consultant is available via email. Since each consultant has a different email address, we cannot provide a web address as requested.

Urgent issues are best handled via telephone.



13. Will an account representative be assigned to follow up with client needs?

Yes. The solution center representative is the starting point of contact for all issues that require research.

By enhancing communications and broadening the levels of contact, we preserve our partnership with each client, improve our retention rates, and add value.

14. Explain provisions available for problem escalation to vendor's management personnel.

If at any time the Participating Entity feels that an issue needs to be escalated, they can contact their team leader (the telephone number will be provided). We want to hear from them.

When they contact a team leader or manager to request escalation, he or she discusses the case in detail with the consultant. After obtaining a complete understanding of the case, the team leader or manager will contact the Participating Entity with an appropriate plan of action.

15. Will you provide on-site support and meetings with management for major problems? Define any extra costs associated with this process.

The Participating Entity's solution center consultant will visit at least once a year. Additional visits can be arranged if circumstances warrant.

Additionally if ADP Managed Services is selected the following is also available:

Your ADP relationship manager is responsible for the overall relationship between the Participating Entity and ADP. Additional responsibilities include:

- Build and maintain a comprehensive relationship at strategic and operational levels within your organization.
- Act as your executive sponsor within ADP.
- Focus on understanding your business initiatives and objectives.
- Contract compliance and renewal.
- Quarterly on-site, proactive meetings with the Participating Entity senior management team.
- Facilitate resolution of any issues.
- Coordinate events across ADP service teams and business units.
- Ensure alignment of resources to meet the Participating Entity expectations.
- Reinforce your company's culture within ADP organization.



The service delivery manager is responsible for ongoing operational delivery and client satisfaction. He or she coordinates projects and work plans across the payroll and employee services center functions. The service delivery manager works with the implementation team to ensure that the payroll team is ready to support the client from the go-live date. Once the client is in production, he or she works cross-functionally to manage the client's ongoing operations. The service delivery manager is responsible for:

- Understanding the client's strategic business objectives and challenges.
- Assisting in identifying the ADP products and services that will meet the client's evolving needs.
- Working with the client to ensure the long-term success of our relationship.
- Managing the business contract (including contracts with any third parties).
- Developing, managing, and maintaining the overall client relationships.
- Communicating the client's expectations to the implementation and ongoing service teams.
- Serving as an escalation point to ADP executives.
- Serving as a main contact point for the Participating Entity engagement manager across all ADP service organizations.
- Coordinating efforts across functional HR/payroll and benefits services teams, which ensures high-quality service delivery.
- Managing client projects to ensure that high-quality service is delivered in a timely manner.
- Managing the invoicing and out-of-scope pricing process.
- Serving as a point of escalation for client issues.
- Monitoring service levels to ensure the client's satisfaction across all service offerings.
- Facilitating quarterly review sessions to discuss service performance, projects and initiatives, trending and analysis, and opportunities for enhanced service opportunities.

The designated managed payroll team is led by a payroll manager who is selected to specifically match your needs. The payroll manager is accountable for the end-to-end payroll process, and he or she ensures that the appropriate and required controls are in place to deliver an accurate payroll in a timely manner. The payroll manager plans, coordinates, manages, and directs the daily payroll operations for the Participating Entity account.

Although the payroll manager reports to the service delivery manager, he or she resolves any open issue specific to payroll processing. The payroll manager is responsible for:

- Keeping in close contact with your retained team of payroll practitioners.
- Implementing best-practice procedures that satisfy the client's specific payroll policies and meet regulatory requirements.
- Overseeing the timely and accurate administration, processing, and reporting of the client's payroll.
- Motivating, training, and coaching payroll professionals.
- Collaborating with internal business partners to ensure seamless payroll outputs.



Under the direction of the service delivery manager, the payroll manager also works on special projects as assigned.

16. ***If any of the functional solutions you proposed are achieved through third-party vendors, how do you propose that Participating Entities will deal with your company to resolve issues?***

At this time, ADP anticipates that all components of our proposed payroll solution will be provided by ADP.

17. ***What percentage of services provided to Participating Entities will be outsourced to a third party?***

At this time, ADP anticipates that all components of our proposed payroll solution will be provided by ADP.

Hardware/Software Specifications

1. ***Which hardware platform(s) does your proposed software solution run on? Please be as specific as possible, providing data for server, client.***

ADP's System is tested to run on Intel, Oracle/Sun, IBM AIX and HP-UX platforms. In general, ADP systems are tested to run on commercially available hardware platforms.

2. ***List all desktop operating systems that the proposed application is certified on.***

ADP's System user interface is designed to run on currently supported Microsoft Windows desktop operating systems for practitioner access and Microsoft Windows and Apple OS X platforms for employee self service access.

3. ***What are typical hardware configurations for client hardware in terms of CPU(s) type and speed, RAM, disk storage capacity etc.?***

Hardware configurations should exceed vendor recommended specifications in terms of CPU type and speed, RAM and disk capacity.

4. ***What is the client/server architecture (Tier 1-2-3)?***

ADP's System employs a multi-tier systems architecture consisting of web, application, and database tiers.

5. ***Describe the recommended back-up procedure.***

ADP performs daily, weekly, and monthly backups of the System.



6. Are there performance issues during certain processes?

Response times during backup processing may be impacted.

7. Provide the bandwidth/WAN requirements for remote location access.

It requires the use of broadband communications. Actual bandwidth requirements are use case dependent.

8. Describe the procedures for reporting and correcting problems that have been identified with the software. Include an explanation of a Participating Entity and vendor responsibilities, the time frame for problem resolution, and the associated costs.

Each ADP client is assigned to a team of ADP solution center consultants. A primary consultant is assigned to each Participating Entity and may meet with them periodically. All consultants are responsible for ensuring the Participating Entity's satisfaction in all aspects of their relationship with ADP – including providing ongoing support and assistance regarding the use of ADP products and services. The ADP solution center is responsible for providing our clients assistance with the standard suite of ADP products and services. The ADP solution center consultants use their service, product, and technical expertise – as well as service management tools – to deliver high-quality service to our clients. The Participating Entity has the option of working with their primary consultant or another member of the team.

If an issue with the software is identified it should be reported to their solution center consultant. ADP's solution center consultants respond to client calls and log notes into ADP's client contact tracking/resolution case management system. Each call routed to a consultant is logged into the case management system with a specific case number. If the call is not resolved on the first contact, the consultant should provide the Participating Entity with the case number for future reference. The case number is referred to when following up and providing updates to them.

Once the software issue is confirmed, the issue is elevated to our development organization for prioritization and remediation. ADP typically issues software remediation fixes as maintenance releases two to three times per year. Hot fixes are applied outside of the typical maintenance schedule if warranted.



9. ***Explain procedures for testing new software releases. How do you notify users about upcoming upgrades and scheduled downtimes for installation? Is the impact of each revision described in the documentation or only the fact that a change is being made?***

Software revisions can occur through version upgrades or interim maintenance releases. Revisions are controlled, tracked and tested using source code control and change control testing procedures. Each change requested requires management approval and is tracked through multiple stages (development integration testing, functional integration testing, regression testing, etc.) of completion. Changes are developed, modified, and tested in an environment separate from production environments. After testing is completed, individual revisions are bundled together as either a version upgrade or interim maintenance release. The bundle is then subject to final deployment testing by a separate hosting operations group into a separate environment that mimics production. Once this stage of testing and sign-off is completed, the code is ready for deployment into production.

Version upgrades or interim maintenance releases are made available on average at various times throughout the calendar year and are communicated via an ADP secure client web accessible site and or by ADP client services. The site provides a plethora of helpful information, including client forums, product documentation, release notes, news and information, knowledgebase, announcements, and much more. Clients may subscribe to various areas of the site to receive automatic notifications on topics of interest. Clients may also receive broadcast emails from ADP and direct service contact from their assigned solution/service representative regarding upcoming upgrades and interim maintenance releases. Release notes typically include impact if applicable.

10. ***Describe your policies and procedures for installing new releases. Are clients required to stay current?***

Each client receives a Master Services Agreement that contains a mutually agreed-upon maintenance/upgrade service plan. Typical Master Services Agreements include one major release upgrade in a five-year period where applicable.

Maintenance releases are typically delivered on average multiple times each year, can be applied upon client request in some cases, and are automatically applied to hosted services that are designed as true on-demand deliverables. When a major version upgrade is made available for certain components of our deliverables, clients can migrate forward by up to two release levels or are always maintained on the latest available release depending on the specific component deliverable.

11. ***What is the average version life cycle?***

New versions are typically released on average every two years where applicable. Maintenance updates are made available on average multiple times throughout a calendar year.



12. What is the release date of the current product? How far back are releases supported?

The ADP System's current version is 5.03.00.02 which was released in the spring 2011. ADP is supporting clients running on prior versions that were released as far back as 2007.

13. How often are patches issued?

Version upgrades or interim maintenance releases are made available on average at various times throughout the calendar year.

14. What is the average version life cycle?

New versions are typically released on average every two years where applicable. Maintenance updates are made available on average multiple times throughout a calendar year.

15. Describe your disaster recovery support program in the event of a disaster at a Participating Entity.

ADP maintains a fully operational disaster recovery and service continuity plan (DR/SC). The plan assures complete disaster recovery and services continuity for offices, data centers, command centers, and the associated processing activity. All policies, procedures, and related systems, for all activities, receive continuous review and where applicable, are updated. The purpose, scope, and objectives of the disaster recovery and service continuity plan are summarized below:

[Purpose](#)

The DR/SC plan has been developed to:

- Provide an organized and consolidated approach to managing response and recovery activities following any unplanned incident or business interruption, avoiding confusion, and reducing exposure to error.
- Provide prompt and appropriate response to any unplanned incident, thereby reducing the impacts resulting from business interruptions.
- Recover essential business operations in a timely manner, increasing the ability of ADP to recover from a damaging loss to an ADP facility.

[Scope](#)

The DR/SC plan is designed to create a state of readiness that will provide an immediate response to any of the following incident scenarios:

- Incidents causing physical damage such as fire, smoke, or water.
- Incidents which indirectly affect facility access such as closure due to a storm, an emergency building evacuation due to a threat, or an external threat such a fire to a nearby facility.



- Impending or unexpected regional disasters, such as a hurricane or flood.
- External incidents, which potentially could cause a service interruption, such as a loss of electrical or telecommunication services.

Objectives

The primary objectives of the DR/SC plan are:

- To ensure the continuity of the business.
- To minimize the inconvenience and potential disruption to clients and providers.
- To prevent ADP and our clients from sustaining financial and operational impacts that could seriously jeopardize the Corporation.

The ADP IT engineering and data processing group staff schedules a full disaster recovery test at least once each year and a service continuity test among different office locations every 12 to 18 months. Client participation in DR/SC testing is not permitted due to the shared services nature of our business and our commitment to maintaining client confidentiality.

16. Describe your disaster recovery support program in the event of a disaster at the support center assigned to the TCPN Participating Entity.

Please refer to our response in the question above.

17. What is the average version life cycle?

New versions are typically released on average every two years where applicable. Maintenance updates are made available on average multiple times throughout a calendar year.

18. Specifically define the web functionality of your product (i.e., web native, web based, web enabled, and web deployable).

ADP systems employ web-native architectures.

19. What are the requirements for self-service web access (if available)?

Self-service web access requires the use of broadband based Internet communications and supported browser technology (Internet Explorer, FireFox, and Safari). Plug-in such as Adobe Reader and Adobe Flash may also be required for access to formal documentation, training, and in some cases to support application presentation service functionality.



Technical support

Describe the provisions for on-going technical support. Be as detailed as possible, and indicate if service is provided only if client is on a maintenance contract. Include the following (if applicable):

1. What is your definition of “response time?”

The goal of ADP’s SLA is to provide our clients with metrics and quality targets that identify important performance trends in a meaningful and cost effective manner, while also providing our management team with data tools that allow them to understand current state, to make performance goals, to identify the root cause of service failures, and to drive continuous process improvement within the organization.

To facilitate these goals, ADP has evaluated historical performance data and client requests to identify the metrics and performance levels most critical to our clients. These metrics make up ADP’s SLA offering and are the same metrics used by ADP’s management team to monitor the organization’s performance. Various associates, managers, and executives have direct compensation tied to ADP’s SLA performance as part of a “balanced scorecard” approach.

ADP’s SLA program is managed separately from operations. While data and performance statistics reported through the SLA program are collected via system monitoring and standard operating procedures, all information is independently monitored, audited, and/or validated by ADP’s COS quality assurance (QA) department. Monthly and quarterly performance reporting under the SLA program is prepared by QA. QA is also responsible for determining any applicable service level credits using ADP’s quarterly performance score.

ADP is strongly committed to providing world-class service. In addition to direct client feedback, our performance against SLA metrics is a critical measure of our performance and the level of service provided to our clients.

ADP includes customer support and application maintenance as part of our service deliverables. ADP response times may include but are not limited to the following types of definitions:

- Average speed of answer (ASA): The average time required to answer a call once a client selects the appropriate support group from the front-end menu.
- Response time (P1): The average time required to respond to a Priority 1 message that is logged by a client service administrator. A Priority 1 issue is defined as an incident that results in the client’s payroll not being processed. Examples of a P1 issue include:
 - Critical business impact.
 - All payroll critical errors or issues.
 - Time-critical input.
 - Time-critical reports (401(k), GL Interface), etc.



- Response time (P2): The average time required to respond to a Priority 2 message logged by a client service administrator. A Priority 2 issue is defined as an issue that has a serious business impact; however, the issue in and of itself does not jeopardize a payroll scheduled to process that day. In addition, the business critical back-end interfaces created as a result of the payroll processing (e.g., 401(k), direct deposit, etc., are not affected). Examples of a P2 issue include:
 - Serious business impact.
 - Payroll non-critical issues.
- Response time (P3): The average time required to respond to a Priority 3 message logged by a client service administrator. A Priority 3 issue is defined as an issue that is noncritical in nature with little to no immediate business impact. Priority 3 issues generally involve requests for information, modifications, or changes that impact future payrolls.
- Same-day resolution: The percentage of client cases that are initiated and resolved within the same business day.
- After-hours support timeliness: The average time required to respond to an after-hours support call. After-hours support is available only for Priority 1 system connectivity issues.

2. Provide the hours when technical support is available.

Technical support typically runs from 8:00 a.m. to 8:00 p.m. Eastern time Monday through Friday, but it may vary based on ADP's servicing region, product policy, and/or our client's specific support needs.

3. What are the required in-house skills for supporting the application?

ADP will be supporting the application.

4. What parts of the application are typically supported in-house?

TCPN's Participating Entities will support the desktops utilized to access the application. Additionally, many of the tables used in Human Resources are maintained by the client.

5. Describe the disaster recovery procedure for the application.

ADP maintains a fully operational disaster recovery and contingency operating plan that ensures complete disaster recovery and business continuity for all ADP offices, operations centers, and the associated processing activity throughout the world (including provisions for a recovery site if needed). To ensure service continuity to our clients, we test the plan every 12 to 18 months. All policies, procedures, and related systems receive continuous review and are updated where applicable.



Daily, following processing and related transmissions, all internal data files are backed up using full and or incremental backup routines. Client application and data files are backed up either to tapes which are stored at a secure, environmentally-controlled, off-site location away from the production facility, or they are backed up to virtual tapes which are stored on disk at an alternate ADP data center facility. These backup files can be used to recreate all hosted production systems or rebuild specific components or databases.

Disaster recovery services are included in the proposed ADP service offering. All clients receive the same level of disaster recovery services.

Please refer to **Exhibit 6** for a copy of ADP's hosting services DR plan executive summary.

6. Describe the application maintenance services and what is/is not included in the maintenance agreement(s). Detail the hours/days of service. Include information on upgrade policies.

ADP's BPO solution includes all application and IT hosting services to clients – hardware and software support, disaster recovery, and software design and upgrades.

Maintenance releases

ADP has developed a systematic approach to the periodic maintenance of all supported releases of our products. The types of maintenance releases are determined by the type of ADP application the Participating Entity is using and the terms and conditions outlined in their ADP Master Services Agreement. Examples of application maintenance releases are:

- Ad hoc maintenance releases. These smaller fixes (also called “patches”) are delivered on an as-needed basis. This category includes isolated fixes and special enhancements.
- Quarterly maintenance releases. Quarterly releases are more comprehensive and cover a wider spectrum of enhancements.

As part of our hosting service, ADP evaluates and applies maintenance releases to the Participating Entity's environment as needed in accordance with their ADP Master Services Agreement. As a client, their participation in the process is necessary in the following areas:

- Communication. ADP works with them to determine the time frame for applying the release. They advise your internal team(s) regarding the impact to the system and operations.
- Review of release. ADP provides the Participating Entity with detailed information concerning the content of the release to aid them in defining test scenarios applicable to the modified areas of the product.
- Testing. ADP works with them to coordinate testing scenarios and end-to-end testing (where applicable).
- Sign-off/acceptance. ADP seeks direct authorization from the Participating Entity prior to converting any maintenance releases into production.



ADP continues to make significant investments in research and development and functional HRMS enhancements. ADP is recognized as a leader in delivering the most innovative HRMS solutions in the marketplace. ADP delivers information regarding upcoming functionality to our clients to help them plan and prepare to utilize the new functionality as it becomes available. In some cases, certain clients elect to participate in client forums to provide input with regard to future HRMS enhancements.

Patches and upgrades

In the proposed model, ADP is responsible for mandatory patching (e.g., due to regulations and/or bug fixes) and application upgrades. Upgrades are contractually stipulated, including time frames. ADP can provide flexibility when working with the Participating Entity to schedule upgrades within the ADP-designated time frame.

Most point release upgrades are made available every 18-24 months. Previous versions are supported two releases back – depending on the service.

ADP utilizes upgrade control programs to identify and compare the current release with the new release. During the upgrade process, if a customization is identified that becomes part of the delivered functionality, the client reviews the new feature and decides if it will suffice or if the modification should be maintained as part of the upgrade.

Hours

Technical support typically runs from 8:00 a.m. to 8:00 p.m. Eastern time Monday through Friday, but it may vary based on ADP's servicing region, product policy, and/or our client's specific support needs.

Application support

1. Describe the support levels that are available.

ADP uses impact analysis associated with a problem on a client's processing as the determining factor in assigning priorities. Priorities are assigned based on processing impact. A description of the service response priorities are provided below.

Service response priorities

During normal hours of operation (prime-time hours), ADP uses commercially reasonable efforts to provide responses for each occurrence reported by the client based on the priorities set forth below:

- Priority 1 – Client outage. A major system or component critical to service is inoperative.
- Priority 2 – Urgent. The client is impacted by a service delay but is still able to maintain basic service functions.



- Priority 3 – Service delay. The problem has a reasonable circumvention, and the client can continue with little loss of efficiency.
- Priority 4 – Minor/informational. The call requires minor action or is for information purposes.

If the client determines that an issue needs a different priority, they can inform the ADP Business Process Outsourcing Service team. The ADP BPO Service team will then notify the hosting support services management team. Assigned priorities help to define the time frame. The priority also determines how often and by what method(s) we will keep them informed of the progress made on the resolution of your issue. As a client support organization, ADP will seek to exceed expectations. At any time during the support process, they may request escalation of their call. Typically, requests for escalation are made if there are time constraints for resolving an issue (e.g., they are trying to meet a scheduled deadline) or if the ADP BPO team currently responding to the issue is unable to provide the assistance needed to resolve it. In either case, the first point of escalation will be their ADP Business Process Outsourcing Service team.

Once documented, the issue will be submitted to the incident report database for evaluation, prioritization, and remediation. Time frames are dependent on the severity of the software issue.

Since the BPO team is responsible for overseeing the proper and timely response and resolution for all of their issues, they also may deem it necessary to escalate an issue. This may occur due to workload, time constraints, expertise, staffing, etc. In any of these instances, the ADP Business Process Outsourcing Service team will determine the appropriate course of action and will contact the Participating Entity to discuss the transfer of the issue.

Application security

Provide information related to the application security. Include detailed information referencing the following issues:

1. What are the parameters of system login and password access?

ADP uses user ID/password pairs with strict controls on duration and format of password.

Password requirements include:

- A minimum length of characters.
- At least one embedded alpha (A-Z, a-z).
- At least one embedded numeric (0-9) or special character (!, @, #, \$, %, ^, &, *, _, etc.,).
- Passwords are case sensitive (A, a).
- A select number of identical characters in a row are not permitted.
- A select number of previously used passwords cannot be reused.
- Clients cannot change their password more than once in a 24-hour period.
- Passwords expire and require a change after a select number of days.



2. How often are system passwords changed?

The user is typically required to change his or her password after a defined set number of days.

3. Does the system lock a person out after a number of invalid attempts?

User account locking is enforced for a specified number of successive failed logon attempts.

4. Does the system timeout after a period of inactivity?

The user's session times out after a defined number of minutes of inactivity.

5. Is security access setup by classes of people or at the individual level?

Security parameters support user class (role) and individual level security setup.

6. What is my IT FTE requirement to support your application?

In ADP's hosted model, ADP contractually assumes responsibility for all hosted server-side infrastructure and application code maintenance and support. Technical competency should include desktop hardware, operating system, and LAN/WAN infrastructure skill sets.

7. TCPN Participating Entity's IT services all arenas – internal customer support; operations supporting job scheduling, report distribution, back-ups; networking connectivity (LANs and WANs); desktop installation and support; system administration including web and portal services; software installations, upgrades, and support; database support. If there are others, please add. Complete the following table.

In ADP's hosted model, ADP contractually assumes responsibility for all hosted server-side infrastructure and application code maintenance and support. Technical competency should include desktop hardware, operating system, and LAN/WAN infrastructure skill sets as mentioned above. An understanding of SQL and database concepts is helpful for ad hoc reporting purposes.

Job Classification	Staff Size	Skills/knowledge required
Customer Support		
Operations		
Network		
Desktop		
System Administration		
Software installation, upgrades, support		
Database support		
System Liaison		
Security		
Other		
Other		



Managed Services

Service Management

1. ***Are all administrative functions mentioned in the Scope of Services delivered directly by your organization? If not, indicate your alliance partner(s) or recommended provider(s).***

From time to time, ADP enters into reseller agreements and/or strategic alliances with other vendors to provide our clients with access to the strongest overall offering of integrated solutions and services. Following are brief descriptions of some of these relationships. For additional information surrounding ADP's strategic partnerships, please visit our web site at www.adp.com under the Investors tab.

Talent solutions

Cornerstone OnDemand. ADP is a reseller of Cornerstone OnDemand's talent management products. As a reseller, ADP sells, implements, and adds our unique service model for clients, with the benefit of being "powered by" Cornerstone OnDemand's market-leading performance and learning management technology.

HR/payroll

TALX Corporation. ADP and TALX Corporation, a leading provider of HR and payroll-related services, have formed a strategic alliance for clients of ADP's fully administered HR BPO offering (ADP BPO) for access to the leading service for employment and income verifications. The Work Number will assist ADP BPO clients to deliver even higher levels of service to their employees.

Aline Cards. ADP partners with Aline Cards to provide co-branded pay cards. This offering combines the resources and expertise of two industry leaders and will provide businesses of all sizes with a robust pay card solution.

MediClick. ADP National Account Services has a strategic alliance with MediClick, which provides "Software as a Service (SaaS)" applications for materials management, general ledger, accounts payable, and fixed assets designed for hospitals and large physician practices.

Concur Technologies. ADP has partnered with Concur Technologies, Inc., the leading provider of corporate expense management solutions. Through our alliance with Concur, we have been able to provide our clients with best-in-class travel and expense management solutions that are designed to meet the needs of companies of all sizes.

Time and labor management

Kronos. ADP is an authorized reseller of Kronos time and attendance software and data collection equipment. These applications and equipment are designed to be integrated with ADP or non-ADP payroll/HRMS systems. ADP TLM is responsible and accountable for all sales, implementation, training, and client services for these products.



This ADP/Kronos relationship has been in place since 1993 and gives ADP license and support of Kronos' products. Our agreement with Kronos stipulates that ADP have access to Kronos Workforce Central (privately labeled as ADP Enterprise eTIME) on the same function level and timing in the marketplace as is available to Kronos or their dealers.

ATS Corporation. ADP TLM is a reseller of ATS Corporation data collection equipment/time clocks.

Recognition Systems, Inc. ADP TLM is a reseller of Recognition Systems, Inc. biometric "handpunch" data collection equipment.

For time and labor management/data collection hardware and software referenced, ADP TLM is responsible for sales, implementation, training, and client support.

Benefits services

WebMD. We partner with WebMD to provide our embedded coverage advisor tool and health management suite of wellness offerings. The ADP and WebMD solutions are fully integrated to provide a seamless participant experience.

Scudder Investments. Scudder Investments has joined forces with ADP, LLC. to form Benefit Services Alliance. This alliance broadens the products and service offerings available to our clients. Scudder seeks to provide the high-quality investment products, knowledgeable investment management and analysis, award-winning participant education tools, and dedicated client service for which it is known. ADP brings our strengths in transaction processing and recordkeeping services, which creates an unrivalled alliance.

Benefit Services Alliance operates as a unit of ADP with Scudder having an ongoing financial stake. By combining Scudder Retirement Services' key strengths in employee education and client service with ADP's strengths in transaction processing and recordkeeping services, Benefit Services Alliance leverages leading technology-based solutions that increase economies of scale and operating efficiencies for both organizations.

Metavante/FIS. We partner with Metavante/FIS in the health care FSA debit card offering. Metavante/FIS has been distributing debit cards for FSA programs since 1998. The ADP and Metavante/FIS systems are fully integrated to combine the best practices of manual claims and money movement with the best practice of debit cards.



Other value-added partnerships

ADP has partnerships and alliances with major hardware, software, consulting, and third-party software/technology vendors as appropriate. Following is a partial listing:

- Adobe, Inc.
- AirClic, Inc.
- Amdocs, Inc.
- AT&T Corporation.
- Avaya, Inc.
- Centura.
- Citrix Systems, Inc.
- CISCO System, Inc.
- Computer Associates, Inc.
- EMC2 Corporation.
- Fair Isaac & Company.
- Hewlett Packard Corporation.
- IBM Corporation.
- JetMail, Inc.
- Kronos, Inc.
- McAfee, Inc.
- Microsoft Corporation.
- NEOGOV.
- Net Dynamics.
- Oracle Corporation.
- PeopleSoft.
- Periphonics.
- Pervasive Software, Inc.
- Qwest Communications, Inc.
- Sagent.
- SAP.
- Spire Printing.
- SUN Microsystems, Inc.
- Symantec Corporation.
- Verizon Corporation.
- Xignite.

2. Provide a copy of your standard service agreement.

Please refer to **Exhibit 7** for ADP's sample Master Services Agreement.



3. ***What is your philosophy around offshoring of services? Are you proposing offshoring any services as part of your proposal? Provide a complete list of services that will be performed offshore as part of an agreement with Client/s. Describe how you ensure quality for any processes that are located offshore.***

ADP understands the sensitivity many public organizations have regarding their service providers off-shoring client facing service functions. For this reason ADP's public sector clients can choose to be serviced exclusively by U.S. based ADP service associates.

4. ***Based on your understanding of the scope of this outsourcing effort, what functions/responsibilities would remain at Client/s related to payroll? HRIS? Time reporting?***

For HR/payroll solutions:

- Recruitment.
- Compensation.
- Performance Review.
- Training and Development.
- Payroll Policies.
- Tier 3 Support.
- Ad hoc reports, workforce analysis.

With regards to benefits administration:

- Select carriers, benefit plans.
- Negotiate rates.
- Service employee calls (optional).

We will work with the client's strategic HR/payroll and benefits thought leaders to optimize processes and service delivery. The client's retained team will play a critical role in process fulfillment, strategic planning and policy, supplier governance, providing an escalation point for issues requiring in-house resolution, driving internal goals and objectives, and strategic analysis of employee costs and resources. The client's retained team's roles and responsibilities related to the ADP ongoing relationship will be defined during implementation.

5. ***Provide names of organizations similar in size and complexity to Client/s that use similar HR services. Please provide contact information for at least 3 organizations for each service area. At least 1 reference must be for your proposed implementation manager. References will not be contacted without prior notice.***

Please refer to Tab 6 – References for ADP's client references.



6. *How do you ensure that you are producing regulatory reports timely and accurately?*

ADP is committed to complying with all of the requirements of the Sarbanes-Oxley Act that apply to ADP as a publicly traded company. We understand that many of your Entities are not part of SOX but as we work with the private and the Government sector we must be held to the highest standard. This allows us to bring that high standard to our Government and Higher Education clients. Among other things, the Act requires the CEO and the CFO of public companies to certify their periodic financial statements, evaluate their internal controls, maintain effective internal and external audit procedures, and avoid certain financial dealings with their corporate officers. ADP welcomes these new corporate standards, and we comply with all of the Act's requirements that are applicable to ADP.

We recognize that payroll, HR administration, and benefits administration play an important role in the accuracy of our clients' financial reporting, and many of our clients have concluded that these processes fall within the scope of their company's Sarbanes-Oxley project. As such, these processes require extensive controls documentation, testing, and remediation under Sarbanes-Oxley.

Companies that choose to keep these functions "in-house" are required to carry out this costly effort every year. For those companies that choose to "outsource" to ADP, the cost and effort to document, test, and remediate controls for these processes can be substantially reduced through the use of ADP's carefully designed Service Organization Control I Type II reports (compliant with the SSAE 16 standard); these reports are also known as SOC I reports.

ADP assists our clients in their efforts to comply with Sarbanes-Oxley by providing SOC I reports for all of our major product/service offerings. These reports are produced by a leading public accounting firm in the United States. There is no charge to our clients for any routine SOC I report. SOC I reports are designed to be used by our clients (for their internal and external auditors) to evaluate the effectiveness of controls in operation at ADP.

ADP Employer Services has 30 product/service offerings with SOC I reports in the U.S. Most of our reports are issued two times per year (with March 31 and September 30 report dates). This is in direct response to our clients' request for reports that are more timely and dated closer to their company's fiscal year-end.

The reports dated March 31 will be available on or about May 15, and the reports dated September 30 will be available on or about November 15. Since there is no charge to the client for these reports (there are some limited exceptions), the savings over in-house processing can be substantial.



For our clients with significant operations overseas that are serviced by Employer Services International, ADP (starting in 2005) began to issue reports in accordance with SSAE 16 (or equivalent) standards for many of our non-U.S. based product/service offerings as well. ADP is committed to working with our clients to meet their internal control requirements with respect to their foreign operations.

7. Provide an overview of your customer service delivery model. Specifically address the following:

a. Location of service center(s)

Comprehensive Outsource Services Tier 1 Employee Service Centers are located in Des Moines, IA; El Paso, TX; Augusta, GA and Hyderabad, India. All Tier 1 calls for all BPO clients are handled in these centers.

Payroll administration and Tier 2 escalation is provided in our Alpharetta, GA; national service center or Lynnwood, WA; a Tier 2 administration service center. Payroll administration teams and all payroll production services are provided in these centers. All ADP national account clients for BPO process payroll in the Alpharetta, GA, center.

ADP has other international centers located around the world.

b. Location of operations center(s)

ADP's main application hosting facility is located in Ann Arbor, MI, and Alpharetta GA, with a backup site in South Dakota. All BPO clients, as well as all clients utilizing ADP as a hosting service, are supported from this center. It has been in operation for over 25 years.

c. Offshore locations and areas of responsibility

ADP understands the sensitivity many public organizations have regarding their service providers off-shoring client facing service functions. For this reason ADP's public sector clients can choose to be serviced exclusively by U.S. based ADP service associates.

d. Staffing and recruiting

ADP's BPO solution draws upon a wealth of experience and knowledge regarding service center operations to formulate the staffing requirements for our clients. Factors such as client scope, complexity, and transaction volumes are considered – in conjunction with ADP operational historical averages and scale differentials – to develop staffing models for individual clients. In addition, since ADP has the ability to locate client service teams in one of three North American service centers, we also look at the employment market, demographics, client location, and timing to determine the best site for the client service team.



ADP BPO staffing can be understood on two dimensions:

- Administrative services apply to those functions that ADP performs on the client's behalf related to payroll, HR, and health and welfare administration (the "front-office" services).
- Employee contact center applies to the employee service center functions, including: answering Tier 1 payroll, HR, and benefits inquiries from client employees; providing case management; escalating issues as needed; and providing service center performance reporting.

Administrative services and employee contact center staffing models rely on different sets of variables and assumptions in order to determine the appropriate staffing levels for each client.

ADP BPO administrative services begin with historical averages across all clients, which apply to the optimal staffing levels required by client size to meet the core scope and service levels. Based on our current scale and operational averages, we find that our average client requires one administrative professional for every 2,000 client employees. However, to arrive at a more accurate number for a given client, we factor in the client's size (since larger clients enjoy a greater scale opportunity), complexity, scope, and transaction volumes to develop a staffing model that will meet the client's requirements and ADP's strict service quality standards. For most clients, a designated payroll administrative team is leveraged to ensure high-quality, responsive service and a dedicated focus on any unique client requirements. In addition to the designated team, each client is also assigned shared service delivery resources to provide oversight and specific technical or functional expertise.

e. *New hire, end of year tax support, and ongoing training*

New hire

Since all applicant personal data is already stored and does not need to be re-entered, an "applicant" can be transitioned automatically to an "employee" by completing an "applicant-to-new-hire" transaction. A system user only needs to complete the employment and job information required for a new hire.

Because ADP's solution is a table-driven system, a new employee record is created using minimal keystrokes. Assigning the employee to a position automatically creates the relevant employment and job information. Any additional information needed is employee specific.

If new-hire information is coming from a third party, data may be imported using the new-hire import template.



End of year

The Participating Entity's' year-end responsibilities include:

- Process final payroll and adjustments before the agreed-upon cutoff date.
- Provide funds for any additional tax liabilities incurred.
- Verify wage and tax register.

ADP year-end responsibilities include:

- Compare the quarter-close totals to the payrolls processed throughout the quarter to ensure that all tax liabilities have been received and the corresponding deposits have been made.
- Identify and reconcile any out-of-balance conditions.
- Debit or credit TCPN Participating Entity to address any out-of-balance conditions (balance-to-payroll).
- Prepare and file quarterly and annual returns.
- Provide the statement of deposits and filings that reflects all quarterly and annual tax activity provided by ADP on TCPN' behalf.
- Respond to agency inquiries if needed.
- Prepare and file amended tax returns if needed.

Ongoing training

Specific training details are worked out during the analysis phase of the project implementation. ADP strives to ensure we understand the Participating Entity's training requirements, services, or products that require training and who/when training should occur. While the training classes are consistent from client to client, the approach differs based on specific client needs and the scope of services ADP is providing.

ADP will prepare appropriate training to support the retained team at the Participating Entity. This will include system configuration, data entry, validation, metric controls, scheduling, and post-production auditing. This will permit the retained team to work in conjunction with the ADP service delivery team to support ongoing operations while ensuring that the Participating Entity has the appropriate controls in place to monitor the payroll processes.

ADP will work with the Participating Entity to develop training programs and schedules to support the roles and responsibilities of the retained team. These will be developed during configuration and delivered prior to the start of validation. This will permit the Participating Entity resources to exercise their training during validation to reinforce procedures and ensure they are ready for production.



Training will be delivered either on site or via web instruction as is appropriate to the audience and the schedule. Job aides will be produced to help the retained team with their functions. As appropriate, ADP will assist in developing end-user training that may be delivered jointly by both the Participating Entity and ADP. Additional fees may apply.

f. *Number of customer service representatives assigned to Client/s*

The employee contact center is staffed according to commonly used employee service center industry practices – using metrics such as call volume, average speed-of-answer, and length of call to determine work effort. Initial contact center staffing is based on the Erlang C model (which is typically viewed as the employee service center industry standard for forecasting resources). Erlang C is a mathematical traffic engineering technique that is used to predict through put based on call volumes, call handling times, and service levels. Using Erlang C, we are able to accurately predict the number of ESRs required to meet the client’s requirements.

Clients are assigned Employee Service Representatives on a “designated” versus “dedicated” basis. While a specific team of ESRs has primary responsibility for responding to inquiries from a client’s employees, two other ESR teams are cross-trained to support each client. This approach allows us to effectively manage the call volume peaks and valleys that occur throughout the year.

ADP provides teams of designated, full-time employees to the Participating Entity, as well as shared resources as required. Our analysis process identifies key elements that provide the necessary data to ensure our staffing model supports the shared services requirements of our clients.

g. *Dedicated or semi-dedicated representative structure*

Their ADP relationship manager is responsible for the overall relationship between the Participating Entity’ and ADP. Additional responsibilities include:

- Build and maintain a comprehensive relationship at strategic and operational levels within their organization.
- Act as their executive sponsor within ADP.
- Focus on understanding their business initiatives and objectives.
- Contract compliance and renewal.
- Quarterly on-site, proactive meetings with the Participating Entity’s’ senior management team.
- Facilitate resolution of any issues.
- Coordinate events across ADP service teams and business units.
- Ensure alignment of resources to meet the Participating Entity expectations.
- Reinforce their company’s culture within ADP organization.



The service delivery manager is responsible for ongoing operational delivery and client satisfaction. He or she coordinates projects and work plans across the payroll and employee services center functions. The service delivery manager works with the implementation team to ensure that the payroll team is ready to support the client from the go-live date. Once the client is in production, he or she works cross-functionally to manage the client's ongoing operations. The service delivery manager is responsible for:

- Understanding the client's strategic business objectives and challenges.
- Assisting in identifying the ADP products and services that will meet the client's evolving needs.
- Working with the client to ensure the long-term success of our relationship.
- Managing the business contract (including contracts with any third parties).
- Developing, managing, and maintaining the overall client relationships.
- Communicating the client's expectations to the implementation and ongoing service teams.
- Serving as an escalation point to ADP executives.
- Serving as a main contact point for the Participating Entity's engagement manager across all ADP service organizations.
- Coordinating efforts across functional HR/payroll and benefits services teams, which ensures high-quality service delivery.
- Managing client projects to ensure that high-quality service is delivered in a timely manner.
- Managing the invoicing and out-of-scope pricing process.
- Serving as a point of escalation for client issues.
- Monitoring service levels to ensure the client's satisfaction across all service offerings.
- Facilitating quarterly review sessions to discuss service performance, projects and initiatives, trending and analysis, and opportunities for enhanced service opportunities.

The designated managed payroll team is led by a payroll manager who is selected to specifically match the Participating Entity's needs. The payroll manager is accountable for the end-to-end payroll process, and he or she ensures that the appropriate and required controls are in place to deliver an accurate payroll in a timely manner. The payroll manager plans, coordinates, manages, and directs the daily payroll operations for the account.

Although the payroll manager reports to the service delivery manager, he or she resolves any open issue specific to payroll processing. The payroll manager is responsible for:

- Keeping in close contact with the client's retained team of payroll practitioners.
- Implementing best-practice procedures that satisfy the client's specific payroll policies and meet regulatory requirements.
- Overseeing the timely and accurate administration, processing, and reporting of the client's payroll.



- Motivating, training, and coaching payroll professionals.
- Collaborating with internal business partners to ensure seamless payroll outputs.

Under the direction of the service delivery manager, the payroll manager also works on special projects as assigned.

h. Coaching and quality review

In the BPO environment, ADP has an independent quality assurance (QA) department that administers the service-level agreement (SLA) program. This group monitors and verifies the system- and process-generated data used to fulfill SLA reporting requirements. For ESC metrics, a common call tracking mechanism allows for centralized capture and reporting of service components related to employee inquiries and issue resolution.

For system availability metrics, data is generated utilizing industry-standard tools to gather data and report on applicable technology-related areas. Finally, to monitor the accuracy of the payroll and delivery issues, ADP has implemented procedures to record every defect or variation correcting transaction. Utilizing these tools, ADP monitors and reports service-level components to the Participating Entity on a monthly basis. A monthly performance report is provided in a clear, easy-to-understand format. ADP works with them to determine the best process to review performance metrics, which may include monthly meetings with their management to discuss the report and any issues that may have arisen.

In addition to administering the SLA program, QA is responsible for completing audits in other operational areas to drive continuous process improvement. These additional data elements monitored by QA are used for internal purposes and are not reported to the client. Metrics reviewed through this program can change based on operational performance, corporate objectives, and business needs. Audit needs are continually monitored and determined based on review of the standard SLA metrics. Metrics monitored internally by QA for process improvement purposes may include, but are not limited to, the following:

- Number of calls received.
- Types of calls.
- Details of conversations.
- Time to answer.
- Abandoned calls.
- Duration of calls.
- Data entry accuracy.
- Data entry timeliness.
- Internal balance and reconciliation procedures.
- Call quality.
- Call accuracy.



- Identity verification.
- Service request documentation and management.

These internal metrics can be audited using a sample size. For the data elements that utilize sampling, ADP follows a well-defined process. The sample size is randomly selected without replacement or substitution, and the elements that constitute an “error” are predefined and reflect a standard adhered to by the quality assurance analyst.

i. Call escalation

Through training and online access to protocols and procedures, our ESRs have well-defined parameters for providing assistance. If an inquiry presents complexity not addressed in our reference tools (or if the tools instruct the ESR to escalate the case), the ESR escalates the caller’s case to the appropriate Tier 2 specialist.

The case is transferred from the ESR to the Tier 2 specialist through the case management system. Every event (i.e., call, letter, fax, time-triggered event like turning 65) opens an entry in this system. An event task list also opens. Escalated calls have an event task list that allows the ESR to show the case has been passed to a specialist. The specialist closes the event once the issue is resolved. Open events are monitored for exceptions.

If a Tier 2 specialist is unable to resolve an issue, or if client protocols indicate that an issue is beyond the scope of these individuals, the call or issue is escalated to Tier 3 (we cannot make policy exceptions unless we receive specific written authorization from the Participating Entity).

Tier 3 calls typically involve exceptions to established protocols or policies – and may involve specialized resources outside the employee service center. These individuals may be subject-matter experts at a specific vendor or within the Participating Entity organization (subject-matter experts outside the employee service center are contacted only when necessary). When this situation occurs, our ESR or specialist is still the primary contact person for the caller. Tier 3 situations are reviewed to assess whether the employee service center can handle similar situations in the future – unless they prefer to be involved with individual situations and review issues on a case-by-case basis.

j. Case management

ADP’s advanced Siebel-based CRM system, forms the service backbone of our state-of-the-art employee service center. Service professionals use the CRM, in conjunction with our proprietary payroll application, to respond to employee inquiries and client service requests. The CRM suite of technology is integrated in a real-time capacity with our proprietary HRMS application.



The CRM system was developed by integrating several best-in-class technologies to create an industry-leading client service delivery system. In fact, *CIO Magazine* awarded ADP with its CIO 100 Award for the development of the system. Additional technology utilized in the employee service center includes:

- Computer telephony integration. When a call comes in to the employee service center, computer telephony integration (CTI) technology automatically captures the caller's most current information and populates the ESR's screen with this data.
- In-depth Knowledge Base. The customized ADP's Knowledge Base instantly supplies ESRs with up-to-date answers to employees' questions, which enables consistent application of the Participating Entity policies and procedures across the entire workforce. It is integrated with ADP's HRMS application so that policies are dynamically linked to employees. This allows our ESRs to only provide policy information that is applicable to the employee with whom they are speaking. ADP's Knowledge Base is continuously updated to address their unique policies and procedures.
- CRM system. The CRM system maintains a history of each contact. It electronically assigns and routes employee inquiries to the appropriate specialists to facilitate expert, expedient issue resolution. Automatic inquiry tracking enables any ESR to track and respond to employees' questions and concerns and apprise them of issue status.
- Advanced document imaging system. As part of our commitment to an automated paperless environment, all incoming paper documents are scanned and immediately available online to facilitate timely processing, tracking, and quality control.

In addition to the support provided to their employees through the ESC, robust self-service functionality is available to their employees and practitioners through ADP's Knowledge Base and Inquiry Self Service tools:

- Knowledge Base Self Service. ADP's Knowledge Base Self Service provides the Participating Entity employees and practitioners convenient, web-based access to policy- and procedure-related information. It is tailored to each individual's defined profile (i.e., role and location), as well as to their personal data and any relevant electronic forms (local tax forms, for example). Knowledge Base Self Service includes:
 - Web-based access to policy- and procedure-related information.
 - Content and navigation based on each individual's profile, including division or location serviced.
 - Ability to access Inquiry Self Service from ADP's Knowledge Base for the purpose of requesting additional information or to resolve an inquiry.
- Inquiry Self Service. The Participating Entity employees and practitioners are able to submit and track service inquiries to ADP using a web-based inquiry tool accessible via the ADP Self Service portal. Inquiry Self Service includes:
 - Ability for the Participating Entity employees to submit and modify inquiries (via the web) to the ESC on their own behalf.



- Ability for practitioners to submit and modify inquiries (via the web) to the ESC or ADP administration team members on their own behalf or on behalf of their employees.
- Ability for the Participating Entity employees and practitioners to view activity status for all publicly accessible inquiries (i.e., those inquiries not marked as “private”) that are submitted via the web or phone by the specific user. Please note that an employee and/or practitioner may request that ADP mark an inquiry as “private,” meaning the inquiry will be suppressed and not be viewable/trackable from within the Inquiry Self Service tool.
- Ability for employees and practitioners to update ESC inquiries via the web for those inquiries submitted by the specific user.
- Employee and practitioner ability to request ADP escalation of an inquiry as appropriate.

k. Quality program.

(SOPs). The SOPs include critical to quality checks and audits that must be completed to ensure a successful payroll. In addition, roles and responsibilities, including requirements for peer and management review and signoff, are documented in each SOP. This helps ensure accountability for the end-to-end payroll as each ADP associate understands his and her responsibilities to the process. Finally, quality assurance (QA) completes “on-the-floor” reviews to monitor compliance with SOPs and provides daily and weekly performance feedback to managers, directors, and the senior leadership team.

ADP BPO takes a four-tier approach to quality that includes activities completed by operations, quality assurance (QA), external auditors, and ADP corporate internal audit.

Operational control policies and procedures monitored internally through checklists, peer review, and management review.

- Compliance and quality reviews completed through SLA audits, data analysis, and in-depth audits by an independent quality assurance team.
- External review of control objectives and activities by an independent third party.
- Corporate Internal Audit with unlimited scope of review of operations throughout ADP.

For operations, quality activities center on compliance with ADP’s standard operating procedures (SOPs). The SOPs include checks that are critical to quality and audits that must be completed to ensure a successful payroll. Examples of SOPs include daily and production checklists that outline all essential processing steps to be completed within the payroll cycle, defined pre- and post-payroll calculation audits that outline essential reports to be run and standards for reviewing those reports, and reasonableness checks and variance analysis audits that serve as a final tollgate prior to completing the payroll process. SOPs for each area identify roles and responsibilities including peer review and management oversight and accountability for the end-to-end payroll process.



Quality assurance is independent from operations and is responsible for completing both audit and assurance functions for the organization. Audit responsibilities include formal examination or investigation of processes, policies, and procedures to monitor compliance with SOPs and identify areas of risk. Deliverables include an in-depth audit report, provided to the BPO senior management team, outlining project scope and auditor conclusions. Assurance responsibilities are intended to promote the successful outcome of a process. This includes “on the floor” reviews that provide an independent and real-time look into operational compliance with critical SOPs. Performance feedback is provided to managers and directors daily with compliance summaries sent to the BPO senior management team weekly.

The third component of ADP’s quality approach is SSAE 16. SSAE 16 is a review of the control policies and procedures in place for ADP completed by an independent third party. ADP completes a SSAE 16 that tests whether indicated control policies and procedures are in place and whether they are operating with sufficient effectiveness to achieve the stated control objective. ADP issues the SOC I reports twice annually for reporting periods ending March 31st and September 30th each year. Reports are published generally six weeks following the end of the testing period.

Finally, ADP’s corporate internal audit has unlimited audit jurisdiction throughout ADP, including BPO. Internal audit scope of review may include, but is not limited to: financial, security, SSAE 16 control techniques, and service failures. Internal audit findings require documented remediation plans that receive significant visibility within the organization.

Results from all audit activities are used for ADP’s Continuous Process Improvement (CPI) initiative.

ADP’s continuous process improvement (CPI) initiative is an organization-wide methodology designed to improve processing quality and efficiency and reduce service failures. The initiative is managed by the Continuous Improvement Group (CIG) which is responsible for the development of BPO standard operating procedures and change control within the organization. The goal of CPI is to reduce costs, increase client satisfaction, and decrease errors and rework throughout the BPO process. To accomplish this goal, CPI follows a governance structure that uses the five phases in DMAIC project management methodology:

- Define – What problem needs to be solved?
- Measure – What is the capability of the process?
- Analyze – When and where do defects occur?
- Improve – How can capability be better?
- Control – How can we sustain the gain?



ADP uses a number of tools to identify service failures for CPI. These tools include, but are not limited to: incident reports, security breaches, audits, service-level agreement metrics, dashboard reporting, and client feedback. Taking a data-driven approach, CPI establishes standards for when the manager is responsible for completing formal root cause analysis (RCA). CPI uses Tollgate Review Methodology to review RCAs and determine the next steps required for process improvement. Next steps can include remediation for a single client or process improvement across ADP's entire book of business. Finally, remediation efforts are monitored through the CPI program with the type of monitoring dependent on the level of risk to the organization.

I. Call flow and on-line tools

ADP's use of the case management system allows for the tracking of all inquiries and processing events – telephone calls, faxes, letters, and system-generated activity.

The system requires the ESR to indicate the nature of the call through a reason code. Two levels of categorization are required for every event that is entered into the case management system. A transaction must be assigned a high-level transaction type and a more detailed transaction reason. These types and reasons are table driven, which make it easy to tailor them for each client. In addition to the predefined types and reasons, there is a free-form section for adding diary-style comments or notes.

It is ADP's strict protocol that an ESR completes all work related to a call before he or she returns to available status to take the next call. As further documentation, we also record all inbound and outbound calls.

The case management system also includes task lists of activities that must be completed for a particular process, such as changing an address or recording a life event. Cases that cannot be closed at the time of the call remain assigned to the ESR unless he or she physically reassigns the event to another specialist or resource. The system supports reporting on an "aging" basis for the team or an individual ESR.

An employee service center supervisor monitors the entire process. The supervisor runs real-time reports that list the status of open events (including aging). With this information, the supervisor can adjust staff or reassign transactions to facilitate the timely resolution of outstanding issues. If an ESR with open events is out of the office, the supervisor can easily transfer ownership of the events to another associate.

In addition, ADP has a number of predefined queries that break down the data collected in the case management system. This data is formally presented to the client on a monthly basis, but it is run daily within ADP to identify any emerging trends. The employee service center also has the ability to run ad hoc queries against the data in the case management system.



ADP will coordinate with the respective third party to resolve any open items to completion. In the event the TCPN Participating Entity team will need to become involved, ADP will contact the appropriate Entity staff member in order to resolve the issue. The best form of contact will be established by the Entity and ADP based on the culture of the company.

Please see answer above, J Case Management for an overview of the case management tools.

8. Do you perform SAS70, level II audits of your operations? Would you be able to provide audit results for the operations that service Client/s? If so, please provide a copy.

ADP is committed to complying with all of the requirements of the Sarbanes-Oxley Act that apply to ADP as a publicly traded company. Among other things, the Act requires the CEO and the CFO of public companies to certify their periodic financial statements, evaluate their internal controls, maintain effective internal and external audit procedures, and avoid certain financial dealings with their corporate officers. ADP welcomes these new corporate standards, and we comply with all of the Act's requirements that are applicable to ADP.

We recognize that payroll, HR administration, and benefits administration play an important role in the accuracy of our clients' financial reporting, and many of our clients have concluded that these processes fall within the scope of their company's Sarbanes-Oxley project. As such, these processes require extensive controls documentation, testing, and remediation under Sarbanes-Oxley.

Companies that choose to keep these functions "in-house" are required to carry out this costly effort every year. For those companies that choose to "outsource" to ADP, the cost and effort to document, test, and remediate controls for these processes can be substantially reduced through the use of ADP's carefully designed Service Organization Control I Type II reports (compliant with the SSAE 16 standard); these reports are also known as SOC I reports.

ADP assists our clients in their efforts to comply with Sarbanes-Oxley by providing SOC I reports for all of our major product/service offerings. These reports are produced by a leading public accounting firm in the United States. There is no charge to our clients for any routine SOC I report. SOC I reports are designed to be used by our clients (for their internal and external auditors) to evaluate the effectiveness of controls in operation at ADP.

ADP Employer Services has 30 product/service offerings with SOC I reports in the U.S. Most of our reports are issued two times per year (with March 31 and September 30 report dates). This is in direct response to our clients' request for reports that are more timely and dated closer to their company's fiscal year-end.



The reports dated March 31 will be available on or about May 15, and the reports dated September 30 will be available on or about November 15. Since there is no charge to the client for these reports (there are some limited exceptions), the savings over in-house processing can be substantial.

For our clients with significant operations overseas that are serviced by Employer Services International, ADP (starting in 2005) began to issue reports in accordance with SSAE 16 (or equivalent) standards for many of our non-U.S. based product/service offerings as well. ADP is committed to working with our clients to meet their internal control requirements with respect to their foreign operations.

9. *Describe your proactive approach to supporting Client/s in remaining compliant with federal and state laws. Do you have a program that supports Sarbanes-Oxley compliance?*

Although the responsibility to maintain compliance with applicable laws remains with the client, operational business unit's work in conjunction with ADP's legal counsel to keep updated on laws and regulations applicable to ADP's service offerings. ADP staffs internal legal counsel who have a strong background in benefits law as well as other specialties. These individuals also manage the internal regulatory compliance group. Internal counsel is up-to-date on regulatory issues via continuing legal education and through their own research.

When these groups determine that there is an impact on the service offering, the applicable change or update is vetted legally, and then given as an alert to the business units. The business and the legal team then work together to determine if the change/update will impact the systems, the processes, or both. The applicable changes/updates are worked through the business side of the house and, when applicable, the business will notify the client of the changes/updates in the service offering.

ADP is committed to providing on-time and accurate tax filing. All statutory requirements pertaining to its services are researched, monitored, and updated in the payroll system by ADP. Full-time ADP associates are solely responsible for monitoring and ensuring ADP's systems allow the client to meet its compliance obligations.

ADP's statutory research group is dedicated to payroll services. This group maintains all statutory tables, calculations, and reporting formats related to payroll.

ADP's agency relations group handles day-to-day communications with the various jurisdictions throughout the United States and Puerto Rico. This group focuses on issues related to payroll tax filing, incident tracers, Form W-2 formats and reporting, wage reporting, wage garnishments, new-hire reporting, and unemployment compensation management.



Our associates keep themselves and plan sponsors informed of regulatory changes that may affect their plans well before the changes take effect by using special communiqués, letters of advisement, client meetings, and informative seminars on key topics.

ADP proactively monitors and evaluates the potential impact of legislative change on our clients and services. We have specialized research associates who focus on unemployment tax, child support management, and new-hire reporting. Our research associates use the Internet to track developing legislation. We belong to numerous trade associations (APA, SHRM, ASPM, National Child Support Association, International Foundation of Employee Benefit Plans, International Society – Certified Employee Benefit Specialists, and ECFC), and we have contracts with legislative and regulatory monitoring services to provide regular updates.

Some legislative/regulatory changes for benefits and payroll are automatically updated into our systems. We pride ourselves on being involved with the regulatory agencies (such as the IRS) and creating standards for areas such as tax filing.

10. *How do you propose to measure call resolution success and how CSRs are meeting commitments to callers/users?*

Our world-class employee service centers (ESCs) are committed to solving employee issues. We use first call resolution as one measurement for how we are delivering service and meeting our commitment to callers/users. Our standard service-level commitment for first-contact issue resolution is 85 percent. Your employees will be served quickly and efficiently, allowing them to focus on their core activities.

In addition to measuring and committing to successful first call resolution, we offer a point-of-service (POS) survey, which is completed via the IVR system to measure caller/user satisfaction. The IVR survey is offered to every employee that calls into the ESC. Employees are asked to rate their level of satisfaction by indicating satisfied, uncertain, or dissatisfied to four questions. These questions measure satisfaction with ADP's promptness in answering the call, the courtesy of the representative, the ability of the representative to answer the employee's question or direct the employee to the correct resource, and the employee's overall satisfaction with the experience.

The ESCs provide Tier 1 service for employee inquiries. The ESCs utilize state-of-the-art CRM software to facilitate our ability to provide stellar service. In one system, we are able to track calls, as well as research ADP's robust Knowledge Base which enables rapid, accurate responses while seeing employee-specific data. A number of other systems support our ESCs enabling priority call handling with high quality.



In addition to the support provided to their employees through the ESC, robust self-service functionality is available to their employees and practitioners through access ADP's Knowledge Base and Inquiry Self Service tools, including:

Knowledge Base Self Service. ADP's Knowledge Base Self Service provides the Participating Entity employees and practitioners convenient, web-based access to policy and procedure-related information. It is tailored to each individual's defined profile (i.e., role and location), as well as to their personal data and any relevant electronic forms (local tax forms, for example). Knowledge Base Self Service includes:

- Web-based access to policy and procedure-related information.
- Content and navigation based on each individual's profile, including division or location serviced.
- Ability to access Inquiry Self Service from ADP's Knowledge Base for the purpose of requesting additional information or to resolve an inquiry.

Inquiry Self Service. The Participating Entity employees and practitioners are able to submit and track service inquiries to ADP using a web-based inquiry tool accessible via the ADP Self Service portal. Inquiry Self Service includes:

- Ability for the Participating Entity employees to submit and modify inquiries on behalf of themselves via the web to the ESC.
- Ability for practitioners to submit and modify inquiries via the web to the Employee Service Center or ADP administration team members, for themselves or on behalf of their employees.
- Ability for the Participating Entity employees and practitioners to view activity status for all publicly-accessible inquiries (i.e., those inquiries not marked as "private") that are submitted via the web or phone by the specific user. NOTE: An employee and/or practitioner may request that ADP mark an inquiry as "private," meaning the inquiry will be suppressed and not be viewable/trackable from within the Inquiry Self Service tool.
- Ability for employees and practitioners to update ESC inquiries via the web for those inquiries submitted by the specific user.
- Employee and practitioner ability to request ADP escalation of an inquiry as appropriate.

11. *Enclose a detailed implementation schedule, detailing specific tasks, responsibilities, and interdependencies. Assume that services begin June 1, 2007.*

Regarding implementation time frames, it depends on many factors including overall solution design, the services procured and complexity of the organization. Overall, on average an organization implementing a full blown HCM (Human Capital Management) solution should look on average for a timeframe of 9-12 months.



12. What rollout communications do you provide within the scope of your HRO projects? Please provide samples. Describe your recommended communication plan for Client/s in 2006 and 2007. Indicate which communication services are included in your proposed fees.

The development of transition-specific communications is not included as a standard component of ADP's solution. However, our implementation methodology includes guiding the Participating Entity through the communication strategy and design stage.

We can provide samples of communications used in prior implementations, as well as help the Participating Entity develop a communication strategy and plan (e.g., the information to be communicated, the timing of communications, the audiences for the communications, etc.

13. Provide an overview of the training and related change management you could provide for both implementation models.

ADP provides change-management services to the Participating Entity to support the transition to ADP's outsourcing services model. ADP recognizes the value of advising the Participating Entity regarding the organizational transformation that accompanies the implementation of ADP's solution. The approach used for this effort is based on recognized change-management best practices.

The Participating Entity manages and maintains responsibility for the organizational transformation that supports the implementation. ADP facilitates exploratory and planning activities with them during the initial phases of the implementation project. Information gathered is used by their Organization to manage the change effort – in conjunction with tools ADP provides in the change-management services toolkit. ADP offers guidance in the use of the toolkit to support the Participating Entity.

Change-management services are critical components of the overall ADP solution as they transition to the ADP service delivery model. ADP provides the Participating Entity with experienced communications, learning and development, and change consultation to support their transition to ADP.

ADP expertise includes:

- Strategic change and organizational development consultation regarding ADP's implementation best practices and tactical change guidance that can be integrated into the Entities' change efforts.
- Guidance regarding implementation communications (including draft communiqués, sample templates, and other communications collateral).
- Assistance with understanding the future role(s) of the Participating Entity resources with advice and thought leadership to them regarding the development of learning prescriptions.

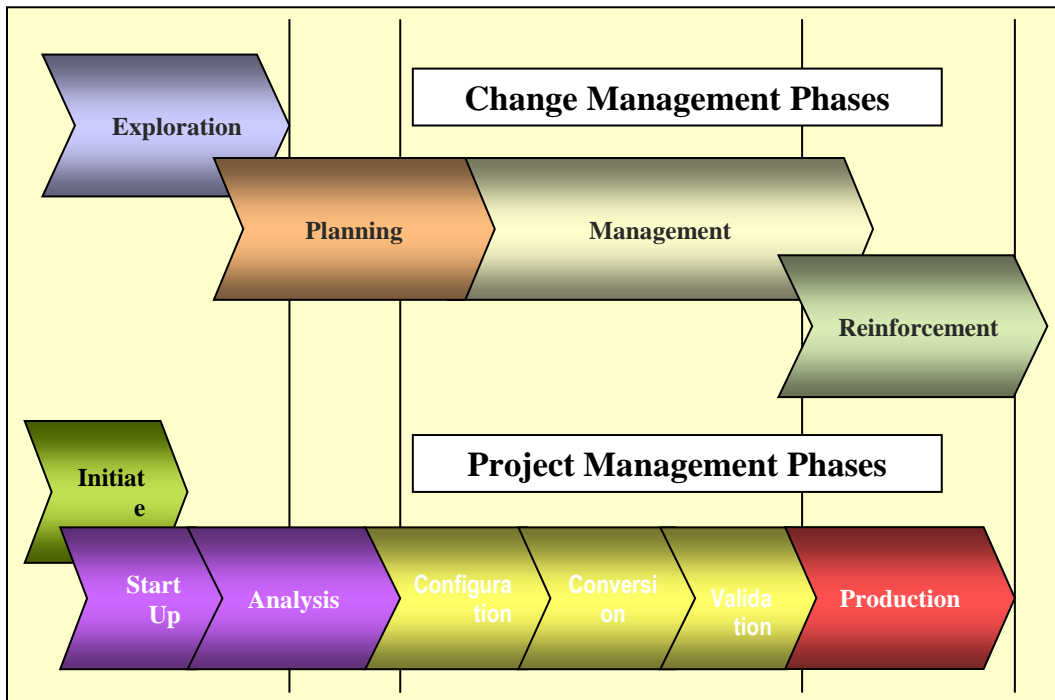


ADP provides strategic action planning that aids the Participating Entity in developing an overall communications approach, a learning and development strategy to meet their education requirements, and a change strategy to proactively manage resistance. This strategy incorporates best practices to maximize acceptance of ADP’s service offering, including actions required of the Participating Entity’ sponsor(s) to ensure success of the program. Action-planning incorporates pragmatic solutions based on HRMS implementation best practices.

ADP supplies standard communication templates that can be used in the communication plan. We staff a primary contact to advise and consult with the Participating Entity regarding the development of communications, learning and development, and change activities.

The Participating Entity is responsible for execution of the change-management plan. ADP provides consultative support to their resource(s) to ensure that appropriate activities are identified in the areas of communication, training, sponsor actions, role alignment, coaching, and/or resistance management.

CHANGE MANAGEMENT SERVICES



Change-management services are deployed in four phases. Each phase accomplishes specific tasks and contains certain components and deliverables:

The **exploration** phase provides ADP and the Participating Entity the opportunity to capture specific input information, which is used to better anticipate and position the success of the implementation. An exploration assessment is distributed to the Participating Entity for completion (to be followed by review and assessment with ADP).



The **planning** phase allows ADP and the Participating Entity to properly consider inputs gathered and proactively develop an appropriate change-management plan. Templates, collaterals, adoption guides, matrices, and checklists provided by ADP can be used. ADP provides strategic action planning that aids the Entity in developing an overall change-management approach. The Participating Entity is responsible for validating the plan with your internal partners. ADP provides consultative support to the Participating Entities' change-management resource(s).

During the **management** phase, the plans developed are executed. Resistance is monitored, and interventions are planned and implemented. The Participating Entity is responsible for managing and executing the plan. ADP provides consultative support to their resource(s) as required to address resistance and possible interventions.

After the execution of the plan, ADP and the Participating Entity assess the effectiveness of the effort and promote sustainability of the change during the **reinforcement** phase. ADP and the Participating Entity review, assess, and document the success of the change. The Participating Entity is encouraged to use results as inputs to future projects (internally and with ADP).

ADP's standard approach is to include change-management services with our solution. An advantage of our solution is that ADP brings many standard templates, tools, communications, and strategies so that we are not starting from scratch. Our experience and tools greatly streamline and enhance the effectiveness of the change-management activities. As part of the pre-sales due diligence, ADP determines if we should increase the amount of change-management activities included with the implementation effort. If so, these efforts are provided at the standard hourly rate.

ADP's education support services group offers a variety of delivery methods such as eLearning, virtual webinar, instructor-led webinar, and instructor-led classroom courses. ADP can also provide private instruction and on-site training for an additional cost.

eLearning classes are delivered over the Internet. These classes can be scheduled at any time and do not require travel. ADP's eLearning classes include opportunities for hands-on practice when the instructor "hands over the controls" to the learner. Although there is no need for special software to complete these activities, we recommend a high-speed Internet connection for the best eLearning experience.

Classroom training runs from 9:00 a.m. to 5:00 p.m. Eastern time depending on the location of the training, and classes average two to three days. Students work at a workstation that has the software loaded. Course lessons have many hands-on activities that allow students to practice the tasks to be performed during implementation. Training schedules are laid out in a progression that matches most implementation projects.

The average size of ADP's classroom training is 6-12 people in each class.



ADP offers training for the implementation project team as well as the end users.

Project team training is available either through eLearning (online training) or through instructor-led training at an ADP training facility. End-user training is available at an ADP training facility or through private training classes.

Private end-user training is available either at an ADP facility or the Participating Entity's' facility for an additional cost.

ADP will work with the Participating Entity to develop training programs and schedules to support the roles and responsibilities of the retained team. These will be developed during configuration and delivered prior to the start of validation. This will permit the Participating Entity resources to exercise their training during validation to reinforce procedures and ensure they are ready for production.

14. *What are the names and main functions of the applications that support the HR administrative services you plan to provide for this project? If there are multiple applications involved, describe the interactions and integration of these applications.*

The proposed solution for Participating Entity in our Comprehensive Outsourcing Service environment would leverage the ADP Enterprise HR solution for payroll processing. The payroll component of ADP Enterprise HR is easy to use and powerful enough to meet our clients' most demanding payroll requirements.

Key features of ADP's solution include, but are not limited to:

- Flexible setup options for all companies/divisions, pay groups, earnings, deductions, tax entities, and related authorities.
- Integration with time and attendance systems and built-in time entry functions.
- Tax and regulatory reporting as well as services to deposit taxes and file quarterly reports.
- Powerful processes to manage scheduled and off-cycle payrolls.
- Lien and garnishment calculations.
- Online checks, manual checks, reversals, and adjustments.
- Mass-change processes.
- Deduction arrears processing.
- Cumulative, annualized, and supplemental taxation methods.

Our solution leverages the flexible web-native technology of ADP's hosting center and the ADP Enterprise HR application. We provide our clients with the control and flexibility needed to effectively manage the payroll process – without having to manage the hardware, software, and back-end production. ADP maintains the server hardware, performs all system maintenance, provides business resumption planning, and supports IT services for any system modifications or interface development. Our infrastructure offers clients unlimited capacity for growth and flexibility.



As part of the ADP Enterprise HR solution, Participating Entity will have access to reporting options.

ADP currently uses state-of-the-art service center technology, including a complete integration of the following applications:

- Case management, Siebel.
- Knowledgebase, Authoria.
- IVR, Periphonics.
- CTI, Genesys.
- Document imaging, File Net.

The web-based ADP Enterprise HR application offers the most advanced technology available for human resources, benefits, and payroll processing. ADP Enterprise HR is built on an n-tier architecture and utilizes a browser at the user workstation. Two user interfaces are supported:

- A JAVA applet for the human resources, benefits, and payroll professional.
- An HTML portal for the employee and manager self-service user.

All of these components are part of one integrated HRMS system for which we have planned and scheduled upgrades. The particular capabilities and technologies of our next upgrade have not been finalized yet so we cannot commit to specifics. But in our next releases of Enterprise HR, we will continue to focus our efforts on six strategic priorities as follows:

- Human capital management.
- World-class payroll.
- Operational efficiencies.
- Business process communication/technology.
- Strategic reporting.
- Benefits.

15. Describe the database used to store Client/s information. Is Client/s data commingled with other customers' data? Is all Client/s data stored in a single or multiple databases?

ADP uses enterprise class commercially available database technology to store application and client information. ADP does not commingle client data and uses multiple databases (LDAP, policy and procedures knowledge base, HR to payroll interface job processing, master file and indicative data) to process and store the Participating Entity information.



16. What is your data retention schedule? Does it differ across functional areas?

All client data is housed within the ADP payroll applications. Generally speaking, data is retained for two years plus the current year. Tax data is retained based on IRS guidelines. Clients have the option to retain data longer than the above mentioned threshold with incremental service fees.

17. Describe your overall testing methodology, particularly around conversion. What are your expectations of Client's involvement in your conversion and ongoing testing (initial development, system/service changes, etc.)?

Our standard test stages are end-to-end tests that use converted Participating Entity data. System integration testing and user acceptance testing are scripted tests (e.g., all test steps are documented on test scripts), which ensures that all business processes are fully validated during testing. Their assigned implementation consultant will work with them to develop test scenarios.

Parallel testing is not an ad hoc (scripted) test because testing results must be reconciled against production results. Ad hoc (scripted) transactions introduced into the parallel processes contaminate results for comparison to production. In lieu of test scripts, parallel testing uses production transactions to achieve comparable results.

Interfaces are validated in two (or more) test stages – depending upon the timing and significance of the interface. All payroll-critical interfaces are included in the user acceptance test and parallel test stages. This process ends with the successful parallel processing and approval by ADP's and the Participating Entity' project teams.

18. Describe your ad hoc reporting capabilities, including report-writing capabilities for Client/s staff. Do you provide a data warehouse or use the production system for ad hoc reporting?

The proposed ADP system is delivered with a variety of powerful, yet flexible, reporting capabilities, including ad hoc reporting tools, query functionality, and numerous pre-built reports embedded in the application.

After each payroll processing, ADP will deliver to the TCPN Participating Entity a variety of standard reports with detail and summary-level payroll and tax data. Reports delivered with ADP's solution can be modified to suit our clients' needs, or ad hoc reports can be created via our delivered report-writing tools:

- The eQuery tool is an integrated, simplified query tool designed to meet the needs of HR, payroll, and benefits professionals. Administrators can select data, filter data using common logic functions, summarize data using aggregate functions, sort data on up to three fields, and extract data to Excel.



- ADP Reporting is a web-native ad hoc reporting solution that was architected by ADP and includes a scheduling component to automate reporting executions (jobs). ADP Reporting allows users to extract report results in a variety of formats (including HTML, PDF, Excel, CSV, TXT, and XML).
- SQR. SQR tools can be used to produce complex reports or file extractions.
- ADP provides database-level security to enforce a user's security restrictions even when he or she is using the reporting tools.

19. How frequently is your system upgraded? What involvement is required from your Client/s administration team? From Client/s? Describe the process by which your clients can provide input and suggestions for future service/system releases.

ADP's BPO solution includes all application and IT hosting services to clients – hardware and software support, disaster recovery, and software design and upgrades.

Most point release upgrades are made available every 18-24 months. As a standard, the Participating Entity would receive one major upgrade in a five-year contract. Documentation is provided for any and all changes to the system.

ADP has developed a systematic approach to the periodic maintenance of all supported releases of our products. The types of maintenance releases are determined by the type of ADP application the Participating Entity is using and the terms and conditions outlined in their ADP Master Services Agreement. Examples of application maintenance releases are:

- Ad hoc maintenance releases. These smaller fixes (also called “patches”) are delivered on an as-needed basis. This category includes isolated fixes and special enhancements.
- Quarterly maintenance releases. Quarterly releases are more comprehensive and cover a wider spectrum of enhancements.

As part of our hosting service, ADP evaluates and applies maintenance releases to the Participating Entity' environment as needed in accordance with the Participating Entity ADP Master Services Agreement. As a client, their participation in the process is necessary in the following areas:

- Communication. ADP works with them to determine the time frame for applying the release. They advise their internal team(s) regarding the impact to the system and operations.
- Review of release. ADP provides them with detailed information concerning the content of the release to aid them in defining test scenarios applicable to the modified areas of the product.
- Testing. ADP works with them to coordinate testing scenarios and end-to-end testing (where applicable).
- Sign-off/acceptance. ADP seeks direct authorization from the Participating Entity prior to converting any maintenance releases into production.



ADP continues to make significant investments in research and development and functional HRMS enhancements. ADP is recognized as a leader in delivering the most innovative HRMS solutions in the marketplace. ADP delivers information regarding upcoming functionality to our clients to help them plan and prepare to utilize the new functionality as it becomes available. In some cases, certain clients elect to participate in client forums to provide input with regard to future HRMS enhancements.

20. Describe your business continuity plan, including:

a. Your backup recovery system and hot site capabilities

Please see **Exhibit 6**, hosting services DR plan executive summary for a description of ADP's disaster recovery and business continuity plan.

b. Ability to re-establish administrative operations, including telephones, personnel, office space, etc.

Please see **Exhibit 6**, hosting services DR plan executive summary for a description of ADP's disaster recovery and business continuity plan.

c. Standard guaranteed number of days to be up and operational following a disaster

Please see **Exhibit 6**, hosting services DR plan executive summary for a description of ADP's disaster recovery and business continuity plan.

d. Frequency and results of testing.

Please see **Exhibit 6**, hosting services DR plan executive summary for a description of ADP's disaster recovery and business continuity plan.

21. Describe the charges you pass through to clients (travel, stationery, postage, etc.). Please provide rates for each charge item. Items you fail to list will be assumed to be included in your fee quotes above. Please also provide budget estimates, by pass through cost item, for the implementation and for the first and second years of ongoing administration.

Pass-through expenses consist of third-party charges incurred by ADP on behalf of the Participating Entity in connection with the services. These expenses are billed at cost and may include a nominal administrative charge. For example, postage will include a per-item charge above the USPS rate for ADP's internal cost to prepare the items for mailing. Travel expenses are always billed at ADP's cost.

The following are examples of pass-through charges:

- Travel and expenses.
- Postage (U.S. mail).
- Third-party shipping and overnight delivery.



- Language line support.
- Hearing impaired support.
- Third-party printing expenses (custom communications).
- URL and domain fees.
- Delivery expenses.

Pass-through expenses are typically included on the invoices with regular ongoing fees and invoiced one month in arrears. If the client requests the charges to always appear on a separate invoice, ADP can accommodate this request.

22. *What is the schedule for collecting conversion fees? When will ongoing fees begin for HRO services?*

ADP typically invoices conversion fees on a monthly basis throughout the conversion time period. However, we are open to alternative approaches to the collection of conversion fees including the deferral of collection on a monthly basis throughout the life of the BPO services.

Ongoing fees for HRO services are invoiced on a monthly basis will commence when the BPO services begin, prorated for any partial month. Typically our BPO services begin two weeks prior to the first pay date.

23. *Are ongoing fees invoiced on a per employee, per month basis? If not, how are fees determined?*

ADP will incorporate all charges into a per-employee, per-month (PEPM) fee.

24. *What is your understanding of the functions/responsibilities that will remain at Entity's location? Related to payroll? HRIS? Compensation? Performance Management? How do they differ from the Scope of Services documentation?*

We will work with the TCPN Participating Entity strategic HR/payroll, TLM, and benefits thought leaders to optimize processes and service delivery with the focus primarily on the ADP scope of service for payroll and TLM. The Participating Entity will be provided the tools to accommodate HR, Compensation Management and Performance Management as stated above. The administration of those modules will remain the responsibility of the Participating Entity.

ADP offers a host of standard operating procedures (SOPs) utilizing industry best practices. These SOPs encompass processes related to HR, payroll, and time and labor. Having a standard set of processes that cross multiple system offerings provides more efficient processing, fewer system customizations, and a reduced error rate. ADP has created a set of more than 100 SOPs that form the foundation of our BPO processes. Although our standards are sometimes modified to meet a particular client's needs, using these standards as the starting place enables us to provide consistent, efficient, and streamlined services to all clients.



Client-facing SOPs will be reviewed with the Participating Entity during implementation so, if needed, changes can be made to reflect the client tasks within the SOPs. If ADP tasks need to be modified, we take an additional step of ensuring there is agreement on those changes from necessary groups (i.e., operations).

Client retained team staffing levels vary based on client adoption of ADP's SOPs. As we progress through the sales process and early stages of the implementation, the client staffing levels begin to take shape. As incremental services are added to the BPO solution (i.e., HR, health and welfare, and time and labor management), economies of scale offer positive impact to the client retained team staffing levels.

Following is a sample list of retained team activities:

- Coordinates payroll policies and strategic direction.
- Manages appropriate contact listings (approvals, etc.).
- Ensures accurate and timely payroll submission to ADP payroll team.
- Ensures that internal controls are established and maintained on a continuing basis.
- Notifies ADP of potential call drivers.
- Notifies ADP of any policy changes or employee communications.
- Notifies ADP regarding any business rules and/or changes to the standard operating procedures (SOPs).
- Plans, coordinates, and manages vendor administration.
- Participates in monthly/quarterly reviews of service metrics.
- Manages internal “client” service partners.
- Drives any changes to the SOW and system configuration through the change-control process.
- ADP General Ledger/ad hoc reporting.

25. *What will constitute out-of-scope activity? Provide examples.*

Once we complete the proper analysis on the TCPN Participating Entity requirements, ADP will document those in the Statement of Work (SOW). This document will contain all services and solutions agreed to by both ADP and TCPN. If TCPN later determines there are additional services and/or solutions required, they will be considered “out of scope” and the request will be evaluated and assessed by our implementation team for reasonableness and overall risk to the project implementation. If those services and/or solutions are added to the scope of the project they would be subject to the change control process outlined in the Master Services Agreement (MSA).



26. *What services will be provided to Entities by offshore resources? Are you or a third party providing these services? If by a third party, what are the associated service level agreements? What additional safeguards have you taken to insure privacy of the data being accessed or stored offshore? Will you consent to get Entity's agreement before offshoring any future functions?*

ADP's proposal assumes that all ADP resources that are "Participating Entity -facing" and "Participating Entity -employee-facing" will be from locations in North America. Some of the back-office functions may be provided by ADP from our offshore locations; those functions may include, but are not limited to, interface management, manual checks, and garnishment processing. (Please note that all offshore locations are ADP facilities which are staffed by ADP associates – ADP does not use a third party service provider for its offshore locations. Currently those offshore locations include Hyderabad, India; Pune, India; and Manila, Philippines.)

ADP is providing all services, except for the Unemployment Compensation Management and the Employment and Wage Verification Services ("UCM/VS"). The UCM/VS services are provided by TALX Corporation through a partnership with ADP. ADP's contract and fees will include the UCM/VS services so the Participating Entity does not have to maintain multiple vendor relationships.

In addition, ADP is committed to providing cost-efficient, high-value service to our clients. Part of this strategy is to employ high-quality associates wherever they are available. We have a number of facilities (in the U.S. and abroad) that provide client-facing and back-office administration services. No matter the location, each of our solution centers is staffed by ADP associates who all receive the same training and are held to our rigorous quality standards.

Our offshore-smartshore strategy is primarily focused on supporting our growth and our clients. Our outstanding performance requires that we look for ways to increase capacity and productivity, while maintaining our reputation and ability to deliver world-class service to our clients.

With this in mind, here are some of the specific activities which are currently underway to enable us to leverage offshore-smartshore locations:

- Our associates in Hyderabad, India and Pune, India provide support to a variety of ADP businesses and have been doing so for many years. The nature of the services provided from these locations falls broadly into three categories: (i) Product Development – includes the development/maintenance and support of ADP's own applications and products; (ii) IT Enabled Services – the back-office administration through which ADP delivers its services; and (iii) Solution Center Services – contact centers that provide support on ADP's products and services.

In addition, Pune will serve as a business continuity site for our Hyderabad location. These shared service facilities enable us to leverage skilled resources across multiple time zones while leveraging the economies of scale. Strategies like this will help us to meet the growth needs of our business with efficiency, deliver timely products and services to our clients, and continue to build long-term relationships as the business partner of choice.



Data storage for the proposed services assumes all client data resides on servers in ADP data centers located in North America. Data accessed by ADP associates from offshore locations include security measures for physical access to the ADP facility (e.g., associates in our off-shore locations cannot bring personal items into the facility – cell phones, paper, removal media – and associates are searched for such items prior to entering and upon exit of the facility) and computer terminals that access client-data through Citrix sessions and do not allow removal media to be used on the computer terminal so all Participating Entity data remains in North America, but is only viewed by the associates in offshore locations through the Citrix session.

ADP will consent to get the TCPN Participating Entity agreement before any client or employee-facing functions are moved to offshore locations.

27. *How do you typically provide services to your clients - strictly outsourcing and/or off-shoring? Have you contemplated joint ventures? Do you have examples of high-level implementation successes?*

ADP is committed to providing cost-efficient, high-value service to our clients. Part of that strategy is to employ quality associates wherever they're available. We have a number of facilities, both in the U.S. and abroad, that provide client-facing and back-office administration services. We do offer clients the option of having services provided by our ADP owned resources abroad in addition to resources located in the U.S. We partner with our clients to ensure we are meeting their needs both from a service delivery and cost perspective. ADP BPO has a long history and track record of implementation success and can share these examples and provide references upon being selected as a finalist in your evaluation.

28. *In what geographies (states, provinces, countries) do you currently have operations? This may include geographies where you perform services that are not within the scope of this RFI.*

ADP has operations in hundreds of offices across more than 30 countries around the globe. Our 51,000 employees worldwide support payroll and human resources services in 74 countries. Please see **Exhibit 8** for a map of ADP's global presence.

29. *What "bundles" of payroll and HR related work have been the most successful in terms of productivity, quality, and cost improvements? What opportunities would you suggest currently not listed in this RFI?*

The most efficient model is to have ADP hosted human resources, payroll, health and welfare, and time and labor applications. The ability to provide an integrated suite of services from one provider reduces data inconsistencies, multiple interface requirements, and timing associated with employee data changes or updates. With our integrated solutions, employees have real-time access to their data. We believe the highest performing companies execute human capital management comprehensively, and benefits administration is a key component of HCM. The results of ADP's approach to benefits administration are lower costs and improved productivity, compliance, and employee engagement.



We believe ADP is best positioned to assist the Participating Entity in executing its benefits strategy because we are experts in the key areas of human capital management (benefits, payroll, TLM, and HR).

In addition, ADP offers a host of standard operating procedures (SOPs) utilizing industry best practices. These SOPs encompass processes related to HR, payroll, and time and labor. Having a standard set of processes that cross multiple system offerings provides more efficient processing, less system customizations, and a reduced error rate.

Although an integrated, single provider approach is a best practice, ADP also has a significant number of highly successful client relationships where we provide just payroll services, or a combination of payroll and time and labor management.

30. In what areas of your business are you most eager to grow your capabilities and competencies?

ADP estimates that 75 percent of the potential market for outsourcing is untapped. We are committed to enhancing our current solutions and developing new solutions to meet the needs of the outsourcing marketplace.

GlobalView is an exciting new payroll and HR solution that uses SAP Human Capital Management software as an underlying platform. This solution, operating today in 30 countries, is designed to serve global and multinational clients. It represents a very large and important opportunity.

ADP’s entry into China and Asia Pacific is another strategic step for ADP. China, which is by far the most important developing market in the world, is a key growth opportunity for ADP. We opened our first two representative offices in China this year. Our Shanghai facility includes staff to support our GlobalView payroll and HR offering.

International growth is important to our future expansion plans. However, while we will actively pursue international growth, we also remain committed to growing and serving our North American client base.

General Service questions: For each area that you have checked, indicate the following (provide separate answers for each function you have checked including those functions provided through a third party.):

1. Have you provided this service to customers before, or will this be the first time that you are performing it? With specific reference to the appendix of this document, have you previously performed all elements of this service as defined by Client? Please indicate those elements you have and have not performed previously.

Payroll processing	since 1949.
Management reporting	since 1949.
Payroll administration	since 1949.



Institutional billing	since 1955.
Tax credit services	since 1970.
Unemployment compensation management	since 1977.
Call center services	since 1983.
Human resource management systems	since 1983.
Total compensation statements (paper)	since 1983.
HR/payroll-related application hosting	since 1984.
COBRA/HIPAA administration	since 1986.
Screening and selection services	since 1986.
Health and welfare administration for active employees and retirees	since 1986.
Dependent verification services (requesting proof of dependent status as part of H&W)	since 1986.
Executive deferred compensation plan recordkeeping	since 1986.
Defined contribution plan recordkeeping	since 1989.
Health and welfare annual enrollment services via IVR	since 1989.
Advocacy administration	since 1990.
Carrier enrollment reporting and premium disbursement	since 1992.
Employee enrollment communications	since 1992.
Tuition reimbursement	since 1993.
Time and labor management	since 1993.
Flexible spending account administration	since 1986.
Print services	since 1995.
Total compensation statements (online)	since 1996.
Web-based benefit applications	since 1996.
Leave administration services	since 1996.
I-9 administration services	since 1996.
Stand-alone tax services	since 1997.
HR administration	since 1997.
Wage garnishment processing services	since 1997.
Commuter benefit plan administration	since 1998.
Comprehensive outsourcing services ("BPO")	since 2000.
VE Professional (talent acquisition/recruiting)	since 2000.
Procure-to-Pay solutions (P2P) (also known as Accounts Payable)	since 2000.
TotalPay card	since 2002.
ADP PayForce	since 2003.
FSA debit card (used to be stored-value card)	since 2003.
ADP General Ledger (GL)	since 2003.
VE High Volume (high volume talent acquisition/recruiting)	since 2003.
ADP Self Service (Portal)	since 2004.
Limited purpose flexible spending account (LPFSA)	since 2005.



VE Salute (onboarding)	since 2005.
VE Pilot (talent sourcing)	since 2006.
Dependent verification services (including one-time audits and as a standalone solution)	since 2006.
Electronic I-9 integrated with E-Verify solution	since 2006.
Verification Services (offered only to BPO at this time)	since 2006.
Verification Services (now offered to AutoPay as well)	since 2007.
Screening and selection services using the web "Select" tool	since 2009.
Talent Management (via partnership with Cornerstone OnDemand)	since 2009.

2. If you have provided this service before, how long have you been providing it, and for how many customers (include number of clients, geographies serviced, volume of transactions, and where appropriate, number of employees serviced and number of dedicated vs. shared resources)?

Please refer to our response to Question 1 above. ADP provides solutions to 570,000 clients worldwide across all lines of business.

3. What facilities and assets, up to and including IT assets, do you operate to support this service? Where are they located? How large are they? Are all facilities and assets providing this service to the client COPC, CMM, ISO and Six-Sigma certified, where relevant?

ADP National Account Services clients are supported by a network of world-class processing, hosting, and client service centers.

HR/payroll services. ADP has solution (client service) centers located in La Palma, California; Pleasanton, California; Roseland, New Jersey; Chicago, Illinois; Salt Lake City, Utah; Elk Grove, Illinois; Louisville, Kentucky; Des Moines, Iowa; El Paso, Texas; Bothell, Washington; Augusta, Georgia; Florence, South Carolina; Alpharetta, Georgia; Hyderabad, India; and Pune, India. In large part, the geographic proximity of the client will determine the processing and solution centers that will directly support the client administrators and employees.

ADP supports an additional 30 regional print and production centers that can be utilized in the event of an emergency.

ADP's wholly owned and managed, ISO27001-registered hosting facilities are located in Georgia and South Dakota. These facilities support our HR, payroll, benefits, and timekeeping application services, while third-party commercial hosting facilities are leveraged for ADP Talent Solutions offerings.

Talent solutions. Our talent solutions are delivered via service centers located in Newtown, Pennsylvania; Fort Collins, Colorado; Florence, South Carolina; and Alpharetta, Georgia.



Time and labor administration. Support for ADP time and labor is provided from Jacksonville, Florida.

Benefits administration services. ADP has dedicated benefits services offices in Salt Lake City, Utah; Des Moines, Iowa; Louisville, Kentucky; El Paso, Texas; Boise, Idaho; Hyderabad, India; Pune, India; and Manila, Philippines. Although these offices are separated by location, our technology, call-routing systems, and matrix management allow locations to operate cohesively.

Depending on the Participating Entity's specific solution, health and welfare calls may be processed in Des Moines, Iowa; Salt Lake City, Utah; Marlborough, Massachusetts; or Boise, Idaho.

COBRA/FSA calls are processed in a virtual call center environment. FSA claims and COBRA administration offices are centrally located in Alpharetta, Georgia, with processing offices at our ADP India locations.

All ADP facilities and assets providing this service to the client are not COPC, CMM, ISO or Six-Sigma certified.

4. *What are the relevant regulatory/legislative compliance standards and criteria relevant to this function (for example, GAAP, Sarbanes-Oxley, SAS 70, etc.)? How do you ensure compliance? Have any of your clients been given deficiencies of any level for services you were providing at that time?*

ADP is committed to complying with all of the requirements of the Sarbanes-Oxley Act that apply to ADP as a publicly traded company. Among other things, the Act requires the CEO and the CFO of public companies to certify their periodic financial statements, evaluate their internal controls, maintain effective internal and external audit procedures, and avoid certain financial dealings with their corporate officers. ADP welcomes these new corporate standards, and we comply with all of the Act's requirements that are applicable to ADP.

We recognize that payroll, HR administration, and benefits administration play an important role in the accuracy of our clients' financial reporting, and many of our clients have concluded that these processes fall within the scope of their company's Sarbanes-Oxley project. As such, these processes require extensive controls documentation, testing, and remediation under Sarbanes-Oxley.

Companies that choose to keep these functions "in-house" are required to carry out this costly effort every year. For those companies that choose to "outsource" to ADP, the cost and effort to document, test, and remediate controls for these processes can be substantially reduced through the use of ADP's carefully designed Service Organization Control 1 Type II reports (compliant with the SSAE 16 standard); these reports are also known as SOC 1 reports.



ADP assists our clients in their efforts to comply with Sarbanes-Oxley by providing SOC 1 reports for all of our major product/service offerings. These reports are produced by a leading public accounting firm in the United States. There is no charge to our clients for any routine SOC 1 report. SOC 1 reports are designed to be used by our clients (for their internal and external auditors) to evaluate the effectiveness of controls in operation at ADP.

ADP Employer Services has 30 product/service offerings with SOC 1 reports in the U.S. Most of our reports are issued two times per year (with March 31 and September 30 report dates). This is in direct response to our clients' request for reports that are more timely and dated closer to their company's fiscal year-end. The reports dated March 31 will be available on or about May 15, and the reports dated September 30 will be available on or about November 15. Since there is no charge to the client for these reports (there are some limited exceptions), the savings over in-house processing can be substantial.

For our clients with significant operations overseas that are serviced by Employer Services International, ADP (starting in 2005) began to issue reports in accordance with SSAE 16 (or equivalent) standards for many of our non-U.S. based product/service offerings as well. ADP is committed to working with our clients to meet their internal control requirements with respect to their foreign operations.

5. *Provide an overview of how you typically manage this function with your customers and your projected model for:*

a. *Roles and responsibilities/corporate governance*

ADP management and our independent auditors conduct audits to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations.

ADP also has an Audit Committee that assists the Board of Directors in fulfilling its oversight responsibilities with respect to:

- The Company's systems of internal controls regarding finance, accounting, legal compliance, and ethical behavior.
- The Company's auditing, accounting, and financial reporting processes generally.
- The Company's financial statements and other financial information provided by the Company to its stockholders, the public, and others.
- The Company's compliance with legal and regulatory requirements.
- The performance of the Company's corporate audit department and independent auditors. Consistent with these functions, the Committee encourages continuous improvement of, and fosters adherence to, the Company's policies, procedures, and practices at all levels.



The Audit Committee meets on a quarterly basis or more frequently as circumstances require.

b. Process flows and degree of automation

ADP recommends our self-service solutions to maximize the automated flow of information and improve the productivity of employees and managers.

c. Customer interface, including IT interface

ADP's implementation methodology incorporates detailed analysis which includes the documentation of all clients and IT interfaces. ADP resources are assigned who specialize in interface analysis, develop, testing and life cycle support. ADP uses automated scheduling and monitoring software to streamline the flow of inbound and outbound interfaces under contract.

d. Audit and quality control (key metrics such as cost per transaction, error rates, etc.). Please provide quantitative data where applicable.

ADP's systems and processes are SOC 1 compliant. Quality is core to our services and is monitored and surveyed on a regular basis.

e. Service Level agreements to meet and exceed Participating Entity's service agreements.

ADP will develop a service level agreement based on the services purchased.

6. Describe your internal communications processes and the ability of your customers to manage/influence content.

ADP uses a system called Clarify, which is CRM product that addresses management of all client communications. Our Client/User Advisory Board has great influence on procedures and any changes that are required.

7. What IT system(s) do you prefer to use to support this function? What type of support do you provide to clients for these systems? Will you utilize client-preferred systems, i.e. ADP platform, and if so, under what parameters?

Please refer to the Clarify system discussed in our response to Item 6 above. We provide extensive education around these processes to ensure solid communication between ADP and our client base.



8. Related to this function, from what other IT systems do you have experience migrating customers?

ADP has service relationships with over 550,000 clients worldwide and has extensive conversion experience with all major HR, Payroll, Talent Management and Benefits Administration systems in the marketplace. In addition, ADP has extensive experience converting data from proprietary and non-major systems of record.

9. What is the typical timeline to migrate fully and successfully this service, with or without related IT, from the client to your company?

Depending on the solution set being implemented, a three- to nine-month timeline would be typical. ADP has a proven track record of quickly migrating clients. The timeline is dependent on the complexity of the solution set.

10. Please provide case studies relevant to this service.

Please refer to **Exhibit 9** for case studies on Tulare County, the City of Baltimore, and for the Consolidated School District.

Additional Services

Additional Services may include Third Party HR Administration, Employee Screening, Business Process Re-engineering, IT Process Re-engineering as it complies with Payroll, Screening of Benefit Eligibility and other Managed Services.

ADP Employer Services handles employee-related functions that require extensive processing, recordkeeping, technology, and up-to-date best practices. These core services include, but are not limited to:

HR/payroll administration solutions

Global solutions. ADP offers global service solutions for payroll processing and human resource administration. Our most comprehensive solution is powered by the SAP Human Capital Management (HCM) platform and combines the robustness of an international, flexible, and powerful platform with ADP's outstanding record of serving clients, rapid implementation, and unrivalled commitment to compliance and results.

We also offer a global service solution for payroll and HR administration that combines ADP's and partners' best-of-breed payroll offerings into a single service. Delivered in over 70 countries, ADP provides consolidated reporting, standard connectivity, working language, and a single point of contact and service definition for companies with smaller populations in countries spread across the globe.



Business Process Outsourcing services (BPO). The ADP BPO solution is a full-service HR business process outsourcing solution that is designed to help large companies reduce costs, improve service levels to employees, and manage risk. BPO is a logical evolution of ADP's traditional HR, payroll, and benefits expertise. With ADP BPO, ADP handles back-office and front-office services – wrapping traditional transaction processing services in comprehensive administration and solution center support. ADP administers all services using our proven systems and operations. By choosing the ADP BPO solution, our clients obtain business-critical HR solutions and integrated service delivery from one provider.

Human resource management systems. ADP's HRMS offers comprehensive functionality. The robust HRMS enables our clients to:

- Manage employees through their employment cycle, including: recruitment, job assignment, compensation, performance and development, accidents and incidents, leaves, and separations.
- Administer critical HR policies, including compensation structures and salary budgets.
- Anticipate the impact of restructuring with integrated organization charting and modeling.
- Assist clients in managing their mandatory compliance issues, including: ADA accommodations; FMLA tracking; and EEO, VETS, and OSHA reports.

Self-service functionality. ADP Self Service enables managers and employees to off-load administrative burdens by having greater autonomy through web-based, self-service functions. Employees can view and update their own personal information through the Internet or company intranet. Managers can more efficiently model departmental budgets, manage employee competencies, and conduct performance evaluations from anywhere at any time.

Application hosting services. Application hosting services minimizes demands on IT and networking departments by leveraging ADP's leading national hosting services. ADP supports the HRMS and related ADP applications, including network connections, data center management, and complete IT maintenance (such as upgrades and database management). In addition, ADP provides all of the implementation services such as installation of the operating system, database, and applications – as well as any needed customizations to the HRMS.

Implementation support. ADP offers flexible implementation options that are tailored to our HRMS clients' organizational requirements. Clients who are driven by the need to quickly realize a return on investment can leverage our renowned, proprietary methodology that delivers successful, on-time execution to our satisfied clients. Organizations that require a dedicated project management resource or immediate adaptations to the HRMS solution to meet specific needs can leverage ADP Professional Services for more complex implementation requirements.

Payroll services. ADP offers the broadest set of payroll-related services in the industry. These services can be purchased "a la carte" according to each client's needs, or our clients can enjoy the synergies of working with a single vendor as a partner for all HR/payroll and benefits needs.



Banking services. ADP Banking Services consolidates payroll banking processes with ADP to minimize our clients' exposure to check fraud, streamline funds disbursement, and simplify reconciliation. Banking services can be used in conjunction with our payroll processing services or as an addition to an in-house payroll system.

New-hire reporting. As the nation's leader in payroll and payroll-related services, ADP has developed a system that ensures prompt, accurate filing of all new-hire reporting information – regardless of the number of states of operation. ADP's new-hire reporting allows for newly hired employees to be properly reported to the appropriate state agencies according to each state's methods and guidelines. ADP maintains historical information, tracks compliance, and responds to state inquiries.

Payroll communication services. ADP's payroll communication services eliminate the time-consuming work of preparing, monitoring, collating, and distributing pay instruments and tax forms. Outsourcing printing to ADP cuts equipment costs without requiring changes to software, schedules, or processes.

Time and labor and expense management solutions

Time and labor management services. ADP's time and labor management solutions yield an immediate return on investment through faster, more accurate payroll processing and tighter control of employee time. Our clients reduce labor costs through better workforce management; improve efficiency; and enhance strategic decision-making through real-time access to timely, accurate information.

Expense management solutions. ADP has partnered with Concur Technologies, Inc., the leading provider of corporate expense management solutions. Through our alliance with Concur, we have been able to provide our clients with best-in-class travel and expense management solutions that are designed to meet the needs of companies of all sizes.

Talent acquisition/management solutions

Talent acquisition and recruiting. ADP Talent Solutions offers the ability for our clients to manage the entire staffing lifecycle from sourcing, applicant tracking, onboarding, background screening, electronic I-9 administration, and tax credit screening and administration:

- **Applicant tracking/recruiting.** Supports the recruitment of the exempt and non-exempt workforce and distributes hiring management activities.
- **High-volume applicant tracking/recruiting.** Supports the recruitment of the always-open, need-driven positions and provides an automated hiring solution that combines applicant tracking, prescreening, rehire eligibility tracking, tax credit capture, and payroll integration into one system.
- **Sourcing.** Combines the power of conceptual search on the open-source Internet with artificial intelligence for a powerful sourcing tool – along with a user-friendly contact relationship management and email marketing tool for recruiters.
- **Onboarding.** Supports the successful onboarding process of new hires, which allows them to make an impact faster.



- **Background screening.** Offers convenient ways to collect applicant information, extensive background screening solutions, and accurate background screening results delivered in a timely manner. Our automatic system alerts, HR help desk, client audits, and compliance updates are designed to assist our clients with all their compliance obligations under hiring and data privacy laws.
- **Electronic I-9 services.** Manages the entire I-9 process electronically (form processing/completion, authentication of individual providing the electronic signature, storing, tracking, updating, and reporting) through our easy-to-use, web-based application. Our service reduces the risk of hiring illegal immigrants by integrating with DHS “basic pilot” (optional value-add).
- **Tax credit services.** Helps clients realize the various financial incentive programs created by federal, state, and local governments to influence behaviors that stimulate the economy. These programs include various federal credits, demographic credits (WOTC/WTW), federal geographic credits (EZ/RC), state credits, research and development credits, training credits, and property tax abatements.

Talent management/development services. The ADP Talent Management offering is a fully integrated, configurable solution that bridges the gap between employee development and employee performance. It enables clients to increase workforce productivity, fill skill gaps, increase visibility into employee performance and productivity, link performance and pay, improve employee retention, lower administration and training costs, and plan for long-term organizational health. ADP’s solution allows clients to roll out virtually any combination of the following features:

- **Learning.** State-of-the-art learning management functionality streamlines administration, delivery, and tracking for learning programs. Key capabilities of the learning feature include e-Learning delivery, instructor-led training administration, virtual classroom, content management, and compliance management.
- **Performance.** The performance feature delivers tools to assess and impact individual and organizational performance. Delivered tools are available to assist with goal alignment, performance reviews, competency assessments, and development plans.
- **Compensation.** The compensation feature enables clients to tie together critical processes, including training, appraisal, and organizational goals in order to develop a real pay-for-performance culture. Tools assist clients with compensation plans, allocation of compensation, bonus and equity planning, and access to market salary data.
- **Succession.** Succession management features enable clients to aggregate individual strengths to improve overall organizational capabilities. Key functionality includes succession management plans, configurable nine-box grids, career profiles, team/work group building, and internal recruiting.
- **Social networking.** By encouraging collaboration and making it easy to join communities of practice, social networking fosters informal learning, organizational memory, professional networking, and better communication across an organization’s employee base, as well as across the extended enterprise. Key features of the social networking tools include rich user profiles, community building, blogs, wikis, and web-based and on-demand podcasts.



Benefits administration solutions

Health and welfare administration services. ADP provides a single point of contact that simplifies benefits administration. ADP's expert, dedicated account teams and solution center support provide the necessary assistance. Integration with ADP HR/payroll services reduces double entry of data and facilitates communication. ADP develops benefits solutions that help our clients attract and retain the most capable employees in an economical, efficient way. Clients may choose from any of our world-class services and options.

Employee self-service functionality for benefits administration. The charge for HR departments to do more with less – and the desire of employees to have convenient access to their benefits data – have resulted in increased demand for web-based employee self-service functionality. In the midst of decreasing headcount for HR and the expectation to become more strategic, self-service capabilities are clearly an HR administrative choice.

Participant solution center. Innovative technology and systems are only one component of ADP's health and welfare benefits administration solution. Trained HR professionals serve as a natural extension of our clients' HR organizations. Through our world-class participant solution center, ADP provides one-stop shopping for HR, benefits, and payroll questions.

COBRA services. COBRA compliance is not easy because laws constantly change. The law is difficult to interpret, and it's even more difficult for employers to determine the administrative procedures that must be implemented in order to maintain compliance. ADP's COBRA administration solution is designed to assist clients in adhering to government regulations that apply to their business processes and provides an end-to-end solution, which relieves employers of this administrative burden.

Dependent verification services. Auditing dependent data to request proof of dependent status is an intensive manual effort and requires much coordination between the employee and employer. ADP's team of dedicated professional's acts on behalf of our clients to request proof of dependent status based on the types of audit(s) selected. These one-time or ongoing audits help clients control costs by ensuring company benefits are being offered only to eligible dependents as defined by each client's specific benefit policies.

Flexible spending account services. ADP processes FSA benefits accurately and efficiently. Our experienced administrators adjudicate claims, disburse reimbursements, and run regular audits to ensure efficient management of FSA data and processes. The ADP FSA debit card option gives participants immediate claim reimbursement and added convenience.

Limited-purpose FSA services. As a companion plan for a health savings account, ADP processes LPFSA benefits that provide coverage for dental, vision, and certain preventive care expenses that are not fully covered by insurance. This pre-tax reimbursement account offering is another cost-saving solution that ADP clients can offer their employees.



Commuter benefits administration. ADP commuter benefits services can encourage employee use of pre-tax dollars to pay for mass transit, vanpool, and parking expenses. Commuter benefits incentive program accounts give employees a tax-advantaged means to pay for transportation costs and help our clients realize substantial payroll tax savings.

Online and printed total compensation statements. Employees want to see how much they are valued. ADP can do this for our clients – automatically. Our versatile, personalized total compensation statement is a resource employees can use to understand their total compensation, including the value of their medical, dental, spending accounts, and so much more. In addition, ADP can work with our clients to show employees what their 401(k), pension, retirement income, and more will look like in the future. Total compensation statements can be offered online or printed in full color and delivered directly to employees' homes.

Employee communication services. Our clients can leverage ADP's employee communication services to heighten employee awareness of the investment our clients make in their employee benefit programs. ADP can provide employees personalized enrollment worksheets, confirmation statements, enrollment guides, and compensation statements (among other forms of communication).

Leave of absence administration. ADP Leave Administration Service adds value for companies that are concerned about: applying a leave policy fairly and consistently; complying with FMLA, the Americans with Disabilities Act, and state workers' compensation regulations; and properly documenting compliance with various government agencies.

Retirement services and solutions

401(k) plans. ADP Retirement Services offers employers a strong suite of tax-advantaged programs from 401(k) plans to executive deferred compensation and a payroll deduction program for Section 529 college investment plans.

Executive deferred compensation. ADP's experienced executive deferred compensation team is dedicated exclusively to nonqualified plan administration. We understand the complexities associated with these benefits. ADP's recordkeeping system has been designed to specifically address nonqualified plan considerations. We are committed to easing the challenges and individual nuances of plan management, which allows our clients to focus on their business.

Tax and financial services solutions

Tax and financial services. ADP's tax and financial services help our clients keep up with payroll taxes and employee-related legislation. With ADP's proven experience in addressing governmental regulations, we can help our clients dramatically reduce hidden costs, minimize related risk, and focus on the bottom line.



Tax management service. As the nation's largest payroll tax service provider, ADP can effectively manage the entire tax process. By outsourcing tax management to ADP, our clients can alleviate a significant administrative burden.

Payment solutions. Through the simple submission of one file, ADP can distribute employee payments via direct deposit, check and payroll debit cards, and make pay statement information accessible for their employees online.

Print services. For organizations that prefer to control their own data but wish to outsource printing, finishing, and distribution, ADP's print services solution is the answer. We offer several options for printing and distributing payroll checks, direct-deposit vouchers, and year-end tax forms such as W-2s and 1099s.

Unemployment compensation management. With more than two decades of unemployment compensation management experience, ADP is the logical choice to handle the unemployment insurance process. ADP's services help our clients reduce and control the costs of unemployment insurance claims through prudent management of claims.

Employment verification services. ADP enables clients to outsource the employment and income verification process through a quick and easy approval process that helps their employees' loans and credit applications close faster. Clients can limit corporate liability, reduce costs, provide better service to employees, increase security, and reallocate employee resources.

Wage garnishment processing. ADP wage garnishment processing solution relieves our clients of the time-consuming, error-prone burden of prioritizing and calculating complex garnishments for child support payments, tax levies, bankruptcies, and liens – a process that costs an estimated \$10 per garnishment. In addition, unlike other services that simply cut checks, ADP's comprehensive solution manages and disburses funds to the appropriate payees.

P2P

ADP's industry-leading Procure-to-Pay Solutions can change the way you manage Finance and Procurement. Streamline the Participating Entity procurement operations, take advantage of early pay discounts, improve accuracy of invoicing and deliverables, and increase efficiency with ADP's powerful Procure-to-Pay Solutions.

ADP solutions encompass the entire procure-to-pay process, from presenting orders through payment. Whether you're seeking an initial "imaging-plus-workflow" solution, or want a fully electronic collaborative workflow that tightly links you with suppliers and internal systems, ADP's scalable, Internet-based suite of P2P solutions will meet their needs – now and into the future.



With millions of transactions and tens of thousands of users, ADP P2P Solutions deliver tangible value in four key areas:

- Full cycle transactions.
- Process automation.
- Price compliance.
- Discount management.

Tax Credit

ADP Tax Credit Services manages the entire tax credit and incentive application process. All credit and incentive opportunities are identified, maximized and secured:

- Federal and State incentive programs – ADP’s tailored incentive analysis identifies all available opportunities and targets locations with the highest tax liability—and the most credits to gain.
- Changing regulations and law – ADP’s professionals stay on top of relevant changes in regulation and law.
- Audits of previous work – ADP conducts audits on past work to detect additional savings opportunities.
- Audit-ready work papers and audit support – ADP delivers both at no additional cost.
- Secure data – ADP invests in the latest security technology and best practices.
- Pay for performance – ADP’s contingent pricing model creates a partnership in which we both share in the savings with full transparency into our fees.



Section V. Tab 5 – References

Provide a minimum of ten (10) customer references for product and/or services of similar scope dating within the past three (3) years. Please try to provide an equal number of references for K12, Higher Education and City/County entities. Provide the following information for each reference:

Entity Name
Contact Name and Title
City and State Phone Number Years Serviced
Description of Services
Annual Volume

ADP will provide updated references upon request by TCPN or its member agencies.

Maricopa County, Arizona

Andy Mesquita – HR Director
Phoenix, Arizona
602.506.7031
amesquit@mail.maricopa.gov
Client since 2011
Services: HR/Payroll/Benefits/Time

Philadelphia Gas Works (PGW)

Diane Lashley
Philadelphia, Pennsylvania
215.684.6466
Diane.Lashley@PGWorks.com
Client since 2003
Services: HR/Payroll

City of Cleveland

Debra Southerington – Director, HR
Cleveland, Ohio
216.664.3990
dsoutherington@city.cleveland.oh.us
Client since 2003
Services: HR/Payroll/Benefits/Time/ACA

Cuyahoga Metropolitan Housing Authority

Bestsy McCafferty – Director, HR
Cleveland, Ohio
mccaffertyb@cmha.net
216.271.2258
Client since 2006
Services: HR/Payroll/Benefits/Time/ACA/Talent



City of Seattle

Elsie Ling – Payroll Manager
Seattle, Washington
Elsie.ling@seattle.gov
206.684.0501
Client since 1995
Services: Payroll/HR

County of Tulare

Wayne Lovejoy – Payroll Manager
Visalia, CA
559.733.6156
wlovejoy@co.tulare.ca.us
Client since 1998
Services: HR/Payroll

City of Chicago (Summer Youth Program)

Department of Family Support Services
Brandi Knazze – Director, DFSS
Chicago, Illinois
312.743.0155
Brandie.Knazze@cityofchicago.org
Client Since 2015
Services: Payroll

Anne Arundel County

Anita M. Taylor – Payroll/HRIS Manager
Annapolis, Maryland
410.222.4539
Client since 2000
Services: HR/Payroll/Benefits/Time

Cuyahoga County Public Library

Dan Hauenstein – Director, HR
Parma, Ohio
216.749.9461
dhauenstein@cuyahogalibrary.org
Client since 2002
Services: HR/Payroll/Time/Benefits/Talent/Recruiting



City of Baltimore

Michael Broache – Chief, Bureau of Accounting and Payroll

Baltimore, Maryland

410.396.3745

Michael.broache@baltimorecity.gov

Client since 2004

Services: HR/Payroll/Time



Section VI. Tab 6 – Pricing

Appendix C: PRICING

Electronic Price Lists

- *Media submitted for price list must include the respondents' company name, name of the solicitation, and date on Flash Drive (i.e. Pin or Jump Drives).*
- *Please submit price lists and/or catalogs in excel format only.*

Respondents shall provide auditable pricing based on a discount from a published price list or catalog, or fixed price, or a combination of both with indefinite quantities. Electronic Catalog and/or price lists must accompany the proposal or established pricing methodology that is auditable and can be verified. Multiple percentage discount structure is also acceptable. Please specify where different percentage discounts apply. Additional pricing and/or discounts may be included.

Each service proposed is to be priced separately with all ineligible items identified. Proposed prices shall be the standard rate, and shall include labor, supervision, implementation, travel, equipment and any other related charges to complete the solution and/or service. Where hourly cost or per employee per month is applicable, Respondent shall provide a breakdown of cost for each proposed service and/or solution.

Services may be awarded to multiple vendors. Respondents may elect to limit their proposals to a single service within any category, or multiple services within any or all categories. If Respondent has existing cooperative contracts in place, Respondent is requested to submit pricing equal or better than those in place.

Not to Exceed Pricing

- *Region 4 ESC requests pricing be submitted as not to exceed for any participating entity.*
- *Region 4 ESC request pricing based on a discount of published price list. Price list must accompany proposal.*
- *Unlike fixed pricing the awarded vendor can adjust submitted pricing lower if needed but, cannot exceed original pricing submitted for solicitation.*
- *Vendor must allow for lower pricing to be available for similar product and service purchases.*

Please refer to **Exhibit 10** for ADP's pricing summary.



Section VII. Tab 7 – Value Add

Appendix G: VALUE ADD

Region 4 also requests any value added solution or service that might be added under this contract as well as any additional marketing or salesforce training not already covered in Appendix F

ADP Employer Services handles employee-related functions that require extensive processing, recordkeeping, technology, and up-to-date best practices. These core services include, but are not limited to:

HR/payroll administration solutions

Global solutions. ADP offers global service solutions for payroll processing and human resource administration. Our most comprehensive solution is powered by the SAP Human Capital Management (HCM) platform and combines the robustness of an international, flexible, and powerful platform with ADP's outstanding record of serving clients, rapid implementation, and unrivalled commitment to compliance and results.

We also offer a global service solution for payroll and HR administration that combines ADP's and partners' best-of-breed payroll offerings into a single service. Delivered in over 70 countries, ADP provides consolidated reporting, standard connectivity, working language, and a single point of contact and service definition for companies with smaller populations in countries spread across the globe.

Business Process Outsourcing services (BPO). The ADP BPO solution is a full-service HR business process outsourcing solution that is designed to help large companies reduce costs, improve service levels to employees, and manage risk. BPO is a logical evolution of ADP's traditional HR, payroll, and benefits expertise. With ADP BPO, ADP handles back-office and front-office services – wrapping traditional transaction processing services in comprehensive administration and solution center support. ADP administers all services using our proven systems and operations. By choosing the ADP BPO solution, our clients obtain business-critical HR solutions and integrated service delivery from one provider.

Human resource management systems. ADP's HRMS offers comprehensive functionality. The robust HRMS enables our clients to:

- Manage employees through their employment cycle, including: recruitment, job assignment, compensation, performance and development, accidents and incidents, leaves, and separations.
- Administer critical HR policies, including compensation structures and salary budgets.
- Anticipate the impact of restructuring with integrated organization charting and modeling.
- Assist clients in managing their mandatory compliance issues, including: ADA accommodations; FMLA tracking; and EEO, VETS, and OSHA reports.



Self-service functionality. ADP Self Service enables managers and employees to off-load administrative burdens by having greater autonomy through web-based, self-service functions. Employees can view and update their own personal information through the Internet or company intranet. Managers can more efficiently model departmental budgets, manage employee competencies, and conduct performance evaluations from anywhere at any time.

Application hosting services. Application hosting services minimizes demands on IT and networking departments by leveraging ADP's leading national hosting services. ADP supports the HRMS and related ADP applications, including network connections, data center management, and complete IT maintenance (such as upgrades and database management). In addition, ADP provides all of the implementation services such as installation of the operating system, database, and applications – as well as any needed customizations to the HRMS.

Implementation support. ADP offers flexible implementation options that are tailored to our HRMS clients' organizational requirements. Clients who are driven by the need to quickly realize a return on investment can leverage our renowned, proprietary methodology that delivers successful, on-time execution to our satisfied clients. Organizations that require a dedicated project management resource or immediate adaptations to the HRMS solution to meet specific needs can leverage ADP Professional Services for more complex implementation requirements.

Payroll services. ADP offers the broadest set of payroll-related services in the industry. These services can be purchased "a la carte" according to each client's needs, or our clients can enjoy the synergies of working with a single vendor as a partner for all HR/payroll and benefits needs.

Banking services. ADP Banking Services consolidates payroll banking processes with ADP to minimize our clients' exposure to check fraud, streamline funds disbursement, and simplify reconciliation. Banking services can be used in conjunction with our payroll processing services or as an addition to an in-house payroll system.

New-hire reporting. As the nation's leader in payroll and payroll-related services, ADP has developed a system that ensures prompt, accurate filing of all new-hire reporting information – regardless of the number of states of operation. ADP's new-hire reporting allows for newly hired employees to be properly reported to the appropriate state agencies according to each state's methods and guidelines. ADP maintains historical information, tracks compliance, and responds to state inquiries.

Payroll communication services. ADP's payroll communication services eliminate the time-consuming work of preparing, monitoring, collating, and distributing pay instruments and tax forms. Outsourcing printing to ADP cuts equipment costs without requiring changes to software, schedules, or processes.

Health Compliance reporting services. ADP Health Compliance provides employers with a solution that helps manage crucial employer-related elements of Health Care Reform, including determining ACA offer of coverage eligibility, assessing affordability, and providing a critical regulatory management solution that helps you identify and address compliance issues that may result from interactions with government agencies before they become a problem.



Time and labor and expense management solutions

Time and labor management services. ADP's time and labor management solutions yield an immediate return on investment through faster, more accurate payroll processing and tighter control of employee time. Our clients reduce labor costs through better workforce management; improve efficiency; and enhance strategic decision-making through real-time access to timely, accurate information.

Expense management solutions. ADP has partnered with Concur Technologies, Inc., the leading provider of corporate expense management solutions. Through our alliance with Concur, we have been able to provide our clients with best-in-class travel and expense management solutions that are designed to meet the needs of companies of all sizes.

Talent acquisition/management solutions

Talent acquisition and recruiting. ADP Talent Solutions offers the ability for our clients to manage the entire staffing lifecycle from sourcing, applicant tracking, onboarding, background screening, electronic I-9 administration, and tax credit screening and administration:

- **Applicant tracking/recruiting.** Supports the recruitment of the exempt and non-exempt workforce and distributes hiring management activities.
- **High-volume applicant tracking/recruiting.** Supports the recruitment of the always-open, need-driven positions and provides an automated hiring solution that combines applicant tracking, prescreening, rehire eligibility tracking, tax credit capture, and payroll integration into one system.
- **Sourcing.** Combines the power of conceptual search on the open-source Internet with artificial intelligence for a powerful sourcing tool – along with a user-friendly contact relationship management and email marketing tool for recruiters.
- **Onboarding.** Supports the successful onboarding process of new hires, which allows them to make an impact faster.
- **Background screening.** Offers convenient ways to collect applicant information, extensive background screening solutions, and accurate background screening results delivered in a timely manner. Our automatic system alerts, HR help desk, client audits, and compliance updates are designed to assist our clients with all their compliance obligations under hiring and data privacy laws.
- **Electronic I-9 services.** Manages the entire I-9 process electronically (form processing/completion, authentication of individual providing the electronic signature, storing, tracking, updating, and reporting) through our easy-to-use, web-based application. Our service reduces the risk of hiring illegal immigrants by integrating with DHS “basic pilot” (optional value-add).
- **Tax credit services.** Helps clients realize the various financial incentive programs created by federal, state, and local governments to influence behaviors that stimulate the economy. These programs include various federal credits, demographic credits (WOTC/WTW), federal geographic credits (EZ/RC), state credits, research and development credits, training credits, and property tax abatements.



Talent management/development services. The ADP Talent Management offering is a fully integrated, configurable solution that bridges the gap between employee development and employee performance. It enables clients to increase workforce productivity, fill skill gaps, increase visibility into employee performance and productivity, link performance and pay, improve employee retention, lower administration and training costs, and plan for long-term organizational health. ADP's solution allows clients to roll out virtually any combination of the following features:

- **Learning.** State-of-the-art learning management functionality streamlines administration, delivery, and tracking for learning programs. Key capabilities of the learning feature include e-Learning delivery, instructor-led training administration, virtual classroom, content management, and compliance management.
- **Performance.** The performance feature delivers tools to assess and impact individual and organizational performance. Delivered tools are available to assist with goal alignment, performance reviews, competency assessments, and development plans.
- **Compensation.** The compensation feature enables clients to tie together critical processes, including training, appraisal, and organizational goals in order to develop a real pay-for-performance culture. Tools assist clients with compensation plans, allocation of compensation, bonus and equity planning, and access to market salary data.
- **Succession.** Succession management features enable clients to aggregate individual strengths to improve overall organizational capabilities. Key functionality includes succession management plans, configurable nine-box grids, career profiles, team/work group building, and internal recruiting.
- **Social networking.** By encouraging collaboration and making it easy to join communities of practice, social networking fosters informal learning, organizational memory, professional networking, and better communication across an organization's employee base, as well as across the extended enterprise. Key features of the social networking tools include rich user profiles, community building, blogs, wikis, and web-based and on-demand podcasts.

Benefits administration solutions

Health and welfare administration services. ADP provides a single point of contact that simplifies benefits administration. ADP's expert, dedicated account teams and solution center support provide the necessary assistance. Integration with ADP HR/payroll services reduces double entry of data and facilitates communication. ADP develops benefits solutions that help our clients attract and retain the most capable employees in an economical, efficient way. Clients may choose from any of our world-class services and options.

Employee self-service functionality for benefits administration. The charge for HR departments to do more with less – and the desire of employees to have convenient access to their benefits data – have resulted in increased demand for web-based employee self-service functionality. In the midst of decreasing headcount for HR and the expectation to become more strategic, self-service capabilities are clearly an HR administrative choice.



Participant solution center. Innovative technology and systems are only one component of ADP's health and welfare benefits administration solution. Trained HR professionals serve as a natural extension of our clients' HR organizations. Through our world-class participant solution center, ADP provides one-stop shopping for HR, benefits, and payroll questions.

COBRA services. COBRA compliance is not easy because laws constantly change. The law is difficult to interpret, and it's even more difficult for employers to determine the administrative procedures that must be implemented in order to maintain compliance. ADP's COBRA administration solution is designed to assist clients in adhering to government regulations that apply to their business processes and provides an end-to-end solution, which relieves employers of this administrative burden.

Dependent verification services. Auditing dependent data to request proof of dependent status is an intensive manual effort and requires much coordination between the employee and employer. ADP's team of dedicated professional's acts on behalf of our clients to request proof of dependent status based on the types of audit(s) selected. These one-time or ongoing audits help clients control costs by ensuring company benefits are being offered only to eligible dependents as defined by each client's specific benefit policies.

Flexible spending account services. ADP processes FSA benefits accurately and efficiently. Our experienced administrators adjudicate claims, disburse reimbursements, and run regular audits to ensure efficient management of FSA data and processes. The ADP FSA debit card option gives participants immediate claim reimbursement and added convenience.

Limited-purpose FSA services. As a companion plan for a health savings account, ADP processes LPFSA benefits that provide coverage for dental, vision, and certain preventive care expenses that are not fully covered by insurance. This pre-tax reimbursement account offering is another cost-saving solution that ADP clients can offer their employees.

Commuter benefits administration. ADP commuter benefits services can encourage employee use of pre-tax dollars to pay for mass transit, vanpool, and parking expenses. Commuter benefits incentive program accounts give employees a tax-advantaged means to pay for transportation costs and help our clients realize substantial payroll tax savings.

Online and printed total compensation statements. Employees want to see how much they are valued. ADP can do this for our clients – automatically. Our versatile, personalized total compensation statement is a resource employees can use to understand their total compensation, including the value of their medical, dental, spending accounts, and so much more. In addition, ADP can work with our clients to show employees what their 401(k), pension, retirement income, and more will look like in the future. Total compensation statements can be offered online or printed in full color and delivered directly to employees' homes.



Employee communication services. Our clients can leverage ADP's employee communication services to heighten employee awareness of the investment our clients make in their employee benefit programs. ADP can provide employees personalized enrollment worksheets, confirmation statements, enrollment guides, and compensation statements (among other forms of communication).

Leave of absence administration. ADP Leave Administration Service adds value for companies that are concerned about: applying a leave policy fairly and consistently; complying with FMLA, the Americans with Disabilities Act, and state workers' compensation regulations; and properly documenting compliance with various government agencies.

Retirement services and solutions

401(k) plans. ADP Retirement Services offers employers a strong suite of tax-advantaged programs from 401(k) plans to executive deferred compensation and a payroll deduction program for Section 529 college investment plans.

Executive deferred compensation. ADP's experienced executive deferred compensation team is dedicated exclusively to nonqualified plan administration. We understand the complexities associated with these benefits. ADP's recordkeeping system has been designed to specifically address nonqualified plan considerations. We are committed to easing the challenges and individual nuances of plan management, which allows our clients to focus on their business.

Tax and financial services solutions

Tax and financial services. ADP's tax and financial services help our clients keep up with payroll taxes and employee-related legislation. With ADP's proven experience in addressing governmental regulations, we can help our clients dramatically reduce hidden costs, minimize related risk, and focus on the bottom line.

Tax management service. As the nation's largest payroll tax service provider, ADP can effectively manage the entire tax process. By outsourcing tax management to ADP, our clients can alleviate a significant administrative burden.

Payment solutions. Through the simple submission of one file, ADP can distribute employee payments via direct deposit, check and payroll debit cards, and make pay statement information accessible for the Participating Entity employees online.

Print services. For organizations that prefer to control their own data but wish to outsource printing, finishing, and distribution, ADP's print services solution is the answer. We offer several options for printing and distributing payroll checks, direct-deposit vouchers, and year-end tax forms such as W-2s and 1099s.



Unemployment compensation management. With more than two decades of unemployment compensation management experience, ADP is the logical choice to handle the unemployment insurance process. ADP's services help our clients reduce and control the costs of unemployment insurance claims through prudent management of claims.

Employment verification services. ADP enables clients to outsource the employment and income verification process through a quick and easy approval process that helps their employees' loans and credit applications close faster. Clients can limit corporate liability, reduce costs, provide better service to employees, increase security, and reallocate employee resources.

Wage garnishment processing. ADP wage garnishment processing solution relieves our clients of the time-consuming, error-prone burden of prioritizing and calculating complex garnishments for child support payments, tax levies, bankruptcies, and liens – a process that costs an estimated \$10 per garnishment. In addition, unlike other services that simply cut checks, ADP's comprehensive solution manages and disburses funds to the appropriate payees.

Tax Credit

ADP Tax Credit Services manages the entire tax credit and incentive application process. All credit and incentive opportunities are identified, maximized and secured:

- Federal and State incentive programs – ADP's tailored incentive analysis identifies all available opportunities and targets locations with the highest tax liability—and the most credits to gain.
- Changing regulations and law – ADP's professionals stay on top of relevant changes in regulation and law.
- Audits of previous work – ADP conducts audits on past work to detect additional savings opportunities.
- Audit-ready work papers and audit support – ADP delivers both at no additional cost.
- Secure data – ADP invests in the latest security technology and best practices.
- Pay for performance – ADP's contingent pricing model creates a partnership in which we both share in the savings with full transparency into our fees.



Section VIII. Tab 8 – Required Documents

Appendix H:

ADDITIONAL REQUIRED DOCUMENTS

DOC #1	<i>Clean Air and Water Act</i>
DOC #2	<i>Debarment Notice</i>
DOC #3	<i>Lobbying Certification</i>
DOC #4	<i>Contractors Requirements</i>
DOC #5	<i>Antitrust Certification Statement</i>

FOR VENDORS INTENDING TO DO BUSINESS IN NEW JERSEY:

DOC #6	<i>Ownership Disclosure Form</i>
DOC #7	<i>Non-Collusion Affidavit</i>
DOC #8	<i>Affirmative Action Affidavit</i>
DOC #9	<i>Political Contribution Disclosure Form</i>
DOC #10	<i>Stockholder Disclosure Form</i>

Please refer to the following pages.

New Jersey vendors are also required to comply with the following New Jersey statutes when applicable:

All anti-discrimination laws, including those contained in N.J.S.A. 10:2-1 through N.J.S.A. 10:2-14, N.J.S.A. 10:5-1, and N.J.S.A. 10:5-31 through 10:5-38.

Compliance with Prevailing Wage Act, N.J.S.A. 34:11-56.26, for all contracts within the contemplation of the Act.

Compliance with Public Works Contractor Registration Act, N.J.S.A. 34:11-56.26

Bid and Performance Security, as required by the applicable municipal or state statutes.

Please refer to the following pages.

DOC #1


Clean Air and Water Act

I, the Vendor, am in compliance with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970, as Amended (42 U.S. C. 1857 (h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15 as required under OMB Circular A-102, Attachment O, Paragraph 14 (1) regarding reporting violations to the grantor agency and to the United States Environment Protection Agency Assistant Administrator for the Enforcement.

Potential Vendor: ADP, LLC

Title of Authorized Representative: Sales Executive

Mailing Address: 5800 Windward Pkwy, Alpharetta, GA 30005

Signature: 

DOC #2


Debarment Notice

I, the Vendor, certify that my company has not been debarred, suspended or otherwise ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension", as described in the Federal Register and Rules and Regulations.

Potential Vendor: ADP, LLC

Title of Authorized Representative: Sales Executive

Mailing Address: 5800 Windward Pkwy, Alpharetta, GA 30005

Signature: 

LOBBYING CERTIFICATION

Submission of this certification is a prerequisite for making or entering into this transaction and is imposed by Section 1352, Title 31, U.S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned certifies, to the best of his/her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all sub-recipients shall certify and disclose accordingly.



Signature of Respondent

10-5-15

Date

CONTRACTOR CERTIFICATION REQUIREMENTS

Contractor's Employment Eligibility

By entering the contract, Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA), and all other federal and state immigration laws and regulations. The Contractor further warrants that it is in compliance with the various state statues of the states it is will operate this contract in.

Participating Government Entities including School Districts may request verification of compliance from any Contractor or subcontractor performing work under this Contract. These Entities reserve the right to confirm compliance in accordance with applicable laws.

Should the Participating Entities suspect or find that the Contractor or any of its subcontractors are not in compliance, they may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

The offeror complies and maintains compliance with the appropriate statutes which requires compliance with federal immigration laws by State employers, State contractors and State subcontractors in accordance with the E-Verify Employee Eligibility Verification Program.

Contractor shall comply with governing board policy of the Region 4 ESC Participating entities in which work is being performed.

Fingerprint and Background Checks

If required to provide services on school district property at least five (5) times during a month, contractor shall submit a full set of fingerprints to the school district if requested of each person or employee who may provide such service. Alternately, the school district may fingerprint those persons or employees. An exception to this requirement may be made as authorized in Governing Board policy. The district shall conduct a fingerprint check in accordance with the appropriate state and federal laws of all contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the district. Contractor, subcontractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

The offeror shall comply with fingerprinting requirements in accordance with appropriate statutes in the state in which the work is being performed unless otherwise exempted.

Contractor shall comply with governing board policy in the school district or Participating Entity in which work is being performed.

Business Operations in Sudan, Iran

In accordance with A.R.S. 35-391 and A.R.S. 35-393, the Contractor hereby certifies that the contractor does not have scrutinized business operations in Sudan and/or Iran.



Signature of Respondent

10-5-15

Date

DOC #5

ANTITRUST CERTIFICATION STATEMENTS
(Tex. Government Code § 2155.005)

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to ~~execute this contract on my own behalf or~~ submit this proposal on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this proposal, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this proposal, neither I nor any representative of the Company has violated any federal antitrust law; and
4. Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this proposal to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Vendor ADP, LLC

Address 5800 Windward Pkwy
Alpharetta, GA 30005

Phone _____

Fax _____

Offeror Ty Arhnt

Signature

Ty Arhnt

Printed Name

Sales Executive

Position with Company

Authorizing Official Ty Arhnt

Signature

Ty Arhnt

Printed Name

Sales Executive

Position with Company

**OWNERSHIP DISCLOSURE FORM
(N.J.S. 52:25-24.2)**

Pursuant to the requirements of P.L. 1999, Chapter 440 effective April 17, 2000 (Local Public Contracts Law), the offeror shall complete the form attached to these specifications listing the persons owning 10 percent (10%) or more of the firm presenting the proposal.

Company Name: ADP, LLC

Street: 5800 Windward Pkwy

City, State, Zip Code: Alpharetta, GA 30005

Complete as appropriate:

I _____, certify that I am the sole owner of _____, that there are no partners and the business is not incorporated, and the provisions of N.J.S. 52:25-24.2 do not apply.

OR:

I _____, a partner in _____, do hereby certify that the following is a list of all individual partners who own a 10% or greater interest therein. I further certify that if one (1) or more of the partners is itself a corporation or partnership, there is also set forth the names and addresses of the stockholders holding 10% or more of that corporation's stock or the individual partners owning 10% or greater interest in that partnership.

OR:

I Ty Arlitt, an authorized representative of ADP, LLC, a corporation, do hereby certify that the following is a list of the names and addresses of all stockholders in the corporation who own 10% or more of its stock of any class. I further certify that if one (1) or more of such stockholders is itself a corporation or partnership, that there is also set forth the names and addresses of the stockholders holding 10% or more of the corporation's stock or the individual partners owning a 10% or greater interest in that partnership.

(Note: If there are no partners or stockholders owning 10% or more interest, indicate none.)

Name	Address	Interest
NONE		

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

10-6-15
Date

Ty Arlitt Sales Executive
Authorized Signature and Title

DOC #7

NON-COLLUSION AFFIDAVIT

Company Name: ADP, LLC

Street: 5800 Windward Pkwy

City, State, Zip Code: Alpharetta, GA 30005

State of Idaho

County of Ada

I, Ty Arlint of the Eagle
Name City

in the County of Ada, State of Idaho
of full age, being duly sworn according to law on my oath depose and say that:

I am the Sales Executive of the firm of ADP, LLC
Title Company Name

the offeror making the Proposal for the goods, services or public work specified under the attached proposal, and that I executed the said proposal with full authority to do so; that said offeror has not directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above proposal, and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that TCPN relies upon the truth of the statements contained in said proposal and in the statements contained in this affidavit in awarding the contract for the said goods, services or public work.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by

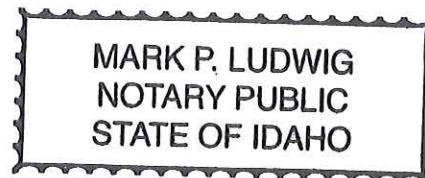
ADP, LLC
Company Name

Ty Arlint Sales Executive
Authorized Signature & Title

Subscribed and sworn before me

this 6th day of OCT., 20 15

[Signature]
Notary Public of Idaho
My commission expires 2/1/2017, 20 17



SEAL

DOC #8

**AFFIRMATIVE ACTION AFFIDAVIT
(P.L. 1975, C.127)**

Company Name: ADP, LLC

Street: 5800 Windward Pkwy

City, State, Zip Code: Alpharetta, GA 30005

Proposal Certification:

Indicate below your compliance with New Jersey Affirmative Action regulations. Your proposal will be accepted even if you are not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

Required Affirmative Action Evidence:

Procurement, Professional & Service Contracts (Exhibit A)

Vendors must submit with proposal:

- 1. A photo copy of their Federal Letter of Affirmative Action Plan Approval _____
- OR
- 2. A photo copy of their Certificate of Employee Information Report _____
- OR
- 3. A complete Affirmative Action Employee Information Report (AA302) _____

Public Work – Over \$50,000 Total Project Cost:

- A. No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form AA201-A upon receipt from the _____
- B. Approved Federal or New Jersey Plan – certificate enclosed _____

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

10-6-15
Date

Jy Whit Sales Executive
Authorized Signature and Title

P.L. 1995, c. 127 (N.J.A.C. 17:27)
MANDATORY AFFIRMATIVE ACTION LANGUAGE

PROCUREMENT, PROFESSIONAL AND SERVICE
CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisement for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation.

The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the

statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).



Signature of Procurement Agent

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM Public Agency Instructions

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to contractors.** What follows are instructions on the use of form local units can provide to contractors that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 (www.nj.gov/dca/lgs/lfnmenu.shtml).

1. The disclosure is required for all contracts in excess of \$17,500 that are **not awarded** pursuant to a "fair and open" process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some contractor submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the contractor and** on file at least 10 days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The contractor must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local Government Services recommends that contractors be provided a list of the affected agencies. This will assist contractors in determining the campaign and political committees of the officials and candidates affected by the disclosure.
 - a. The Division has prepared model disclosure forms for each county. They can be downloaded from the "County PCD Forms" link on the Pay-to-Play web site at www.nj.gov/dca/lgs/p2p. They will be updated from time-to-time as necessary.
 - b. A public agency using these forms **should edit them to properly reflect the correct legislative district(s)**. As the forms are county-based, **they list all legislative districts** in each county. **Districts that do not represent the public agency should be removed from the lists.**
 - c. Some contractors may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
 - d. The form may be used "as-is", subject to edits as described herein.
 - e. The "Contractor Instructions" sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
 - f. The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the contractor also complete a "Stockholder Disclosure Certification." This will assist the local unit in its obligation to ensure that contractor did not make any prohibited contributions to the committees listed on the Business Entity Disclosure Certification in the 12 months prior to the contract. (See Local Finance Notice 2006-7 for additional information on this obligation) A sample Certification form is part of this package and the instruction to complete it is included in the Contractor Instructions. **NOTE: This section is not applicable to Boards of Education.**

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM Contractor Instructions

Business entities (contractors) receiving contracts from a public agency that are NOT awarded pursuant to a "fair and open" process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that 10 days prior to the award of such a contract, the contractor shall disclose contributions to:

- any State, county, or municipal committee of a political party
- any legislative leadership committee*
- any continuing political committee (a.k.a., political action committee)
- any candidate committee of a candidate for, or holder of, an elective office:
 - of the public entity awarding the contract
 - of that county in which that public entity is located
 - of another public entity within that county
 - or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county. The disclosure must list reportable contributions to any of the committees that exceed \$300 per election cycle that were made during the 12 months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- individuals with an "interest" ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit
- all principals, partners, officers, or directors of the business entity or their spouses
- any subsidiaries directly or indirectly controlled by the business entity
- IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs). When the business entity is a natural person, "a contribution by that person's spouse or child, residing therewith, shall be deemed to be a contribution by the business entity." [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure. Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report. The enclosed list of agencies is provided to assist the contractor in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the contractor's responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement. The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the contractor's submission and is disclosable to the public under the Open Public Records Act. The contractor must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law.

NOTE: This section does not apply to Board of Education contracts.

* N.J.S.A. 19:44A-3(s): "The term "legislative leadership committee" means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures."

List of Agencies with Elected Officials Required for Political Contribution Disclosure

N.J.S.A. 19:44A-20.26

County Name:

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders

County Clerk

Sheriff

{County Executive}

Surrogate

Municipalities (Mayor and members of governing body, regardless of title):

USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD FROM WWW.NJ.GOV/DCA/LGS/P2P A COUNTY-BASED, CUSTOMIZABLE FORM.

DOC #10

STOCKHOLDER DISCLOSURE CERTIFICATION

Name of Business: ADP, LLC

I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

- Partnership, Proprietorship, Corporation, Sole, Limited Partnership, Limited Liability Corporation, Limited Liability Partnership, Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Table with 3 rows and 2 columns for Name and Home Address.

Subscribed and sworn before me this 6th day of OCT., 2015. (Notary Public) My Commission expires 2/1/2017. MARK P. LUDWIG NOTARY PUBLIC STATE OF IDAHO. Ty Aslint Sales Executive

ACKNOWLEDGMENT AND ACCEPTANCE
OF REGION 4 ESC's OPEN RECORDS POLICY

Signature below certifies complete acceptance of Region 4 ESC's Open Records Policy, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

- We acknowledge Region 4 ESC's Open Records Policy and declare that no information submitted with this proposal, or any part of our proposal, is exempt from disclosure under the Public Information Act.

(Note: All information believed to be a trade secret or proprietary must be listed below. It is further understood that failure to identify such information, in strict accordance with the instructions below, will result in that information being considered public information and released, if requested under the Public Information Act.)

- We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act.

(Note: Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, Offeror must specify which exception(s) are applicable and provide detailed reasons to substantiate the exception(s).

10-6-15
Date

 Sales Executive
Authorized Signature & Title