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Source of document: Records Access Officer
Office of the State Comptroller
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ALAN G. HEVESI
COMPTROLLER

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER
110 STATE STREET
ALBANY, NEW YORK 12236

PRESS OFFICE
Tel: (518) 474-4015
Fax: (518) 473-8940

June 23, 2004

Re: FR#03-256

Enclosed is the information you requested pursuant to the Freedom of Information Law.
There is no charge for this.

I hope this information is helpful.

Sincerely,

A handwritten signature in cursive script that reads "Shelly Brown".

Shelly Brown
Records Access Officer

SB:wt
Enc.

H. CARL McCALL
STATE COMPTROLLER



A.E. SMITH STATE OFFICE BUILDING
ALBANY, NY 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

January 29, 2002

Mr. James Coseo
QCSinet Acquisition Corp
30 Wall St
Binghamton NY 13901

RE: Contract C000777

Dear Mr. Coseo:

Enclosed is a copy of the approved contract between the Office of the State Comptroller and your firm for imaging and indexing services.

Please reference Contract #C000777 on all correspondence and invoices.

If you have any questions, please contact me at (518) 486-1286.

Sincerely,

A handwritten signature in cursive script, appearing to read "Terri Salvino".

Terri Salvino
Project Assistant

TS
Enclosure

cc: T O'Brien ✓

C000777
02070

**Contract Title: Office of the State Comptroller
Image Conversion and Indexing Services**

AGREEMENT WITH QCSINET ACQUISITION CORPORATION

NEW YORK STATE COMPTROLLER'S CONTRACT NUMBER

THIS Agreement is made by and between the People of the State of New York acting by and through the New York State Office of the State Comptroller's Office of Unclaimed Funds, whose principal place of business is the Alfred E. Smith State Office Building, Albany, New York 12236 (hereinafter "Comptroller" or OSC) and QCSinet Acquisition Corporation (dba FYI Image, Inc.), whose office for the purposes of this Agreement is 30 Wall Street, Binghamton, New York, New York 13901 (hereinafter "QCSinet").

WITNESSETH:

WHEREAS, pursuant to New York State Finance Law §163(10)(e), the Comptroller wishes to piggyback onto the contract between the New York State Workers' Compensation Board (hereinafter "NYSWCB") and QCSinet for image conversion and indexing services, dated January 21, 1998 ; and

WHEREAS, the Comptroller is in need of imaging and indexing services; and

WHEREAS, QCSinet is capable of meeting the Comptroller's needs and has agreed to provide such imaging and indexing services, which shall be subject to the terms and conditions set forth herein; and

WHEREAS, QCSinet assures the State that the services to be provided to OSC will not interfere with QCSinet contractual obligations to NYSWCB; and

WHEREAS, the Comptroller has determined that piggybacking on the NYSWCB/QCSinet contract dated January 21, 1998 is the most cost effective manner in which to have these services provided; and

WHEREAS, the Comptroller has determined that the rates proposed by QCSinet for the

required services are reasonable and the Comptroller has determined that a formal competitive procurement for such services would not result in better pricing; and

WHEREAS, the parties wish to enter into an Agreement for these services.

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties do hereby agree as follows:

1.0 GENERAL TERMS AND CONDITIONS

The parties expressly acknowledge and agree that this Agreement sets forth the terms and conditions governing the performance of services to be rendered by QCSinet to OSC, and that such services are significantly the same such services that are set forth in the NYSWCB/QCSinet contact dated January 21, 1998 (hereinafter "Services").

QCSinet assumes all responsibility for the cost of delivery of such Services, and the accurate and timely accomplishment of all duties and obligations required by this Agreement whether or not such duties and obligations are performed by QCSinet, its subcontractor, or its supplier.

2.0 PERFORMANCE AND DELIVERY SCHEDULE

2.1 QCSinet shall provide such Services to the Comptroller in accordance with Proposals attached as, Appendix B and Appendix C (hereinafter "Proposals") and the following schedule and attachment.

QCSinet shall pick up the first batch of documents to be imaged within five working days following the date that OSC notifies QCSinet that the contract has been approved by the Comptroller's Bureau of Contracts (hereinafter "Start Date"). QCSinet shall pick up the remaining documents in accordance with a schedule mutually agreed to by OSC and QCSinet.

QCSinet shall return each respective batch of documents within ten days of transfer from OSC to QCSinet.

2.2 The pickup and return schedule as agreed to, may be amended upon mutual agreement of both parties.

2.3 QCSinet shall deliver the imaged and indexed files in accordance with a schedule mutually agreed to by OSC and QCSinet.

2.4 QCSinet, its officers, agents, employees and subcontractors, shall treat all OUF documents

and related information obtained from OSC by QCSinet through its performance under this Agreement as confidential information.

2.5 QCSinet shall assume full responsibility for the care and maintenance of the OUF documents in its possession. QCSinet shall bear the total cost of replacing any documents lost, damaged or otherwise rendered unusable while in its possession, including the cost of making OSC whole. Such replacement shall occur within four weeks of the discovered loss. Notwithstanding the foregoing, QCSinet's liability for such replacement costs shall not exceed the fees and expenses paid by OSC to QCSinet under this Agreement.

2.6 QCSinet warrants that the Services provided hereunder will be performed in a professional and workmanlike manner in accordance with applicable professional standards and QCSinet shall re-perform any work not in compliance with this warranty brought to its attention within a reasonable time after the work is performed.

2.7 QCSinet shall provide OSC at no additional cost, the document target separator (DTS) sheets in order for OSC to prepare the active pending claims (Appendix B, page 3, Section I.3). The necessary supply of DTS sheets will be delivered to OSC's Claims Processing Unit located at 200 Jordan Road, Rensselaer, NY on a mutually agreeable schedule.

3.0 MERGER OF APPENDICES/CONFLICT OF CLAUSES This Agreement shall be deemed inclusive of the following documents and attachments, as if incorporated and set forth herein in full. Only documents expressly enumerated below shall be deemed a part of this Agreement.

In the event of any inconsistency or conflict among the documents and attachments comprising this Agreement, such inconsistency or conflict shall be resolved by giving precedence to the documents or attachments in the following descending order of precedence:

1. Appendix A - Standard Clauses for NYS Contracts
2. Agreement - (This Document)
3. Contract between NYSWCB/QCSinet dated January 21, 1998.
4. Appendix B- Document Management Solution for Pending Claim files, dated December 3, 2001.
5. Appendix C- Document Management Solution for Unclaimed Fund Binders, dated

December 3, 2001.

6. Appendix D-OSC's Policy Statement on Harassment.
7. Appendix E-OSC's Macbride Fair Employment Principles and Independent Contractor Acknowledgment.

4.0 APPROVALS

The parties agree that this Agreement, which includes the contract between NYSWCB/QCSinet dated January 21, 1998, delineates the work to be performed under this Agreement at the price set forth in Proposals (Appendix B and C).

The parties agree and acknowledge that this Agreement represents the final contract documents that the parties desire to execute in accordance with their usual practices.

The parties recognize that before this Agreement or any amendment thereto becomes a liability upon the State of New York, the Agreement or any amendment thereto shall first be approved by the Department of Law and the Comptroller's Bureau of Contracts.

5.0 TERM

The term of this Agreement shall commence upon the approval of the Agreement by the Comptroller's Bureau of Contracts and remain in effect until March 10, 2003 (same as NYSWCB contract), unless earlier terminated in accordance with the terms of this Agreement.

6.0 COMPENSATION

6.1 The Comptroller shall pay QCSinet in accordance with the cost structure set forth in the Proposals (Appendix B and C) up to a maximum of \$400,000.

6.2 OSC declines the following specific options identified in the Proposals; OSC declines the optional warehousing of Pending Claims files as described in Appendix B., page 10. OSC declines the options identified in Appendix C, page 18 as; Option 1B, documents loaded to FYIDOCs and OSC declines Option 2B, documents stored in secure FYI Image Warehouse.

6.3 QCSinet shall bill the Comptroller monthly using invoices satisfactory to the Comptroller.

The projects identified in Appendix B and Appendix C will be invoiced separately. Such invoices will include itemized statements of work done, including units imaged and unit cost per image.

6.4 In the event that it is determined that any assumptions utilized in establishing the cost structure set forth in the Proposals (Appendix B and/or Appendix C) were so incorrect as to change "materially" the level of effort required (extra work) QCSinet shall promptly notify OSC of this fact.

If OSC agrees that such extra work is required OSC will provide QCSinet written approval of such extra work. QCSinet shall not commence, or be compensated for, any extra work performed prior to OSC's written approval of such extra work. In no case shall the maximum established in paragraph 6.1 be exceeded without an amendment to this agreement, signed by both parties and such amendment approved in accordance with paragraph 4.0.

7.0 INDEMNIFICATION

QCSinet shall indemnify and save harmless the State and the Comptroller without limitation from suits, actions, damages and costs of every name and description relating to personal injury, damage to real or tangible property arising as a result of acts or omissions of QCSinet, its officers, employees, subcontractors, partners or like agents. This indemnification shall not apply to that portion of any such claim or damages that results from the negligent acts of the Comptroller.

IN WITNESS THEREOF, Comptroller and QCSinet have executed this Agreement.

Approved as to Form

By: _____

Attorney General

Date: _____

OFFICE OF THE STATE COMPTROLLER

By: _____

Danny Treuberg
Director of Financial Administration

Date: _____

1/9/02

Contract # *C000777*
AGENCY CERTIFICATION
"In addition to the acceptance of this contract, I also certify that original copies of this signature page will be attached to all other exact copies of this contract"

QCSinet Acquisition Corporation

By: Arlene Van Pelt
Comptroller

By: James Coseo

Date: January 18, 2002

Date: 12/28/01

STATE OF New York)
) SS.:
COUNTY OF Albany)

On the day of ^{December} 28TH in the year 2001 before me personally came James Coseo to me known and known to me to be the person who executed the above instrument; who being sworn by me, did depose and say that (s)he is President of QCSinet Acquisition Corporation with a place of business at 30 Wall Street, Binghamton, New York; that (s)he executed the foregoing instrument in the name of QCSinet Acquisition Corporation; and that (s)he had authority to sign the same and that (s)he duly acknowledged to me that (s)he executed the same as the act and deed of said QCSinet Acquisition Corporation by order of the Board of Directors of said corporation for the uses and purposes mentioned herein.

Thomas P. Thibault
Notary Public

THOMAS P. THIBAUT
Notary Public, State of New York
Qualified in Rensselaer County
Reg. No. 4915221
Commission Expires April 4, 2002

APPENDIX A

STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**APPENDIX A
STANDARD CLAUSES FOR ALL
NEW YORK STATE CONTRACTS**

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licenser, licensee, lessor, lessee or any other party):

1. **EXECUTORY CLAUSE.** In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. **NON-ASSIGNMENT CLAUSE.** In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred conveyed, sublet or otherwise disposed of without the previous consent, in writing, of the State and any attempts to assign the contract without the State's written consent are null and void. The Contractor may, however, assign its right to receive payment without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. **COMPTROLLER'S APPROVAL.** In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$15,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office.

4. **WORKERS' COMPENSATION BENEFITS.** In accordance with Section 142 of the State Finance Law, this contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. **NON-DISCRIMINATION REQUIREMENTS.** In accordance with Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, age, disability or marital status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by

reason of race, creed, color, national origin, age, sex, or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. **WAGE AND HOURS PROVISIONS.** If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law.

7. **NON-COLLUSIVE BIDDING REQUIREMENT.** In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor warrants, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further warrants that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. **INTERNATIONAL BOYCOTT PROHIBITION.** In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the Federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contractors execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

9. **SET-OFF RIGHTS.** The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. **RECORDS.** The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be

kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION.

(a) **FEDERAL EMPLOYER IDENTIFICATION NUMBER and/or FEDERAL SOCIAL SECURITY NUMBER.** All invoices or New York State standard vouchers submitted for payment for the sale of goods or services or the lease of real or personal property to a New York State agency must include the payee's identification number, i.e., the seller's or lessor's identification number. The number is either the payee's Federal employer identification number or Federal social security number, or both such numbers when the payee has both such numbers. Failure to include this number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or New York State standard voucher, must give the reason or reasons why the payee does not have such number or numbers.

(B) **PRIVACY NOTIFICATION.** (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purpose and for any other purpose authorized by law.

(2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease "the real or personal property covered by this contract or lease. The information is maintained in New York State's Central Accounting System by the Director of Accounting Operations, Office of the State Comptroller, AESOB, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN.

In accordance with Section 312 of the Executive law, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and

improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then: (a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the Work) except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State; or (iii) banking services, insurance policies or the sale of securities. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity, which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Division of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article XI-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of

service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of State Finance Law §165. (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State, otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

Department of Economic Development
Division for Small Business
30 South Pearl Street
Albany, New York 12245
Tel. 518-292-5220

A directory of certified minority and women-owned business enterprises is available from:

Department of Economic Development
Minority and Women's Business Development Division
30 South Pearl Street
Albany, New York 12245
<http://www.empire.state.ny.us>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS. Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. Contact the Department of Economic Development, Division for Small Business, 30 South Pearl Street; Albany New York 12245, for a current list of jurisdictions subject to this provision.

Revised November 2000

APPENDIX B

Document Management Solution for Pending Claim Files

December 3, 2001

Document Management Proposals

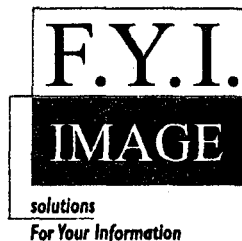
Presented December 3, 2001

to

NYS Office of the State Comptroller

- I. Pending Claims Files**
- II. Unclaimed Funds Binders**

Prepared by



Proposal for

**A Comprehensive
Document Management Solution
For Pending Claims Files**

Presented
to



**Office of the State Comptroller
Unclaimed Funds**

Prepared by



For questions regarding this proposal, please contact:

**Bernard J. Noonan
Vice President, Marketing
518.433.0447 phone
bnoonan@fyiimage.com**

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I. Proposal Overview

FYI Image is pleased to present this proposal to the NYSOSC Office of Unclaimed Funds for a *Comprehensive Document Management Solution* that includes scanning and indexing services related to pending claims files. We will commit all the elements to successfully deploy and maintain a document management solution for the Office of Unclaimed Funds by performing the following tasks.

1. Pick up and transport boxes of pending claims files from 200 Jordan Road on a schedule to be agreed upon by the Office of Unclaimed Funds and FYI Image, and transport them to Binghamton, NY for processing
2. Batch documents and enter batch IDs into FYI Image's QUIPS document management control system.
3. Prepare non-respondent claim documents for scanning. (OSC will perform document preparation activities including insertion of barcoded header sheets for each folder containing the Claim Number and, for active claim folders only, document separator sheets between each document.)
4. Scan documents at 200 DPI in TIFF Group IV format.
5. Index documents based on Claim Number, and propagate remaining fields utilizing the OSC-provided data file.
6. Produce one index file for each TIFF image file, and transfer images and data to CD for delivery to OSC.
7. Return hardcopy file documents to the Office of Unclaimed Funds. ~~Optionally, FYI Image can store or securely destroy hardcopy documents if required by OSC.~~

DECLINE
OSC

FYI Image is qualified by significant experience in the development and implementation of large-scale document management systems for both the private and public sectors. As such, we are able to supply Unclaimed Funds with superior resources and experience in document conversion and record storage procedures.

Document conversion. FYI Image has an operating unit located in Binghamton, NY that is one of the largest document management centers in the US, with up to 800 full and part-time employees working on a two and three shift basis. In addition to a number of other clients, our Binghamton facility currently supports an ongoing NYS Workers Compensation Board project involving the conversion and indexing of over 75 million pre-existing documents to image, as well as the conversion and indexing of over 50,000 documents daily on a 24-hour turnaround per contract schedule.

Document storage and destruction. FYI Image possesses the space, resources, equipment, and security procedures required to safely store OSC pending funds documents. In addition to the warehouse space at our primary conversion center at 30 Wall Street in Binghamton, FYI Image operates four large warehouses in that area, giving us approximately 129,000 total square feet of storage space.

Each warehouse facility offers a safe and secure environment for archived client files, with enforced no-smoking policies, zone controlled sprinkler systems, building security systems, and in some cases, security guard monitoring.

We also possess a large-capacity shredding operation at one of our warehouse locations, with the necessary procedures in place to ensure the secure destruction of all appropriate materials.

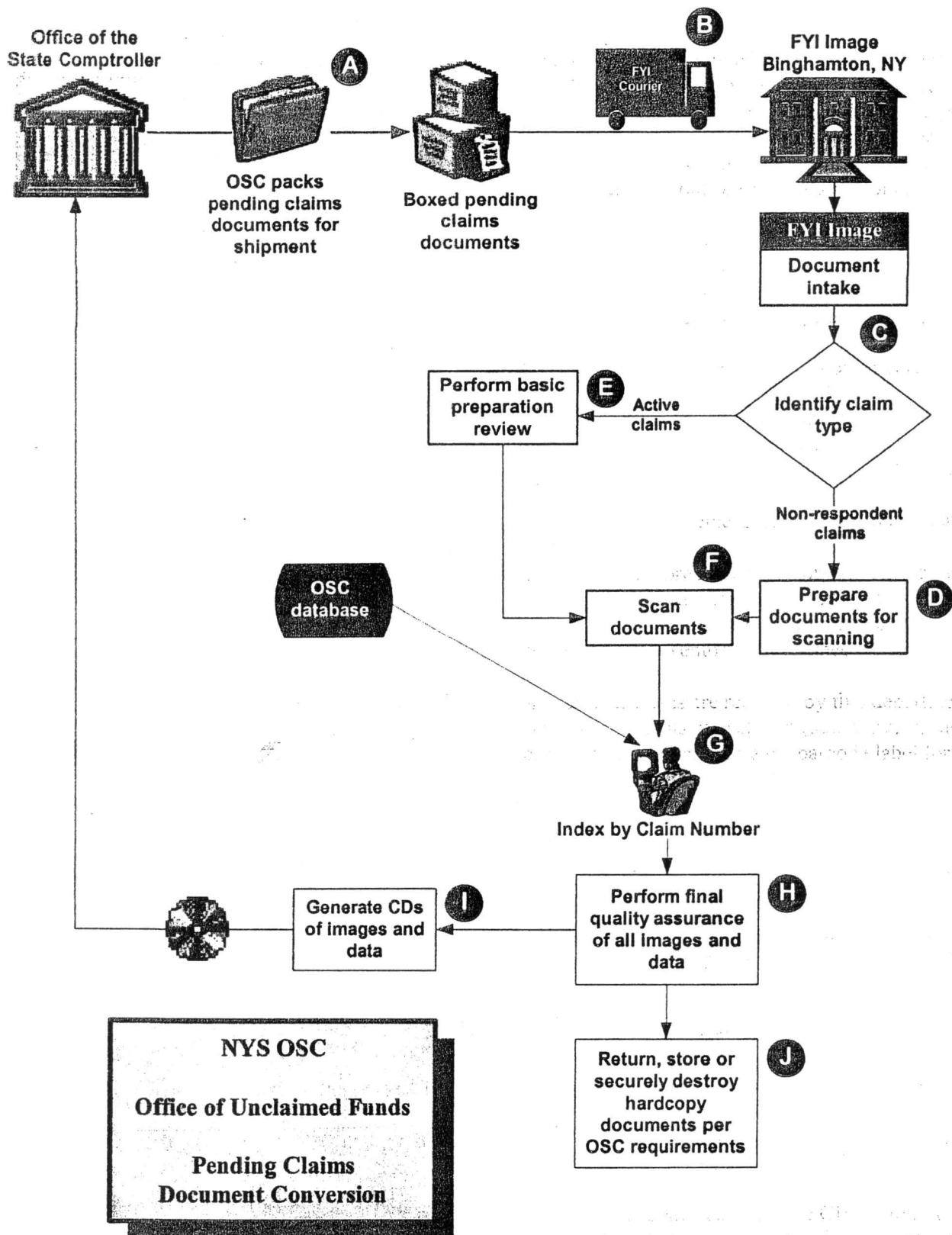
Detailed descriptions of FYI Image's proven methodologies are included in the following section.

II. The Image Conversion and Data Capture Process

FYI Image's conversion and document management processes are based on our successful experience in supporting document-to-image initiatives similar in scope and size to that presented by the Office of Unclaimed Funds.

Workflow Diagram

The following diagram depicts the flow of pending claim file documents, from their initial pickup to the transfer of the keyed and scanned data to CD. It is followed by detailed descriptions of each step in the process, identified by letter from the diagram.



Workflow Process

Preparation for Transport

A

OSC Office of Unclaimed Funds personnel will pack similar type documents into boxes (i.e., each box will contain either active or non-respondent claim files), label each box, and create a manifest containing the date and number of boxes to be shipped. An OSC staff member will confirm the accuracy of the manifest and sign off on all inventory control sheets prior to pickup.

Transportation

B

FYI Image will transport the documents on a schedule to be established by Unclaimed Funds and FYI Image. We have at our disposal the use of company-owned vehicles, leased vehicles and established contracts with outside dedicated transportation vendors.

We propose to utilize FYI Image commercially licensed drivers to pick up boxes of documents from 200 Jordan Road and deliver them to our conversion facility in Binghamton, NY using FYI Image owned and insured vehicles. Thoroughly trained and reliable, our drivers will ensure that pending claims documents are safely transported, from initial pickup to delivery. Vehicles are equipped with maps and, for emergency use, cellular phones.

Using the OSC-prepared inventory sheets for each box and its contents, FYI Image drivers will confirm the number of boxes to be transported. When this verification is complete, our drivers will sign off on all inventory control sheets.

Document Intake and Claim Type Identification

C

As boxes of forms are received by this department, intake staff will verify the contents of each box (i.e., active vs. non-respondent), and based on the contents, create a barcode label for each box in the shipment. They will affix one label to each box, and use a barcode reader to enter each box ID number into QUIPS, FYI Image's proprietary image tracking system. This initial scanning records the date and time at which each box is received in Binghamton.

As each box is checked in, the system will automatically create a box separator sheet on which the barcode for each box is printed. These sheets are used to identify the contents of boxes during scanning. Intake personnel will place a box separator sheet inside each box on top of the box's folders. For this engagement, each box of documents will represent one batch.

Case Information System (CIS)

CIS personnel will use a barcode wand to read the barcode affixed to each incoming box. FYI Image's tracking system will prompt the technician to visually verify the number of folders in each box (batch) and enter this number into the system.

Upon scanning each barcode, the CIS system will automatically print a batch separator sheet that distinguishes the contents of each batch during scanning. The batch separator sheet will be placed as the first paper in each batch.

This step will be repeated until all boxes/batches of documents have been checked in and all information pertaining to each batch has been verified. Each box barcode is scanned by CIS before forwarding to document preparation.

*Document Preparation:
Non-Respondent Claims*

D

Document preparation staff will check each box into this department by again scanning the barcode.

In this department, staff will remove paper clips, staples, glue and other bindings from all papers to be scanned. Two-sided page stickers (TSP) are affixed to papers with material to be scanned on both sides of the form to ensure proper scanning.

To identify form type, a document target separator sheet (DTS) will be manually completed and placed in front of each document. Scanned with each document (or batch of documents when appropriate), FYI Image's optical mark recognition program will identify various form types by interpreting the marks on each DTS, and appropriately placing table data into each document's electronic record.

Once prepared for scanning, our staff will check each box out of the document preparation department by scanning the barcode into the tracking system.

*Document Preparation:
Active Claims*

E

For active claims, OSC will have already inserted a barcoded header sheet as the first page in each folder, and document separator sheets between each document. For non-respondent claims, OSC will have already inserted a barcoded header sheet as the first page of each folder. No document separator sheets are inserted for non-respondent claims.

As part of its processing, FYI Image will review the condition of all active claim file documents to ensure they are properly prepared for scanning, and perform any document preparation tasks as required.

Scanning

F

By scanning each box's barcode label, boxes are checked into the scanning department and assigned to scanning technicians. The FYI Image tracking system prompts the scanner operator to verify each box assigned against the system's record for that box. Our imaging software is designed to ensure that any discrepancies between system records and contents of the physical boxes are resolved prior to scanning; the imaging process is initiated only after a check in is successfully completed.

Quality control is built into the scanning process. Technicians use the monitors at each workstation to review the quality of each scanned image. In the event of a paper jam, scanning equipment stops automatically. The operator must resolve the jam and replace the bad image produced before scanning can continue.

As each box is checked out of this department by scanning the barcode affixed to each box, the tracking system prompts the technician to enter the number of documents scanned in that box. Similar to the check in process, FYI Image's tracking system confirms the entered number against the system's record. Any discrepancy must be resolved prior to check out.

Import and Image Enhancement

As scanned images are imported from the scanning department to image enhancement, all images of document, batch and/or box separator sheets will be interpreted, and each set of images comprising one document will be automatically assigned a document tracking number. Moreover, the import process will use box/batch separator sheets to store scanned images in an electronic file structure that mirrors exactly the organization of the physical pages scanned; virtual boxes will contain virtual documents comprised of individual images.

The import process will distinguish all scanned images of the document and box separator sheets from the images comprising the documents themselves.

Each scanned image will be imported automatically to our image enhancement system, where it will be de-skewed, its contrast improved and "noise" (slight imperfections) caused by scanning removed.

Indexing/Verification

G

FYI Image software will read the first barcoded image in each folder to acquire the Claim Number directly from each image. FYI Image customized software will access the data tables supplied by OSC to automatically populate additionally required indexing fields, maximizing accuracy.

FYI Image validation staff will verify that all information propagated from the barcoded sheet and OSC data tables is accurate, make corrections if necessary, and enter information into any field that remains blank.

Quality Assurance

H

Quality assurance personnel will check each document's image quality for completeness and accuracy, as well as the exactness of each document's data record. Documents found to require corrective scanning will be sent to the rescan department then back to QC before the document is saved.

Data filters are run on every document to ensure that no required fields are missing for any document's data record, and that every data record is linked with the appropriate set of images.

Data Transfer

I

Upon completion of quality assurance, all images and associated data will be transferred to CD for delivery to the Office of Unclaimed Funds. We will include one CD for each TIER.

Unclaimed Funds. We will include one index file for each TIFF image file. All CDs will be tested for quality and readability.

All boxes of documents for which images and data have been successfully created will be checked out of the imaging facility by reading the barcode on each box, again updating FYI Image's tracking system.

Document Storage and Destruction

J

Boxes of pending claims documents checked out of the imaging facility will be returned to OSC via FYI Image courier.

~~Optionally, we can archive the pending claims files at our Binghamton warehouse in a secure manner until OSC-authorized destruction. FYI Image has a large capacity shredding operation at one of our Binghamton warehouse locations and the necessary procedures in place to ensure the secure destruction of all appropriate materials.~~

*Decline
OSC*

Management Controls

The ability to identify the precise location of each box and its contents received at FYI Image's conversion facility is of paramount importance to FYI Image operations staff. In achieving that goal, we will utilize automated systems and manual procedures that can track the disposition of pending claims documents at any time during processing. The following reports will be utilized to ensure that OSC documents can be accounted for at all times.

Intake Report

This report will track boxes as they are picked up from OSC and moved into the intake department. The intake report will identify batches and type of documents as they proceed through the subsequent process steps.

Cart Control Report

The cart control report will be created when the intake function is completed. Up to ten boxes will be assigned a unique job number and placed on a cart. This report will identify the job number, the number of boxes and folders, the number of documents in the box and will provide a signature block for supervisory approval; the job will progress from one processing unit to another only after a department supervisor has signed it. This report will stay with the job throughout its cycle time in the imaging facility. Discrepancies will be resolved immediately because the job will not be allowed to flow through the organization without supervisory sign-off.

Pre-Scanning Box Tracking Report

This report will give the status of all boxes of documents from the time of their intake into the imaging facility until they have been scanned. Codes on this report will identify the type of box, the job identification number, box identification numbers and the status/location of the box (Intake, CIS, Document Preparation, or in Scanning). In addition, this report will identify the intake and return dates of each box. Operations management will use this report to control the inventory of boxes on hand and to place boxes into the workflow in an efficient manner.

***Post-Scanning Box
Tracking Report***

This report will show the status of each box that is being or has been scanned, through indexing completion. Codes on this report will identify the type of box, job identification number, due date, processing status, number of pages and whether or not a box is ready for final review by the quality assurance unit. Operations management will use this report to ensure that boxes of documents are processed in a timely manner and to make workflow adjustments as required.

System Snapshot Report

The system snapshot report is a static graphic of the number of boxes at each step of the process, at any given point in time.

III. Document Security and Confidentiality

FYI Image understands the importance of protecting and honoring the confidentiality of information handled by our employees on behalf of NYSOSC Office of Unclaimed Funds. We have successfully developed and implemented a proven security plan that is constantly updated to meet changing needs and legal requirements. The plan focuses on employee screening and communication, physical protection of facilities, security software application development, and telecommunications protection, if required.

Confidentiality Measures

Confidentiality is an integral part of each FYI Image employee's commitment to our clients. Staff members are specifically instructed not to discuss or disclose any information learned on any project. We regularly communicate the organization's philosophy regarding confidentiality, individual duties and responsibilities, behavioral expectations, and performance standards. Every FYI Image employee signs a confidentiality agreement upon employment, and, when requested, our staff members sign project-specific or client-specific confidentiality agreements.

Physical Security Precautions

FYI Image will ensure the physical security of all pending claim file documents in our possession. Our proposed project team will be responsible to ensure that all hardcopy documents and project-specific materials are accounted for and maintained within designated project areas. Using the manual and electronic tracking methods described earlier, the team will monitor the location and workflow progress of all hardcopy documents and images.

Additionally, every FYI Image facility utilizes a monitored security system to eliminate any unauthorized off-hour access to the buildings. We regularly ensure that all security warning, emergency lighting, fire protection, and UPS systems are functioning properly and are checked periodically.

Data Center and Telecommunications Security

In addition to facility and document security, FYI Image computer centers have a multi-level security system, with the following components:

- ☐ Controlled file server access that includes keyboard locking and system passwords;
- ☐ Software provided security systems;
- ☐ Data entry workstation user passwords that limit access to client data;
- ☐ System backup procedures performed at least daily; and
- ☐ Controlled access to computer rooms.

Backup Media Storage

To ensure against data loss, all data is backed up nightly in Binghamton, NY with an Exabyte 230D tape backup jukebox utilizing an automated process. Back up tapes are delivered and stored at our corporate disaster recovery site in Johnson City, NY on a regularly scheduled rotational basis.

IV. Technical Platform

FYI Image, Binghamton Facility

Hardware

FYI Image's conversion facility is equipped with a 200-node network of Compaq Deskpro NT workstations, most of which have 21" Cornerstone monitors. The network communicates at 100 Mbps Fast Ethernet and uses Bay Network Routers and 3 Com switches.

For processing and image storage, the imaging center has 12 Dell Power Edge 6100 servers, each with two gigabytes of RAM, along with One Digital Server 7000. The SQL server is mirrored for an added processing power.

We convert images on Kodak 5500 and 7500 scanners and perform rescanning on Fujitsu desktop scanners.

Software

Our information and tracking systems run on custom-designed FYI Image tracking software, and can be fully integrated into scanning, data entry, quality control and data transfer software applications. Upload and image enhancement processes can also run on custom-designed, integrated software.

Scanning software consists of customized patch and barcode recognition systems, as well as automated document, folder and box categorization processes.

FYI Image's data entry software, also designed in-house, allows operators to capture data from scanned images, and can be customized to fit specific OSC needs.

Backup and Recovery

To ensure against data loss, all data is backed up nightly with an Exabyte 230D tape backup jukebox utilizing an automated process. Back up tapes are delivered and stored at our corporate disaster recovery site in Johnson City, NY on a regularly scheduled rotational basis.

In the case of a server failure, FYI Image has a spare server staged onsite and the ability to do a "hot swap" of servers without significant productivity loss. Additionally, we utilize Matrix UPS 5000 units to protect all servers, and UPS 400 units to protect each workstation.

Images Delivery

All images are in TIFF Group IV compliant format; images and associated data transferred to the fyidocs repository, as well as migrated to tape storage for backup.

V. Costs

FYI Image proposes the following cost structure.

Document Conversion Services –ACTIVE FILES

- ▶ Transportation of documents
- ▶ Document control
- ▶ Scanning
- ▶ Indexing
- ▶ Quality assurance
- ▶ Transfer to CD

PRICE: \$ 0.10 per page

Document Conversion Services –NON-RESPONDENT FILES

- ▶ Transportation of documents
- ▶ Document control
- ▶ Preparation for scanning
- ▶ Scanning
- ▶ Indexing
- ▶ Quality assurance
- ▶ Transfer to CD

PRICE: \$ 0.15 per page

APPENDIX C

**Document Management Solution for Unclaimed Funds
Binders**

December 3, 2001

Proposal for

**A Comprehensive
Document Management Solution
For Unclaimed Funds Binders**

**Presented
to**



**Office of the State Comptroller
Unclaimed Funds**

Prepared by



For questions regarding this proposal, please contact:

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I. Overview

FYI Image is pleased to present this proposal to the NYSOSC Office of Unclaimed Funds for a *Comprehensive Document Management Solution* that includes scanning, indexing and repository services related to unclaimed funds documents. We can commit all the elements, as well as offer enhanced service alternatives, to successfully deploy and maintain a document management system for Unclaimed Funds by performing the tasks below.

1. Pick up and transport boxes of unclaimed funds documents from 200 Jordan Road on a schedule to be agreed upon by the Office of Unclaimed Funds and FYI Image, and transport them to Binghamton, NY for processing.
2. Batch documents and enter batch IDs into FYI Image's QUIPS document management control system.
3. Remove all documents from their binders and prepare documents for scanning.
4. Scan documents at 200 DPI in TIFF Group IV format.
5. Index documents based on Year, Reporter Number, and Page Within Reporter Section, and propagate any remaining fields utilizing the OSC-provided data file.
6. Produce one index file for each TIFF image file, and transfer images and data to CD for delivery to OSC (Option 1A), ~~or store images online in the fyidocs repository for access by up to 50 concurrent users, and develop a Web-based portal for access to online documents (Option 1B).~~ → DEC/11/12
→ OSC
7. ~~Store paper documents until OSC-authorized destruction (Option 2A);~~ or return the paper documents to Unclaimed Funds (Option 2B). ***

*** Please note that this proposal excludes FYI Image's reconstruction of the binders. We will secure together the documents and hardcover binders by rubber band and return to the Office of Unclaimed Funds.

FYI Image is qualified by significant experience in the development and implementation of large-scale document management systems for both the private and public sectors. As such, we are able to supply Unclaimed Funds with superior resources and experience in document conversion, repository services, and document storage procedures.

Document conversion. FYI Image has an operating unit located in Binghamton, NY that is one of the largest document management centers in the US, with up to 800 full and part-time employees working on a two and three shift basis. In addition to a number of other clients, our Binghamton facility currently supports an ongoing NYS Workers Compensation Board project involving the conversion and indexing of over 75 million pre-existing documents to image, as well as the conversion and indexing of over 50,000 documents daily on a 24-hour turnaround per contract schedule.

Repository services. Upon completion of the conversion of OSC unclaimed funds documents, all form images and data can be stored in fyidocs™, our Web-based document repository network infrastructure. With a user-friendly interface, fyidocs allows highly secure access to all Unclaimed Funds files via any standard Internet browser.

Document storage and destruction. FYI Image possesses the space, resources, equipment, and security procedures required to safely store OSC unclaimed funds documents. In addition to the warehouse space at our primary conversion center at 30 Wall Street in Binghamton,

FYI Image operates four large warehouses in that area, giving us approximately 129,000 total square feet of storage space.

Each warehouse facility offers a safe and secure environment for archived client files, with enforced no-smoking policies, zone controlled sprinkler systems, building security systems, and in some cases, security guard monitoring.

We also possess a large-capacity shredding operation at one of our warehouse locations, with the necessary procedures in place to ensure the secure destruction of all appropriate materials.

Detailed descriptions of FYI Image's proven methodologies are included in the following section.

II. The Image Conversion and Data Capture Process

FYI Image's document management processes are based on our successful experience in supporting conversion initiatives similar to this one presented by the Office of Unclaimed Funds.

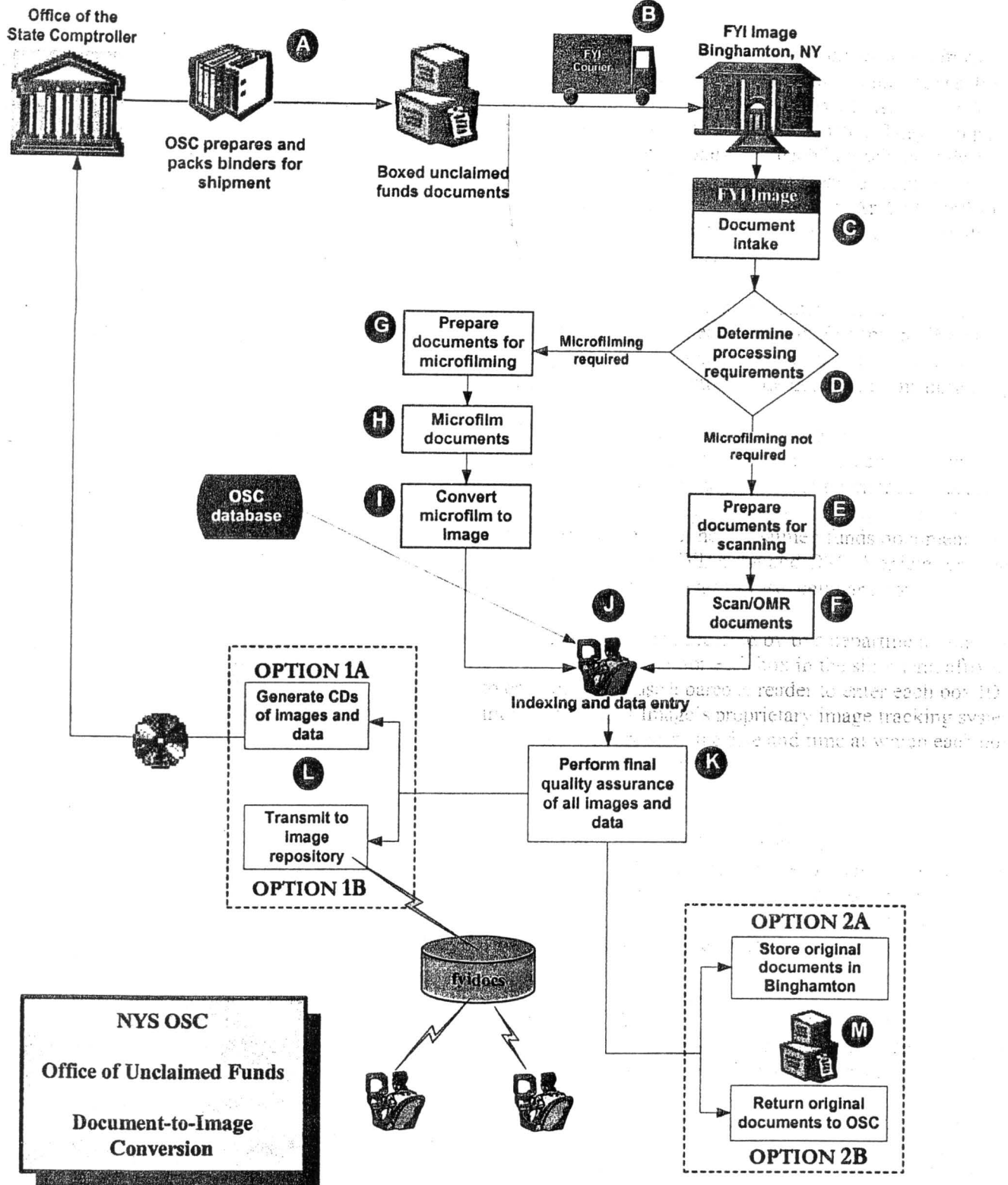
Workflow Diagram

The following diagram depicts the workflow process we will employ in converting and storing OSC unclaimed funds file documents, from their initial pickup to the creation of CDs containing images and data or the transmission of the keyed and scanned data to the fyidocs repository. It is followed by detailed descriptions of each step in the process, identified by letter.

Conversion
of Images
to
PDF

Indexing and
Storage

Report Card



Workflow Process

Preparation for Transport

A

OSC Office of Unclaimed Funds personnel will remove document binders from shelves and pack the binders into boxes. Before packing the binders into boxes, OSC will insert barcoded document separator sheets between each report batch. They will pack similar-year documents into boxes (i.e., each box will contain documents of only one year), label each box and create a manifest containing the date and number of boxes to be shipped. An OSC staff member will confirm the accuracy of the manifest and sign off on all inventory control sheets prior to transport.

Transport

B

FYI Image will transport the documents on a schedule to be established by Unclaimed Funds and FYI Image. We have at our disposal the use of company-owned vehicles, leased vehicles and established contracts with outside dedicated transportation vendors.

We propose to utilize our own commercially licensed drivers to pick up boxes of documents from 200 Jordan Road and deliver them to our conversion facility in Binghamton, NY using FYI Image owned and insured vehicles. Thoroughly trained and reliable, our drivers will ensure that unclaimed funds documents are safely transported between FYI Image and OSC. Vehicles are equipped with maps and, for emergency use, cellular phones.

Document Intake

C

As boxes of forms are received by this department, intake staff will create a barcode label for each box in the shipment, affix one label to each box, and use a barcode reader to enter each box ID number into QUIPS, FYI Image's proprietary image tracking system. This initial scanning records the date and time at which each box is received in Binghamton.

As each box is checked in, the system will automatically create a box separator sheet on which the barcode for each box is printed. These sheets are used to identify the contents of boxes during scanning. Intake personnel will place a box separator sheet inside each box on top of the box's folders. For this engagement, each box of documents will represent one batch.

Case Information System (CIS)

CIS personnel will use a barcode wand to read the barcode affixed to each incoming box. FYI Image's tracking system will prompt the technician to visually verify the number of binder sections in each box/batch and enter this number into the system.

This step will be repeated until all boxes/batches of documents have been checked in and all information pertaining to each has been verified.

Processing Requirements Determination

D

By examining each binder of unclaimed funds documents, FYI Image staff will identify those papers requiring special processing. Documents in good physical condition will be prepared for scanning; documents in poor condition will be pulled and set aside.

scanning; documents in poor condition will be pulled and set aside for microfilming and ultimate microfilm-to-image conversion.

*Document Preparation:
Scanning*

E

FYI Image staff will check each box into the document preparation department by again scanning its barcode. Document prep staff will remove all documents from their binders. Where applicable, they will remove any paper clips, staples, glue and other bindings from all papers, and affix two-sided page stickers (TSP) to double-sided papers to ensure proper scanning.

FYI Image staff will also ensure that a barcoded document separator sheet has been properly placed by OSC in front of each section of documents. FYI Image's barcode recognition program will identify each reporter and appropriately place data into each document's electronic record.

Once prepared for scanning, our staff will check the box out of the document preparation department by scanning the barcode into the tracking system.

Scanning

F

By scanning each box's barcode label, boxes are checked into the scanning department and assigned to scanning technicians. The FYI Image tracking system prompts the scanner operator to verify each box assigned against the system's record for that box. Our imaging software is designed to ensure that any discrepancies between system records and contents of the physical boxes are resolved prior to scanning; the imaging process is initiated only after a check in is successfully completed.

Quality control is built into the scanning process. Technicians use the monitors at each workstation to review the quality of each scanned image. In the event of a paper jam, scanning equipment stops automatically; operators must resolve the jam and replace the bad image produced before scanning can continue.

Based on their assessment during scanning, FYI Image technicians will utilize a flatbed scanner to process any papers that are unlikely candidates for standard scanning.

As each box is checked out of this department by wanding the barcode affixed to each box, the tracking system prompts the technician to enter the number of documents scanned in that box. Similar to the check in process, FYI Image's tracking system confirms the entered number against the system's record. Any discrepancy must be resolved prior to check out.

*Import and Image
Enhancement*

As scanned images are imported from the scanning department to image enhancement, all images of document, batch and/or box separator sheets will be interpreted, and each set of images comprising one document will be automatically assigned a document tracking number. Moreover, the import process will use

box/batch separator sheets to store scanned images in an electronic file structure that mirrors exactly the organization of the physical pages scanned; virtual boxes will contain virtual documents comprised of individual images.

The import process will distinguish all scanned images of the document and box separator sheets from the images comprising the documents themselves.

Each scanned image will be imported automatically to our image enhancement system, where it will be de-skewed, its contrast improved and "noise" (slight imperfections) caused by scanning removed.

*Optical Mark Recognition
(OMR)*

The barcoded information on each document separator sheet will be interpreted as data, which will be placed in a data table. Using the document tracking number, each record in this data table is linked automatically to the scanned images to which it pertains.

Each document's images and data record will be exported to the indexing department.

*Document Preparation:
Microfilming*

G

Poor-condition documents that had been previously set aside will be prepared for microfilming. Where applicable, document prep staff will remove any paper clips, staples, glue and other bindings from the papers, repair any torn sheets, and affix two-sided page stickers (TSP) to double-sided papers to ensure proper microfilming.

They will also confirm that a barcoded document separator sheet has been properly placed in front of each section of documents, as well as ensure that the documents are in proper sequence for microfilming. FYI Image will implement and utilize a manual tracking system to account for each section of documents during the microfilming process.

Microfilming

H

Documents will be microfilmed utilizing planetary cameras, also known as flatbed cameras, which photograph documents in a stationary position during exposure. Throughout processing, FYI Image technicians will ensure that the microfilm is accurate and legible, and that no document has been missed. Prior to and during microfilming, we will confirm the correctness of image orientation, as well as the reduction ratios, background density and resolution utilized.

During filming, we will insert a series of small and large blips to serve as an automatic counter and retrieval device to locate each exposure on each roll of film.

Microfilming technicians will inspect each roll of completed microfilm for overall image quality, overlaps, image straightness, and for camera or operator errors.

Microfilm Conversion to Image

I

Each batch of microfilm reels will be assigned a unique project code, and entered into FYI Image's project tracking database. We will also create an inventory sheet and film log that will accompany each batch of film throughout processing.

Conversion staff will determine the optimal scanner settings and focus for each batch of film, and will perform and print out a random sampling of images on each roll for quality control purposes prior to the implementation of full-scale scanning. Upon management approval of each sampling, the microfilm will be placed on the scanning floor, and processing will be initiated.

Utilizing Sunrise Proscan4 and DOS SR150 roll film scanners, or their equivalents, our image capture service involves a combination of interactive and automated scanning procedures; specific production processes will be tailored to meet OSC requirements. Scanning software includes Scanflow and a variety of proprietary FYI Image-developed cropping, indexing and tracking applications.

Scanning is followed by the validation process. Validation involves image enhancement (i.e., splitting, cropping and de-skewing), initial image quality assurance, and identification of any images requiring rescanning. Also during validation, FYI Image's extraction and matching database will automatically index the images at the roll and frame level, as well as create an approved TIFF naming convention.

FYI Image staff will perform extensive QC on all images, including a compression checking process that will identify and correct any corrupted images.

Indexing/Verification

J

FYI Image software will read and interpret the barcoded separator sheets to acquire the Year, Reporter Number, and Page Within Reporter Section index information. FYI Image customized software will access the data tables supplied by OSC to automatically populate any other required indexing fields, maximizing accuracy.

FYI Image validation staff will verify that all information propagated from the barcoded sheet and OSC data tables is accurate, make corrections if necessary, and enter information into any field that remains blank.

Quality Assurance

K

Quality assurance personnel will check each document's image quality for completeness and accuracy, as well as the exactness of each document's data record. Documents found to require corrective scanning will be sent to the rescan department then back to QC before the document is saved.

Data filters are run on every document to ensure that no required

fields are missing for any document's data record, and that every data record is linked with the appropriate set of images.

Data Transfer

L

FYI Image will produce one index file for each TIFF image file, and offers two options in our presentation of images and data to OSC.

Option 1A. Upon completion of final QA, indexed images and data records will be transferred to CD and delivered to the Office of Unclaimed Funds. Each CD will be tested for quality and readability.

~~Option 1B. Upon completion of quality assurance, all images and associated data will be placed in the fyddocs repository for Web-enabled access for up to 50 concurrent end users. Images and data will also be migrated to tape storage for backup.~~

DECLINE
OSC

Document De-preparation

Once processing is complete, FYI Image will rubber band together each set of documents with their respective hard cover binders, and pack them into boxes for return to the Office of Unclaimed Funds.

Document Disposition

M

Optionally, OSC may choose to store the unclaimed funds documents at FYI Image in Binghamton, NY, or have the files returned to 200 Jordan Road.

~~Option 2A. Documents for which images and data have been transferred to CD (or loaded to fyddocs) will be prepared for storage. FYI Image staff will reassemble the documents into their original binders, box the binders, check the boxes out of the imaging facility, archive them in a secure manner, and enter document location information into FYI Image's storage and retrieval database.~~

DECLINE
OSC

We currently store approximately 240,000 boxes of archived client documents in our warehouses. Retrieval of any of those documents is easily facilitated through FYI Image's barcode tracking capabilities; in fact, many of our client contracts include established 24-hour retrieval requirements.

Option 2B. Boxes of reassembled binders will be returned to the Office of Unclaimed Funds. Technicians will update the status of these case folders to a returned status by barcode-wandering each label. Folders will be packed into cartons and staged for transport.

Similar to the initial pickup process, we will label each box to be transported sequentially, and create a manifest containing the date and the number of boxes to be shipped. FYI Image drivers will deliver the boxes in company-owned vehicles; upon receipt and confirmation of the delivery, an OSC staff member will sign off on all inventory control sheets.

Management Controls

The ability to identify the precise location of each box and its contents received at FYI Image's conversion facility is of paramount importance to FYI Image operations staff. In achieving that goal we will utilize automated systems and manual procedures that can track the disposition of unclaimed funds documents at any time during processing. The following reports will be utilized to ensure that all OSC files can be accounted for at all times.

Intake Report

This report will track boxes as they are picked up from OSC and moved into the intake department. The intake report will identify batches and type of documents as they proceed through the subsequent process steps.

Cart Control Report

The cart control report will be created when the intake function is completed. Up to ten boxes will be assigned a unique job number and placed on a cart. This report will identify the job number, the number of boxes and folders, the number of documents in the box and will provide a signature block for supervisory approval; the job will progress from one processing unit to another only after a department supervisor has signed it. This report will stay with the job throughout its cycle time in the imaging facility. Discrepancies will be resolved immediately because the job will not be allowed to flow through the organization without supervisory sign-off.

Pre-Scanning Box Tracking Report

This report will give the status of all boxes of documents from the time of their intake into the imaging facility until they have been scanned. Codes on this report will identify the type of box, the job identification number, box identification numbers and the status/location of the box (Intake, CIS, Document Preparation, or in Scanning). In addition, this report will identify the intake and return dates of each box. Operations management will use this report to control the inventory of boxes on hand and to place boxes into the workflow in an efficient manner.

Post-Scanning Box Tracking Report

This report will show the status of each box that is being or has been scanned, through indexing completion. Codes on this report will identify the type of box, job identification number, due date, processing status, number of pages and whether or not a box is ready for final review by the quality assurance unit. Operations management will use this report to ensure that boxes of documents are archived in a timely manner and to make workflow adjustments as required.

System Snapshot Report

The system snapshot report is a static graphic of the number of boxes at each step of the process, at any given point in time.

III. Document Security and Confidentiality

FYI Image understands the importance of protecting and honoring the confidentiality of information handled by our employees on behalf of NYSOSC Office of Unclaimed Funds. We have successfully developed and implemented a proven security plan that is constantly updated to meet changing needs and legal requirements. The plan focuses on employee screening and communication, physical protection of facilities, security software application development, and telecommunications protection, if required.

Confidentiality Measures

Confidentiality is an integral part of each FYI Image employee's commitment to our clients. Staff members are specifically instructed not to discuss or disclose any information learned on any project. We regularly communicate the organization's philosophy regarding confidentiality, individual duties and responsibilities, behavioral expectations, and performance standards. Every FYI Image employee signs a confidentiality agreement upon employment, and, when requested, our staff members sign project-specific or client-specific confidentiality agreements.

Physical Security Precautions

FYI Image will ensure the physical security of all unclaimed funds documents in our possession. Our proposed project team will be responsible to ensure that all hardcopy documents and project-specific materials are accounted for and maintained within designated project areas. Using the manual and electronic tracking methods described earlier, the team will monitor the location and workflow progress of all hardcopy documents and images.

Additionally, every FYI Image facility utilizes a monitored security system to eliminate any unauthorized off-hour access to the buildings. We regularly ensure that all security warning, emergency lighting, fire protection, and UPS systems are functioning properly and are checked periodically.

Data Center and Telecommunications Security

In addition to facility and document security, FYI Image computer centers have a multi-level security system, with the following components:

- ☐ Controlled file server access that includes keyboard locking and system passwords;
- ☐ Software provided security systems;
- ☐ Data entry workstation user passwords that limit access to client data;
- ☐ System backup procedures performed at least daily; and
- ☐ Controlled access to computer rooms.

Backup Media Storage

To ensure against data loss, all data is backed up nightly in Binghamton, NY with an Exabyte 230D tape backup jukebox utilizing an automated process. Back up tapes are delivered and stored at our corporate disaster recovery site in Johnson City, NY on a regularly scheduled rotational basis.

IV. Technical Platform

Repository Services and Portal Development

Through fyidocs, Office of Unclaimed Funds end users can have instantaneous retrieval of case folder images and related data via a simple Web-browser installed at each desktop.

FYI Image will customize, install and maintain the front-end software needed to manage the document images and data in the repository, and will provide the Web portal through which user access is controlled. This access is password protected and totally under the control of OSC.

A truly innovative Web-based document and image repository system, fyidocs will securely manage the multitude of documents handled by the Office of Unclaimed Funds. It offers:

- | | |
|---------------------------------|--|
| <i>Robustness</i> | fyidocs is built to meet the rigorous demands of our diverse customer base of large corporations and government agencies that increasingly rely on us for universal and timely access to critical information. |
| <i>Flexibility</i> | fyidocs provides the basic functionality of what any organization requires to initiate and deploy a document image repository system. For those business operations that require a more sophisticated use of the repository, FYI Image can build a tailored application level, using the offerings of many of the leading document management and workflow vendors. As a vendor neutral company, FYI Image can ensure that the repository application design is optimized for specific business needs. |
| <i>Reliability</i> | The utmost reliability has been built into the repository network at every stage and, literally, from the ground up. The repository network facilities are built to withstand the most challenging forces of nature: rain, high winds, lightening and earthquakes. |
| <i>End-to-end security</i> | fyidocs provides a complete system of security beginning with the initial receipt of images and data through storage/retrieval and disaster recovery. |
| <i>Capacity and scalability</i> | Capacity means not only the bandwidth and services that hosting centers can deliver, but also their scalability to meet future needs. FYI Image selects repository components that will ensure that any increased utilization of fyidocs is seamless. |
| <i>Optimal design</i> | fyidocs uses highly redundant Storage Area Network, utilizing fiber-channel RAID 5 storage array, guaranteeing optimal access to documents. Magnetic storage provides quick access to data without the "time-to-data" latency of optical disc and CD-based solutions. When storing image-based data, FYIDOCs maintains it in industry standard Group IV TIFF, XML and PDF formats. |

FYI Image, Binghamton Facility

Hardware

FYI Image's conversion facility is equipped with a 200-node network of Compaq Deskpro NT workstations, most of which have 21" Cornerstone monitors. The network communicates at 100 Mbps Fast Ethernet and uses Bay Network Routers and 3 Com switches.

For processing and image storage, the imaging center has 12 Dell Power Edge 6100 servers, each with two gigabytes of RAM, along with One Digital Server 7000. The SQL server is mirrored for an added processing power.

We convert images on Kodak 5500 and 7500 scanners and perform rescanning on Fujitsu desktop scanners.

Software

Our information and tracking systems run on custom-designed FYI Image tracking software, and can be fully integrated into scanning, data entry, quality control and data transfer software applications. Upload and image enhancement processes can also run on custom-designed, integrated software.

Scanning software consists of customized patch and barcode recognition systems, as well as automated document, folder and box categorization processes.

FYI Image's data entry software, also designed in-house, allows operators to capture data from scanned images, and can be customized to fit specific OSC needs.

Backup and Recovery

To ensure against data loss, all data is backed up nightly with an Exabyte 230D tape backup jukebox utilizing an automated process. Back up tapes are delivered and stored at our corporate disaster recovery site in Johnson City, NY on a regularly scheduled rotational basis.

In the case of a server failure, FYI Image has a spare server staged onsite and the ability to do a "hot swap" of servers without significant productivity loss. Additionally, we utilize Matrix UPS 5000 units to protect all servers, and UPS 400 units to protect each workstation.

Images Delivery

All images are in TIFF Group IV compliant format; images and associated data transferred to the fyidocs repository, as well as migrated to tape storage for backup.

V. Costs

FYI Image proposes the following cost structure.

Document Conversion Services

- ▶ Transportation of documents
- ▶ Document control, sorting and preparation for scanning/microfilming
- ▶ Scanning/microfilming
- ▶ Indexing
- ▶ Quality assurance
- ▶ Transfer to CD

PRICE: \$ 0.25 per page

Image Storage Alternatives

- ▶ Option 1A, documents generated on CD

PRICE: included in base price

- ▶ ~~Option 1B, documents loaded to fyidocs~~

~~**PRICE: \$.0025 per image per month, plus a one-time setup fee of \$25,000**~~

DECLINE
OSC

Hardcopy Document Disposition Alternatives

- ▶ Option 2A, documents returned to OSC after processing

PRICE: included in base price

- ▶ ~~Option 2B, documents stored in secure FYI Image warehouse in Binghamton~~

~~**PRICE: \$.30 per box per month**~~

DECLINE
OSC

APPENDIX D

OSC POLICY STATEMENT ON HARASSMENT (INCLUDING SEXUAL HARASSMENT)

It is the policy of the Office of the State Comptroller ("OSC") to protect and safeguard the rights of its employees to a workplace that is free of harassment based on race, color, sex, religion, age, national origin, disability, marital status, sexual orientation, genetic predisposition or carrier status, Vietnam Era Veteran status, or any other protected classification pursuant to applicable State, federal or local law, rule or regulation or executive order ("protected classes"). In keeping with this policy, OSC reaffirms that it will not tolerate such harassment of its employees by anyone, and that it will take all steps necessary to prevent and stop the occurrence of such harassment in its workplace.

Sexual harassment is defined as:

- Unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature when submission to the conduct is either explicitly or implicitly a term or condition of an employee's employment or
- When submission to or rejection of such conduct by an employee is used as the basis for employment decisions affecting such employee, or
- When the conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile or offensive work environment for an employee.

Sexual harassment may include explicit sexual propositions, sexual innuendo, suggestive comments, sexually oriented "kidding" or "teasing", "practical jokes", jokes about gender-specific traits, foul or obscene language or gestures, display of foul, obscene or sexually suggestive printed or visual material, physical conduct such as touching, patting, pinching, or brushing against another's body, obscene or sexually oriented computer or phone mail messages, suggestive or obscene letters, notes or invitations, inappropriate discussions of a person's physical appearance or unwelcome gifts and attention.

Examples of conduct that may constitute harassment based upon membership in other protected classes are as follows:

- Kidding or teasing related to membership in, or characteristic of a protected class, such as laughing at, or mimicking, someone's physical or mental impairment, foreign accent, etc.;
- Use of ethnic or racial slurs;
- Telling jokes that belittle a protected class.

These examples comprise only a partial list of conduct that may be considered sexual harassment or harassment based on other protected classes. If you have any questions about what behavior constitutes such harassment, please contact the OSC Affirmative Action Office at (518) 473-1368.

Federal and State law prohibit harassment based on membership in a protected class. All OSC employees and any third parties who interact with OSC employees at the workplace, such as vendors and independent contractors, are expected to avoid any behavior or conduct that could be interpreted as harassment based on a protected class. If a third party is found to have committed such an act of harassment against an OSC employee in the workplace, OSC will take all steps necessary to prevent and stop that behavior.

APPENDIX E

Contractor is Required to Sign Both Sections

NONDISCRIMINATION IN EMPLOYMENT IN NORTHERN IRELAND: MACBRIDE FAIR EMPLOYMENT PRINCIPLES

In accordance with Chapter 807 of the Laws of 1992 the bidder, by submission of this bid, certifies that it or any individual or legal entity in which the bidder holds a 10% or greater ownership interest, or any individual or legal entity that holds a 10% or greater ownership interest in the bidder, either (answer yes or no to one or both of the following, as applicable):

(1) have business operations in Northern Ireland Yes _____ or No ✓

If yes:

(2) shall take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride Fair Employment Principles relating to nondiscrimination in employment and freedom of workplace opportunity regarding such operations in Northern Ireland, and shall permit independent monitoring of their compliance with such Principles.

Yes _____ or No _____

James Correa
(Contractor's Signature)

QCSinet Acquisition Corporation
(Name of Business)
dba FYI Image

INDEPENDENT CONTRACTOR ACKNOWLEDGMENT OSC POLICY STATEMENT ON HARASSMENT (INCLUDING SEXUAL HARASSMENT)

The undersigned acknowledges that he/she has received a copy of the OSC Policy Statement on Harassment (Including Sexual Harassment) (Appendix D)

James Correa
(Contractor's Signature)

QCSinet Acquisition Corporation
(Name of Business)
dba FYI Image