

RFP-CASE-400313 STEM Forward Internship Program – Payment Vendor Q&A:

Q1: We want to clarify that the administrator would not be running the actual payroll, they would just be reimbursing the vendor that ran the payroll. Is this a correct assumption?

A1: The MEDC is seeking to implement a reimbursement method – meaning the employer would handle their own payroll, and pay their intern(s) directly, and then seek a reimbursement for MEDC’s wage contribution via the vendor.

Q2: We understand that since 2021 when STEM Forward launched there have been over 200 companies and 800 interns involved in the program. We also understand that over 400 companies have the potential to participate in the program. Can the government give us the number of participating interns and respective companies who participated in 2023? Also can the government give us the number of participating interns and the respective companies who participated in 2022?

A2: Between 1/1/2023 – 12/31/2023, there were 271 interns with 98 companies. As the program was shifting administrative hands during the winter/spring semester, enrollment during that period (January to April) was minimal. Between 1/1/2022 – 12/31/2022, the program had approximately 396 interns with 130 companies.

Q3: Our understanding is that the selected vendor will be responsible for reimbursing the companies within 10 business days after submitting their invoices. Can the government give us the invoice the invoicing frequency (weekly, monthly, quarterly)?

A3: The frequency could vary depending on the vendor, but ideally employers should be able to request reimbursement on a weekly, biweekly, or – at most – monthly basis. STEM Forward supports a range of companies – from enterprise organizations to startups and we want to ensure that they have adequate financial support to sustain their efforts and grow their operations and experiential-learning opportunities.

Q4: How will the government handle providing funds to disburse to the companies participating in the program to ensure that the selected vendor is not funding the reimbursements and waiting on payment from the State?

A4: The MEDC will enter into a contract with the selected vendor and the terms of payment, including payment schedule (e.g., advance, reimbursement, or a combination), will be included in the agreement. The total grant amount will cover administrative costs and the funding to reimburse the employers. The MEDC will work with the selected vendor to ensure sufficient funds are on hand to reimburse employers.

Q5: Are you looking for a dedicated team or can this be a team that’s designated as the delivery team? Additionally, what is the number of people that has been typically used for this project.

A5: This RFP does not include a specific number of staff to support the payment portion of this program, and that number could vary depending on the vendor and the support they can offer and execute. However, as the program is designed to provide financial support to employers to sustain and increase the number of experiential learning opportunities available in the STEM field in Michigan, it is a crucial aspect to the program and requires staff members who will be dedicated to the program and its success.

Q6: How many actual vendors did you have in 2023 MiSTEM program?

A6: The MEDC had one contract with a third-party payroll payment vendor in 2023.

Q7: How many interns were full time?

A7: In 2023, 171 interns were full-time.

Q8: How many interns were part time?

A8: In 2023, 100 interns were part-time.

Q9: Can you confirm that the Interns will not be employed by the 3rd party administrator, but by the vendor who is participating in the MiSTEM program?

A9: The STEM Forward participating employer will be the employer-of-record for their intern(s). The vendor MEDC is seeking to hire with this RFP will be responsible with facilitating payments between the MEDC and the employers.

Q10: If this is not the case and the selected vendor is responsible for payrolling the individual interns, then can the government provide the following information:

How many interns (estimated range) are likely to be in the 2024 program?

How often do interns get paid (weekly, bi-weekly, semi-monthly, monthly)?

A10: See A2 and A3 above.

Q11: How many secure access MEDC users to the winning suppliers payment system for reporting or other investigative functions?

A11: Reporting under the agreement executed between the MEDC and the selected vendor will be through a separate process established between the two parties that does not require secure access.

Q12: What physical and technology security controls are you expecting of the supplier?

A12: This could depend on the vendor and the type of payment platform or process they have to offer, but at minimum we expect the vendor to have internal controls in place for accounts payable (e.g., obligation to pay, data entry, payment entry). We also expect the selected vendor have sufficient security protocols in place to protect personal and/or financial information of the participating companies and interns.

Q13: Do you expect any cybersecurity framework certifications like NIST, CIS or SOC 2 from competing suppliers?

A13: The MEDC may request an annual SOC 2 report from the selected vendor.

Q14: What type of reports and detailed data point / content for each report?

A14: This could depend on the vendor's payment system and the type of information that they are able to provide, however, at minimum we expect that the vendor provides regular

summaries of the reimbursement payments made to employers – e.g., list of companies paid, amounts requested by company, amounts paid to companies by intern. The cadence of these reports will depend on the frequency in which payments are made to employers. In addition, the MEDC agreement includes an access to records clause that will require the selected vendor to maintain books and records related to the work performed under the contract for a period of time, and to allow MEDC staff or State of Michigan auditors to verify compliance with the terms and conditions.

Q15: Can you please share details of your evaluation process and the timeline planned from down selecting, the ultimate decision (ie. winning supplier) and communications?

A15: Please refer back to the Request for Proposal for these details (e.g., important dates, selection criteria): [case-400313-stem-forward---execution.pdf \(michiganbusiness.org\)](#).

Q16: Can you share the number suppliers invited into this RFP competing with this bid?

A16: This RFP was publicly posted on [MEDC's website](#) and shared directly with a network of partners, stakeholders, and participating STEM Forward employers for awareness.

Q17: Can you please share your expectations of when (ie. Month) you would like this new payment processing function to be in place assuming in 2024?

A17: Summer 2024 – this begins in May.

Q18: Can you please share your expectation to transition timeline into this new payment processing services?

A18: Between February and May 2024, we will select our vendor, execute a contract, set up the reimbursement and reporting process, test the process, update program admin language, and begin accepting summer interns.

Q19: Are there any regulatory audit requirements that we may need to comply within our Business Continuity and Disaster Recovery Plans?

A19: Selected vendors must ensure that it maintains sufficient security protocols and systems to ensure the financial and/or personal information of program participants is protected. In addition, the MEDC agreement includes an access to records clause that will require the selected vendor to maintain books and records related to the work performed under the contract for a period of time, and to allow MEDC staff or State of Michigan auditors to verify compliance with the terms and conditions.

Q20: Given at times continued pandemic impacts, what are the requirements for onsite and offsite work expectation?

A20: Given the program serves employers across the state of Michigan, there is no onsite work requirement.

Q21: Are there any restrictions on font types, font size or use of images/charts within our responses?

A21: Each proposal should be prepared simply and economically, providing a straightforward, concise description of the Bidder's ability to meet the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

Q22: Are there any restrictions you can share if suppliers decide to engage with our partners to provide certain services?

A22: The MEDC reserves the right to approve subcontractors the selected vendor may use to perform the services. In addition, the agreement may not be assigned without the prior written approval of the MEDC.

Q23: What are your expectations for the duration of a contract (ie. 1, 2, 3 or + years) to the winner of this bid?

A23: The contract between MEDC and the vendor will be executed for a one-year period of time, with opportunity for renewal if the relationship is successful.

Q24: Can you share details of an MSA Terms and Conditions?

A24: See Section IV of the RFP for key terms and conditions. The MEDC and the selected vendor will execute a more detailed written agreement upon conclusion of the RFP process.

Q25: Can you share your expectations or details of the pricing model framework from suppliers (for example: monthly fixed fee, variable monthly per transition with supplier volume assumptions or other)?

A25: There are no specific expectations regarding the pricing model framework. The MEDC will enter into a contract with the selected vendor and the budget and terms of payment, including payment schedule (e.g., advance, reimbursement, or a combination), will be included in the agreement.

Q26: How will we get the data for the companies data from MEDC (company/interns) - Feed or API?

A26: This could depend on the payment system the vendor has, but could be received by soft copy (i.e., pdf copy of an invoice) or by entering information into a secure platform – the process should be simple and user-friendly.

Q27: Any current data to be migrated?

A27: No current data will need to be migrated, however, the vendor will need to confirm certain information with MEDC in order to fulfill a payment request – i.e., the status of the company in the program, the internship dates, whether the intern is part-time vs. full-time, the intern's salary, etc.

Q28: User authentication from the companies - Unless there are any predefined requirements, we will go with custom built user authentication

A28: STEM Forward has eligibility requirements for which companies, interns, and internships qualify for the program. Please review the following links: [Participating Companies | STEM Forward](#) | [Michigan Business and Internships | STEM Forward](#) | [Michigan Business](#).

Q29: Would MEDC need users set up for logging into the customer portal?

A29: This is not a specific requirement; however, it may become necessary to verify payments before they are issued to ensure the company and internship/intern are eligible for payment.

Q30: Any notification emails or texts needed?

A30: Communication is crucial to strong customer service – how the communication is executed may differ depending on the vendor. At minimum, employers should be aware of how and when to request reimbursement, how to receive payment, when they will receive payment, if payment is delayed and why, why a request is insufficient or denied, etc.

Q31: Any branding/creative needed for the customer portal?

A31: The STEM Forward program has branding and will have guidelines on how the program is marketed, but there are no specific requirements outside of that.

Q32: Any data feeds back to companies/MEDC needed?

A32: At minimum, the MEDC will need regular reports on payments requested, payments fulfilled, requests rejected, and employers will need confirmation that their request has been received and the status of their payment.

Q33: Are there any data retention period, if yes, for how long?

A33: Yes. Records must be retained for a period of seven years after the end of the contract.

Q34: Are there any PII?

A34: At minimum, payment requests from employers should include an intern's name, hourly wage, number of hours worked, and amount being requested for MEDC's contribution.

Q35: Reporting - Will it be ad hoc, or can we build them in a portal?

A35: Once the vendor is selected, we will work with the vendor to set up the reimbursement process and solidify the reporting requirements, including cadence and method for reporting. The MEDC utilizes Salesforce and reporting will be required on a regular basis through the Salesforce Portal.

Q36: How do we handle the payment cancellation?

A36: The program is designed to be a reimbursement of the employer's costs so the possibility of a payment cancellation should be low. In addition, the MEDC will be reviewing employer reimbursement requests before vendor issues payment in an effort to ensure that reimbursement requests are proper and accurate. If an incorrect or improper payment is the fault of the MEDC or the employer, the MEDC will bear responsibility for that cost (and the MEDC may seek recoupment of that cost from the employer). If the error is the fault of the vendor, then the vendor will bear responsibility for that cost. Once the vendor is selected, the MEDC will work with the vendor to test and walk-through the program cycle, including payment request scenarios, prior to launching to mitigate potential risks.

Q37: How will the selected vendor receive the funds to reimburse eligible companies?

A37: The MEDC will enter into a contract with the vendor and the terms of payment will be included in the agreement.

Q38: What is the form of payment to companies? Check? Direct Deposit?

A38: This could vary depending on the vendor.

Q39: What banking corporation does MEDC operate through? Is Comerica an option?

A39: The MEDC payments are processed through Concur. Vendors may use their lending institution of choice to receive funds.

Q40: If checks will be utilized, are they MEDC branded checks? Or that of the selected vendor?

A40: The program is administered and funded by the MEDC and the vendor will be responsible for issuing the payments directly to the employers.

Q41: How is the company eligibility criteria determined? Will the selected vendor have any responsibility associated with the application process?

A41: STEM Forward is administered by the MEDC Talent Solutions division and is responsible for issuing the program guidelines, reviewing and approving companies, internships, and interns, etc. The vendor will not be responsible for the application process, but an employer's status in the program can change if issues arise.

Q42: How do you currently measure/define a Michigan company's level of "strong operational presence"?

A42: Interns are required to work in the state of Michigan. Participating companies do not have to be headquartered in Michigan but must have at least one location where the intern will be working from through the duration of their internship, with at least one week (five business days) onsite.

Q43: What validations are currently required for eligible companies to be approved for reimbursement?

A43: The program has not utilized a reimbursement model previously. To date, the program has utilized a third-party payroll processor, who served as the employer-of-record for STEM Forward interns. Companies and the internships/interns must be approved by the program administrator (MEDC) to participate in the program and qualify for program funding.

Q44: Is there currently a Contact Center established for support of current business?

A44: During the summer and fall 2023 semesters, there were two forms of support created for STEM Forward (1) program administrative support and (2) payroll processing support. These supports were handled by a team of individuals within MEDC and from the third-party payroll vendor that was in place. Support was provided by email, phone, and in virtual calls.

Q45: What are the current FAQs?

A45: The MEDC created an Employer Handbook to outline the program guidelines, administrative processes, and respond to frequently asked questions. Please see page 4 for these FAQs: [stem-forward-employer-handbook.pdf \(michiganbusiness.org\)](https://www.michiganbusiness.org/stem-forward-employer-handbook.pdf).

Q46: What sort of metrics associated with Contact Center operations are currently provided to MEDC?

A46: The program does not utilize a Contact Center, but regular communication (e.g., weekly or biweekly check-ins) between the MEDC Talent Solutions division and the selected vendor will be required to ensure the program is successful and customer satisfaction is achieved.

Q47: How frequently are reimbursements paid out to companies?

A47: The program has not utilized a reimbursement model previously. To date, the program has utilized a third-party payroll processor, who served as the employer-of-record for STEM Forward interns. The frequency at which this is set up could vary depending on the selected vendor, but ideally employers should be able to request reimbursement on a weekly, biweekly, or – at most – monthly basis. STEM Forward supports a range of companies – from enterprise organizations to startups and we want to ensure that they have adequate financial support to sustain their efforts and grow their operations and experiential-learning opportunities.

Q48: What documents are needed from payees in order for the selected vendor to facilitate payment if checks are issued with the selected vendor as payer?

A48: This may vary depending on the vendor's payment process and system. At minimum, payment requests from employers should include an intern's name, hourly wage, number of hours worked, and amount being requested for MEDC's contribution. If a check is to be issued to the employer, the vendor will also need additional information to ensure the payment is successful, e.g., mailing address, recipient name.

Q49: Are there taxing requirements associated with the selected vendor issuing the payments? 1099s to business?

A49: There should be no taxing requirements. The employers will be responsible for paying their interns directly. The funding is a grant to the employer.