



Solicitation Information

22 Dec 03

RFP # B03255

TITLE: Credit Card Processing Services

Submission Deadline: 22 Jan 04 @ 2:20 PM

PRE-BID/ PROPOSAL CONFERENCE: Yes Date: 7 Jan 04 Time: 2:45 PM
Mandatory : No
Location: Dept. of Administration / Division of Purchases (2nd fl. Bid Room) One Capitol Hill, Providence, RI

Questions concerning this solicitation may also be e-mailed to the Division of Purchases at questions@purchasing.state.ri.us no later than **7 Jan 04 at 12:00 Noon (ET)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP / LOI # on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information

SURETY REQUIRED: No

BOND REQUIRED: No

Jerome D. Moynihan, C.P.M., CPPO
Administrator of Purchasing Systems

Vendors must register on-line at the State Purchasing Website at www.purchasing.state.ri.us.

NOTE TO VENDORS:

Offers received without the entire completed three-page RIVP Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

SECTION ONE

GENERAL INFORMATION AND PROPOSAL SUBMISSION

Instructions and Notifications to Offerors

- Potential offerors are advised to review all sections of this Request carefully, and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
- Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request will be rejected as being non-responsive.
- All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content, shall be borne by the offeror. The State assumes no responsibility for these costs.
- Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
- All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
- Proposals misdirected to other State locations or which are otherwise not present in the Office of Purchases at the time of opening, for any cause, will be determined to be late and will not be considered. For the purpose of recording proposal arrival, the "official" time clock is located in the reception area of the Office of Purchases.
- It is intended that an award pursuant to this Request will be made to a prime Contractor, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered, but subcontracts are permitted, provided that their use is clearly indicated in the offeror's proposal, and the subcontractor(s) proposed to be used are identified in the proposal.
- In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation shall have the right to transact business in the state until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040).
This is a requirement only of the successful bidder.
- Offerors are advised that all materials submitted to the State of Rhode Island for consideration in response to this Request for Proposals will be considered to be public records, as defined in

Title 38 Chapter 2 of the Rhode Island General Laws, without exception, and will be released for inspection immediately upon request, once an award has been made.

Interested parties should check the Division of Purchases web site on a regular basis, as additional information may be released, in the form of an addendum to this solicitation.

1.1 Background

The State of Rhode Island collects various taxes and fees from citizens and businesses each year. Currently, the majority of these collections are in the form cash and check. The State of Rhode Island is looking for ways to give taxpayers more options in payment methods for taxes, fees, licenses, registration and various other services and applications. In an effort to potentially improve cash flow, reduce overhead costs, improve security over revenue collections and/or to improve public convenience, the state is issuing a request for proposals for credit card processing services for the collection of taxes and fees via credit card. This solicitation, and subsequent contract award, is governed by the General Conditions of Purchase, available at www.purchasing.state.ri.us

1.2 Purpose

The purpose of this request for proposal (RFP) is to engage a full-service Vendor experienced in the development, installation and operation of credit card processing to offer the following:

- ◆ Internet based credit card processing system.
- ◆ Interactive Voice Response credit card processing services
- ◆ Over the counter credit card processing services

The proposed system must be capable of processing VISA, MasterCard, Discover, American Express/Optima, Carte Blanche and Diners Club, contingent on those entities' willingness to participate.

The Vendor will provide credit card transaction processing services for agencies that wish to accept payment through either Internet transactions, Interactive Voice Response transactions or Over The Counter transactions, as well as providing reports and reconciliation.

The contractor must also provide all the equipment and/or software as required for any charge card application that the State might approve during the term of this contract.

1.3 Proposals

This is a request for proposals, not an invitation for bid: responses will be evaluated on the basis of the relative merits of the proposal, in addition to price;

there will be no public opening and reading of responses received by the Division of Purchases pursuant to the Request.

To be considered, Vendors must submit a complete response to this RFP as follows: Each proposal must be submitted in one (1) original and five (5) copies to the State of Rhode Island. An official authorized to bind the Vendor to its provisions must sign the proposal. This RFP, together with the contents of the proposal of the successful Vendor, will contain much of the contract provisions between the parties. However, Vendors must submit a sample or proposed agreement for review. The final written agreements will be subject to negotiation. However, these agreements may not contain provisions totally inconsistent with basic contract terms in Section Four of this RFP. All proposals must be complete when submitted. Changes or additions will not be accepted after submission unless they are specifically requested by the state and all respondents are informed of the request and afforded an opportunity to submit comparable information. The Vendor must propose a total credit card processing system solution including hardware and software, networks, facilities, training and services.

1.4 RFP Response and Material Ownership

Title to all information and materials furnished to the State, together with all plans, system analysis and design specifications and drawings, reports and listings, all test data and test procedures and all other items pertaining to the work and services to be performed pursuant to this agreement shall become the property of the State. After this contract is terminated or has expired, the State shall have the full right to use each of the above for its purposes without compensation or approval by the contractor. The State of Rhode Island purchasing regulations governing RFP responses and material ownership will apply. Agreement must be reached prior to a contract award on any items referenced by the Vendor and considered to be proprietary, and not subject to disclosure. The State shall at all reasonable times have access to and the right to make copies of the above mentioned items. All material submitted regarding this RFP becomes the property of the State of Rhode Island and will not be returned.

1.5 Format for Required Information

Proposals must include the following:

- a. An R.I.V.I.P. generated bidder certification cover sheet (downloaded from the Division of Purchases internet home page at <http://www.purchasing.state.ri.us>).
- b. A separate, signed and sealed, Cost Proposal reflecting the fee structure proposed for this scope of service.
- c. A separate Technical Proposal describing the background, qualification and experience with and for similar programs, as

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well as the work plan or approach proposed for this requirement.

- d. A completed and signed W-9 taxpayer certification form, downloadable at www.purchasing.state.ri.us

All proposals must be submitted using the following format:

- a. *Executive Summary:* The proposal should begin with an Executive Summary of the Proposal no longer than two (2) pages. The Executive Summary is intended to highlight the contents of the Technical proposal and to provide state evaluators with a broad understanding of the offeror's technical approach and ability.
- b. *Organization and Staffing:* This section shall include identification of all staff and/or subcontractors proposed as members of the project team, and the duties, responsibilities and concentration of effort which apply to each.
- c. *Work Plan/Approach:* This section shall describe the offeror's understanding of the state's requirements, including the results intended and desired, the approach and/or methodology to be employed and a work plan for accomplishing the results proposed. The description of approach shall discuss and justify the proposed approach to be taken for each task and the technical issues that will or may be confronted at each stage of the project. The work plan description shall include a detailed proposed project schedule (by task and subtask), a list of tasks, activities and/or milestones that will be employed to administer the project, the assignment of staff members and concentration of effort for each, and attributable deliverables for each.
- d. *Previous Experience and Background:* A comprehensive listing of similar projects undertaken and/or similar clients served, including a brief description of the projects; and a description of the business background of the offeror (and all subcontractors proposed) including a description of their financial position.

(1.) *Key Personnel:* Identify key personnel that the Vendor proposes to assign to the credit card processing contract and provide resumes for key personnel. Key personnel includes, but is not limited to, contractor, subcontractor and special consultant professional and management level staff performing functions that require three years or more experience. At a minimum, key personnel will be responsible for project management, software design and development, training, installation and testing.

- (a) For each key personnel assigned to the project, the Vendor's proposal must contain their resumes. Additional consideration will be given to key personnel with credit card or EFT experience. Each resume must include:

Name

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Proposed level of effort and/or project commitment
Status (e.g. full-time, part-time, subcontractor, etc.)
Education
Experience: job title, length of employment, duties
Professional Certifications

(b) Contain three (3) professional references for each key person named. Each reference must include:

Description of the project organization and the role and responsibility performed by the person.

Start and end dates and levels of effort for the person's involvement.

Name, title, address and current telephone number for each reference.

© Describe the roles and responsibilities for each key person and how each key staff person designated is integral to the successful completion of the project.

(2.) *Project Manager:* Describe the background of the Project Manager proposed by the Vendor. The individual identified must have successfully managed within the past five years the integration or operation of a credit card system or other systems of comparable size and similar implementation complexity as defined within this RFP and have a minimum of three years experience in project management.

e. *Client References:* Please provide five (5) references that meet the following criteria:

- (1.) Customers of one (1) year or more.
- (2.) Please give preference to government customers and/or customers with similar characteristics.
- (3.) In addition to the five (5) required above, please include contacts from any accounts which were terminated nor not renewed in the last two (2) years.
- (4.) Any Vendor contemplating using a third party subcontracting arrangement should supply references that utilize similar arrangements and identify the structure of the relationship for each reference.

Please provide the name, title, address and telephone number of

reference contacts.

If you cannot meet the criteria listed above, please explain why.

- f. *Minority Business Enterprise:* The offeror's status as a Minority Business Enterprise (MBE), certified by the Rhode Island MBE Office, and/or a subcontracting plan which addresses the state's goal of ten per cent (10%) participation by MBE's in all state procurements. Questions concerning this requirement should be addressed to the MBE Officer at (401) 222-6253.
- g. *Attachment A:* Complete responses to Attachment A.

It is strongly suggested that questions contained in the RFP should be repeated in the Proposal with the answers to the questions following. Any supplemental information thought to be relevant, but not applicable to the specified categories, should be provided as an appendix to the proposal. The Vendor may refer to supplemental information or attachments to a proposal, but may not substitute such material for explicit responses.

EXAMPLE OF FORMAT FOR BID RESPONSE WHEN RESPONDING TO REQUESTS FOR INFORMATION:

“ 2.4 Questions related to software capability

- a. Please specify any limitations on the number of “Portfolios” or “Accounts” the system will handle.

The ACME Investment Accounting software can accommodate up to ten separate portfolios with five sub-accounts within each portfolio.

- b. How is the system date advanced? Can it be moved back?
The system date can only be advanced or moved back with the manual intervention of the Systems Administrator.

- c. Is the system capable of having certain tasks handled as “batch jobs”? Can these batch jobs be assigned user specified, run times?
The ACME Investment Accounting software can run batch jobs. The Systems Administrator can assign different run times for up to 25 users.”

1.6 Rejection of Proposals

The State reserves the right to reject any and all proposals received as a result of this RFP process. Any proposal judged to be incomplete or unresponsive will be rejected.

1.7 Amendments to the RFP

If it becomes necessary to revise the RFP after the response date, An amendment will be issued to all vendors who received the original RFP.

1.8 Questions Regarding the RFP

See page 1 of this solicitation.

1.9 Response Date

Responses (**an original plus five (5) copies**) should be mailed or hand-delivered in a sealed envelope marked “**RFP #B03255: Credit Card Services**” to:

By Courier:	By Mail:
RI Dept. of Administration Division of Purchases, 2nd floor One Capitol Hill Providence, RI 02908-5855	R.I. Department of Administration Division of Purchases P.O. Box 6528 Providence, RI 02940-6528

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed to the Division of Purchases will not be considered. The official time clock is located in the reception area of the Division of Purchases

1.10 Incurring Costs

All costs of preparation and presentation associated with your response to the RFP will be the responsibility of your firm.

1.11 Presentations (Oral Presentation/Clarification of Proposals)

Vendors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the State and/or submit written responses to questions from the State regarding their proposal. The purpose of the State’s communication with a vendor (either through an oral presentation or a letter of clarification) is to provide an opportunity for the vendor to clarify or elaborate on his/her proposal. Original submissions cannot be supplemented, changed or corrected in any way. No comments regarding other bidders or proposals are permitted, and bidders may not attend presentations by their competitors.

1.12 Alternative Methods

Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals that depart from or materially alter the terms, requirements or scope of work defined by the Request will be rejected as being non-responsive.

1.13 News Releases

News releases pertaining to this project shall not be made without the prior written permission of the state, and then only in coordination with the designated state project manager.

1.14 Proposal Evaluation and Selection Criteria

All proposals from Vendors will be reviewed and evaluated by a committee of qualified personnel. It is expected that this committee will select two or three finalists that may be required to make presentations and none of the costs associated with this presentation will be reimbursed by the State.

The following areas will be considered in making a selection:

- (a) **Qualifications** The Vendor's commitment to the operational services, individual expertise and experience of its personnel is as important as the Vendor's ability to provide the services. The selection committee will weigh heavily the Vendor's quality, both in terms of services and personnel, and comments from the references that must be provided. The committee will carefully consider the experience of other public entities that have used the Vendor's services.
- (b) **Technology** Vendors should make plain any technological advantages of the hardware and software proposed. Additional features, operational advantages, planned upgrades, low resource use, and flexibility, for example, would fall into this category.
- (c) **Cost** While cost is always an important issue for any governmental body, it will not be a deciding factor by itself. Even where the cost will be borne by an individual making payment to a state agency, this office has a responsibility to get the best price possible for Rhode Island citizens and those making payments to the State. The lowest cost Vendor will not necessarily be awarded the business if, in the opinion of the State, another Vendor can better meet the overall goals and objectives.
- (d) **Responsiveness to the RFP** The selection committee will be evaluating Vendors' proposals to make sure that the Vendor

understands the needs of the State and adequately responds to the questions and requests for information.

1.15 Disclosure of Proposal Content

Everything contained in a Vendor’s proposal will presumptively become an open record upon the delivery to the State under the Rhode Island procurement laws. However, if a Vendor feels that material submitted with its proposal is exempt from that Act, or is covered by a confidentiality statute, the Vendor needs to state the nature of the exemption in its proposal. If a bid contains information that the Vendor claims is not subject to disclosure, and does not want it disclosed to the public or used by the State for any purpose other than evaluation of the proposal. The pages containing such information shall be marked by the respondent with the following statement: “This information should not be duplicated, used or disclosed in whole or in part for any purpose other than evaluation of the bid.” This restriction on disclosure shall be subject to the caveat that the State shall have the right to duplicate, use or disclose the information to the full extent provided in the RFP or final contract. The contract itself will be a public document available for public inspection. Also, any restrictions imposed by a Vendor do not limit the State’s right to use information contained therein if such information is also obtained from another source or otherwise available to the State. All proposals and documents pertaining to the proposals will be open to the public, except for the material that is proprietary or confidential. Proprietary or confidential data shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal. The price of products offered or the cost of services proposed shall not be designated as proprietary or confidential information.

SECTION TWO

Scope of Work Specifications

2.1 Credit Card Processing Requirements

2.1.1 Internet Based Electronic Credit Card Processing

This request for proposals is issued to obtain credit card processing services. Vendor must acknowledge that it can meet these specifications and state how each will be met. This section contains several minimum requirements to secure a contract to perform these services. These requirements are specifically incorporated into the contract between the successful Vendor and the State.

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The vendor must provide a website that can coordinate with:

- ◆ Rhode Island State agency websites, or
- ◆ a single State E-commerce portal , and
- ◆ State-authorized fiscal/payment agents' websites for all state agencies to accept and process tax and fee payments in this manner, and that can guide persons making payment to agencies through the payment process.

Note: The Vendor must produce written plans and a menu structure, which the state must approve prior to its implementation.

The proposed system must be capable of processing VISA, MasterCard, Discover, American Express/Optima, Carte Blanche and Diners Club, contingent on their willingness to participate.

The Contractor must provide software that:

- Automatically captures payment details;
- Obtains authorizations for payment amounts;
- Provides rejection detail for non-authorized transactions;
- Processes transactions for any of the previously mentioned major credit cards;
- Stores payment detail records for a minimum of two years;
- Vendor will provide reports listing daily detail transactions and daily summaries of transactions;
- Vendor shall allow participating agencies to download the daily transaction detail file, daily transaction detail reports and daily summary reports either asynchronously or using the Internet FTP, preferably encrypted, therefore the Vendor would also provide the decryption software, or
- Vendor will transmit the daily detail file, the daily transaction detail file and daily summary reports to the State's computer via Internet FTP, preferably encrypted, therefore the Vendor would also provide the decryption software.
- Vendor shall provide on-site training for the operators and management on the system. Training will include operating the system, report generation and programming of the system.

The system must be available 7 days a week, 24 hours a day. The vendor must indicate any days, if any, that the system will not be available, e.g., holidays etc.

2.1.2 Interactive Voice Response System (IVR) Credit Card Processing

The Contractor must provide a toll free telephone access to computer-based voice scripts and menus that guide the payer through the payment process for all state agencies to accept and process tax and fee payments in this manner.

Note: The Contractor must produce written IVR scripts and a menu structure, which the State must approve prior to its implementation.

The proposed system must be capable of processing VISA, MasterCard, Discover and American Express, contingent on their willingness to participate.

The Contractor must provide software that:

- ◆ Automatically captures payment details;
- ◆ Obtains authorizations for payment amounts;
- ◆ Provides rejection scripts for non-authorized transactions;
- ◆ Processes transactions for any of the previously mentioned major credit cards;
- ◆ Stores payment detail records for a minimum of two years;
- ◆ Vendor will provide reports listing daily detail transactions and daily summaries of transactions;
- ◆ Vendor shall allow participating agencies to download the daily transaction detail file, daily transaction detail reports and daily summary reports either asynchronously or using the Internet FTP, preferably encrypted, therefore, the Vendor would also provide the decryption software, or
- ◆ Vendor will transmit the daily detail file, the daily transaction detail file and daily summary reports to the State's computer via Internet FTP, preferably encrypted, therefore, the Vendor would also provide the decryption software.
- ◆ Vendor shall provide on-site training for the operators and management on the system. Training will include operating the system, report generation and programming of the system.

The system must be available 7 days a week, 24 hours a day. The Contractor must indicate any days, that the system will not be available, e.g., holidays, etc.

2.1.3 Over the Counter Credit Card Processing

The Contractor must provide point of sale (POS) credit card processing devices and services to all state agencies willing to accept and process tax and fee payments in this manner. The POS devices must interface directly with the vendor's credit card processing software so as to establish, accept, manage, monitor, validate and authorize all credit card transactions accepted "over-the-counter".

The proposed system must be capable of processing VISA, MasterCard, Discover, American Express/Optima, Carte Blanche and Diners Club, contingent on their willingness to participate.

The Contractor must provide software that:

- Automatically captures payment details;
- Obtains authorizations for payment amounts;
- Provides rejection detail for non-authorized transactions;
- Processes transactions for any of the previously mentioned major credit cards;
- Stores payment detail records for a minimum of two years; and,
- Vendor will provide reports listing daily detail transactions and daily summaries of transactions;
- Vendor shall allow participating agencies to download the daily transaction detail file, daily transaction detail reports and daily summary reports either asynchronously or using the Internet FTP, preferably encrypted, therefore vendor would also provide the decryption software, or
- Vendor will transmit the daily detail file, the daily transaction detail file and daily summary reports to the State's computer via Internet FTP, preferably encrypted, therefore vendor would also provide the decryption software.
- Vendor shall provide on-site training for the operators and management on the system. Training will include operating the system, report generation and programming of the system.

The system must be available 7 days a week, 24 hours a day. The vendor must indicate any days, if any, that the system will not be available, e.g., holidays, etc.

2.2 Transfer of Funds

State funds must be transferred directly from the credit card companies to an account(s) specified by the State. The method of payment must be by an Automated Clearing House (ACH) credit. The Vendor and State will establish the frequency of transfer of funds for various state agencies based upon state laws, federal reserve operating rules and credit card association rules.

2.3 Transaction Requirements and Supporting Documentation

Authorization shall be provided for all transactions.

Describe how your service authenticates the validity of the consumer/taxpayer's credit card; for example, social security number or mailing address of the cardholder. Describe the interface between your systems and the State Agency's home page (or portal).

Vendor will bill on a monthly basis for all charge back items, in addition to individual billings to agency locations during the month. Billing will be by agency unless the agency has more than one account. The Vendor will not reduce sales proceeds or charge back any items, as all returns must go through the State's accounting process as an expense.

Electronic files on individual transactions must be received by the State by 8:00 a.m. (Eastern Time) the next business day after the transactions have been authorized and accepted by the consumer/taxpayer. The transmission of data must be accomplished in a time frame established by the State and in a manner that is compatible with existing State platforms. The State currently supports most transfer protocols, i.e., FTP, dial-up. During the detailed design phase at the initiation of this project, the file transfer layout, mechanism, and protocol will be finalized. The vendor shall provide transaction listings, daily summaries and work with the State in producing reports deemed necessary to reconcile transactions. Transaction reports must provide detail categorized by payment type or code relating to, and totaling to, the daily deposit amount transferred to the State's bank account.

Electronic files on individual transactions must be sent or received by participating agencies by 8:00 a.m. (Eastern Time) the next business day after the transactions have been authorized and accepted by the consumer/taxpayer.

The vendor must be able to interface with each state agency Web page and with each State-authorized agent Web page.

2.4 Telephone Support

The vendor must provide a toll free number to consumers/taxpayers for making inquiries about their credit card payments.

The vendor must provide to the State a toll free number for inquiry and customer service, staffed by personnel who are familiar with the terms and conditions of the contract. This number must be available during standard business hours between 7:30 a.m. and 5:00 p.m. (Eastern Standard Time).

2.5 State Security and Privacy Requirements

The Social Security Number, credit card number, and any other information obtained by Vendor, from a person using the Vendor's system, that might be used to identify or locate an individual is confidential and may not be used by the Vendor, or other parties, for any purpose other than processing of the credit card payment. Specifically prohibited is the selling of, or otherwise transmitting, this information to third parties for the purpose of preparing mailing lists or other third party use.

2.6 Equipment Warranty

Vendor shall supply a one (1) year warranty on all equipment provided under the Request. The warranty shall include all on-site service, including all parts and labor to repair or replacement equipment.

2.7 Marketing Plan

As part of this credit card acceptance program, The offeror must include a "roll out" marketing/public awareness campaign to inform Rhode Islanders that the state is now accepting credit cards as a method of payment. The "roll out" period is considered, at a minimum, to sixty (60) days from the first date of acceptance for each agency that wishes to accept payment through either Internet transactions, Interactive Voice Response transactions or Over The Counter transactions.

2.8 Project Schedule

Implementation of the proposed Credit Card system is divided into three phases: Design, Development and Implementation. These phases will begin after a Vendor is selected and the contract is awarded. The following information is provided to allow the Vendor the opportunity to assess implementation needs to be included in the response to the RFP.

A target date for implementation is March 1, 2004 (process credit card transactions at whichever state agency(cies) are ready, willing and able to do so). The Vendor will provide an implementation plan by phase.

(a) Phase 1-Design

The project design will be created from information gathered at meetings with the agencies that have a current need for credit card processing and those that will be involved in the future.

(b) Phase 2-Implementation

The implementation plan will include detailed work plans for all categories involved in the implementation. These categories include: system development, data communication, administration, operations, training, and settlement.

SECTION THREE

Pricing

3.1 Pricing

It is intended that the pricing structure in your proposal will apply to any and all state agencies that choose to use your services. This approach will obviate the need for additional procurements for similar services by individual agencies. However, the State does not make any representation that any state agency will choose to use the services of any particular service provider under this master agreement to be established as a result of this RFP, or that card sales projections presented in the RFP will be realized.

3.2 Duration of Pricing

All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.

Pricing schedules are to cover the three year period from (approx.) 1 March 04 through 28 Feb 07. The costs stated in this proposal will be considered to be effective from the effective date of the Agreement until three years from the Start of the service, with two, separate options for renewal for one-year periods under the same terms and conditions.

3.3 Funds Availability Options

Indicate any pricing variations associated with funds availability schedules and the options available to the State.

3.4 Price Sheets

Vendors shall submit their prices on the Price Sheets or Schedules which detail all fees and charges applicable to a transaction. Failure to submit all information required will result in the proposal being considered non-responsive. Vendors are required to hold prices firm for a minimum of ninety (90) days in order that an award can be made. (This is a separate requirement from the obligations under par. 4.2 herein).

SECTION FOUR

Basic Contract Terms

4.1 Term of Contract

See section 3.2

The anticipated term of this contract is for an initial period beginning _____ through _____ with two (2) additional one (1) year options to renew at the option of the State.

4.2 Termination for Cause

The State may terminate this contract, or any part of this contract, for cause under any one of the following circumstances:

- (a) The Vendor fails to make delivery of services as specified in this contract; or
- (b) The Vendor fails to perform any of the provisions of this contract, fails to perform in a professionally acceptable manner or fails to timely perform, as to endanger the ability of the state or its agencies who use the services to perform their duties.

The State shall provide the Vendor with written notice of the conditions endangering performance. If the Vendor fails to remedy the conditions within ten (10) days from the receipt of the notice (or such longer period as may be authorized in writing), the State shall issue the Vendor an order to stop work immediately. Receipt of the notice shall be presumed to have occurred within three (3) days of the date of the notice.

In the event an authorized state representative or agent believes that the assets of the state are in jeopardy, or there is a bona-fide emergency related to these assets, the State can cancel the contract immediately or upon such notice as is reasonable.

4.3 Termination for Convenience

The State may terminate performance of work under this contract in whole or in part whenever, for any reason, the state shall determine that the termination is in the best interest of the State of Rhode Island. In the event that the State elects to terminate this contract pursuant to this provision, it shall provide the Vendor written notice at least thirty (30) days prior to the termination date. The termination shall be effective as of the date specified in the notice. The Vendor shall continue to perform any part of the work that may have not been terminated by the notice. In the event termination occurs under this provision such shall be without liability to the State of Rhode Island and any officer and employee thereof.

4.4 Notices

All notices, demands, requests, approvals reports, instructions, consents or other communications (collectively “notices”) which may be required or desired to be given by either party to the other after the effective date of the contract shall be in writing and shall be made by personal delivery or sent by United States certified mail, postage prepaid, return receipt requested or by overnight delivery, prepaid, addressed as follows:

Lawrence Franklin, Jr., State Controller
Office of Accounts and Control
One Capitol Hill
Providence, R.I. 02908

or to any other persons or addresses as may be designated by notice from one party to the other.

4.5 Rights and Remedies

If this contract is terminated, the State in addition to any other rights provided for in this contract, may require the Vendor to transfer title and deliver to the State in the manner and to the extent directed, any material or work product generated under this contract. The State shall be obligated only for those services, materials and work product rendered and accepted prior to the date of termination.

If it is determined, after notice of termination for cause, that the Vendor’s failure was due to causes beyond the control of or negligence of the Vendor, the termination shall be a termination in the best interest of the State.

In event of termination, the Vendor shall receive payment pro rated for that portion of the contract period services were provided to and were accepted by the State subject to any offset by the State for actual damages.

The rights and remedies of the State provided for in this contract shall not be exclusive and are in addition to any other rights and remedies provided by law.

4.6 Force Majeure

The Vendor shall not be liable if the failure to perform this contract arises out of acts of nature, fire, quarantine or strikes other than by the Vendor's employees.

4.7 Waiver

Waiver by the State of any breach of any provision in this contract shall not be a waiver of any prior or subsequent breach. Any waiver shall be in writing and any forbearance or indulgence in any other form or manner by the State shall not constitute a waiver.

4.8 Ownership

All data, forms, procedures, software, manuals, system descriptions and work flows developed or accumulated by the Vendor specifically to perform under this contract shall be owned by the State. The Vendor may not release any of such materials without the written approval of the State.

4.9 Independent Contractor

Both parties, in the performance of this contract, shall be acting in their individual capacity and not as agents, employees, partners in a joint venture or associates of one another. The employees or agents of one party shall not be construed to be the employees or agents of the other party for any purpose. However, this shall not prevent a joint proposal submitted by more than one firm, if the relationship is disclosed in the proposal and accepted by the State.

The Vendor accepts full responsibility for payment of unemployment insurance, workers compensation and social security as well as all income tax deductions and any other taxes or payroll deductions required by law for its employees engaged in work authorized by this contract.

4.10 Staff Qualifications

The Vendor shall warrant that all persons assigned by it to the performance of this contract shall be employees of the Vendor (or specified subcontractor) and shall be fully qualified to perform the work required. The Vendor shall include a similar provision in any contract with any subcontractor selected to perform work under this contract.

Failure of the Vendor to provide qualified staffing at the level required by the proposal specifications may result in termination of this contract for cause.

4.11 Conflict of Interest

The Vendor shall not knowingly employ, during the period of this contract or any extensions to it, any professional personnel who are also in the employ of the State or the State of Rhode Island and who are providing services related to this contract or services similar in nature to the scope of this contract with the State. Furthermore, the Vendor shall not knowingly employ, during the period of this contract or any extensions to it, any state employee who has participated in the drafting of this request or proposals or evaluation of the proposals, until at least one year after such person's termination of employment with the State of Rhode Island.

4.12 Confidentiality

The Vendor may have access to private or confidential data maintained by the State to the extent necessary to carry out its responsibilities under this contract. The Vendor must comply with the Rhode Island Open Records Act, as directed by the State.

No private or confidential data collected, maintained or used in the course of performance of this contract shall be disseminated by the Vendor except as required by statute, either during the period of the contract or thereafter. The Vendor must agree to return any and all data furnished by the State promptly at the request of the State in whatever form it is maintained by the Vendor. On the termination or expiration of this contract, the Vendor will not use any such data or any material derived from the data for any purpose and where so instructed by the State will destroy or render it unreadable.

4.13 Nondiscrimination, Workplace Safety and Environmental Protection

The Vendor agrees to abide by all state, federal and local laws, rules and regulations prohibiting discrimination in employment, controlling workplace safety, and protection of the environment. The Vendor shall

report any violations to the applicable government agency. Any violation of applicable laws, rules and regulations may result in termination of this contract.

4.14 Hold Harmless

The Vendor shall hold harmless and indemnify the State against any and all liability and claims for injury to or death of any persons; liability and claims for loss or damage to any property; liability and claims for infringement of any copyright or patent occurring in connection with or in any way incidental to or arising out of the occupancy, use, service, operations or performance of work under this contract; and any other liability and claims made against the State resulting from the operation or performance of work under this contract.

The State shall not be precluded from receiving the benefits of any insurance the Vendor may carry which provides for indemnification for any loss or damage to property in the Vendor's custody and control, where such a loss or destruction is to state property. The Vendor shall do nothing to prejudice the State's right to recover against third parties for any loss, destruction or damage to state property.

4.15 Care of State Property

The Vendor shall be responsible for the proper care and custody of any personal property owned by the State and furnished to the Vendor in connection with the performance of this contract, and the Vendor will reimburse the State for such property's loss or damage caused by the Vendor.

4.16 Prohibition of Gratuities

Neither the Vendor nor any person, firm or corporation employed by the Vendor in the performance of their contract shall offer or give any gift, money or anything of value or any promise for future reward or compensation to any state employee at any time.

4.17 Retention of Records

Unless the State specifies in writing a shorter period of time, the Vendor agrees to preserve and make available all of its books, documents, paper, records and other evidence involving transactions related to this contract for a period of at least five (5) years from the date of the expiration or termination of this contract.

4.18 Federal, State and Local Taxes-Contractor

The State of Rhode Island makes no representation as to the exemption from liability of the Vendor from any tax imposed by any governmental entity.

4.19 Modification

This contract shall be modified only by the written agreement of the parties. No alteration or variation of the terms and conditions of the contract shall be valid unless made in writing and signed by the parties. Every amendment shall specify the date on which its provisions shall be effective.

4.20 Assignment

The Vendor shall not assign, convey, encumber, or otherwise transfer its rights or duties under this contract without the prior written consent of the State of Rhode Island.

This contract shall immediately terminate in the event of its assignment, conveyance, encumbrance or other transfer by the Vendor without the prior written consent of the State.

4.21 Third Party Beneficiaries

Except as to the State this contract shall not be construed as providing an enforceable right to any third party.

SECTION FIVE

5.1 Evaluation of Proposals

The State will commission a Technical Review Committee that will evaluate and score all proposals using the following criteria:

Experience, Responsiveness of proposal, Capacity, Technology, Client references	0-40 points
Costs	0-60 points

Proposals found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further.

The State reserves the right to accept or reject all offers, bids, proposals, and to act in its best interest. The State reserves the right to award based on cost alone.

Attachment A

Answers to the following items should address all three types of credit card acceptance methods anticipated by the state: Internet, Interactive Voice Response, Over the Counter. If any item is not applicable to a method, indicate such. Answers to items 1 through 10 should be provided as part of the offeror's Technical Proposal. Answers to items 11 through 13 should be provided as part of the offeror's Cost Proposal.

1. Describe your credit card processing hardware and software.
2. Describe the telecommunications aspects involved.
3. Describe your data backup and data recovery plans.
4. Describe any limitations on processing.
5. Describe the process for handling charge-backs.
6. Describe the various methods of obtaining credit card authorizations.
7. Describe how multiple merchant locations are set up and handled.
8. Describe the settlement process and the timing of collected funds.
9. Describe all customer services offered to merchants.
10. Describe the various billing options available to merchants.
11. Describe the following five rates. (Each rate should be bundled and cover all aspects of the transaction, not individual charges.)
 - a. Qualified rate.
 - b. Mid-qualified rate.
 - c. Nonqualified rate-card present.
 - d. Qualified rate-card not present.
 - e. Nonqualified rate-card not present.
12. Describe the equipment/software needed to qualify for the lowest rate.
13. Quote the following fees:
 - a. Discount fees.
 - b. Equipment cost (lease and purchase) and upgrade fees.
 - c. Settlement fees.
 - d. Charge-back fees.
 - e. Set-up fees.
 - f. Supplies.
 - g. Communication and transmission fees.
 - h. Reports and /or reporting fees.
 - i. Annual fees.
 - j. Any other fee not listed above.